



CODE OF CONDUCT

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A COMMITMENT ON THE PART OF MANAGEMENT

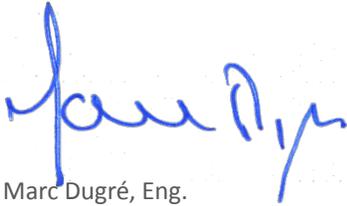
1. A commitment on the part of management

Regulvar's Code of Conduct reflects our commitment to the long-term sustainability of physical, social and economic environments, as well as the pursuit of good governance. It expresses a voluntary improvement approach that goes beyond legal requirements.

In this regard, one of **Regulvar**'s objectives is to raise awareness within the company in order to promote best business practices and healthy competition. **Regulvar** would like to seize this opportunity to become a pioneer of good governance in Quebec, and to make its mark through quality work and honest business practices.

This Code sets out the general principles for acceptable behaviour in our relationships with one another, as well as with our clients, suppliers, partners and members of the communities in which we live and work.

It is based on **Regulvar**'s values and philosophy, which have contributed to our success and solid reputation since the company was founded in 1974.



Marc Dugré, Eng.

President, Regulvar Inc.

1.1. SCOPE AND RESPONSIBILITIES

This Code of Conduct applies, without exception, to all **Regulvar** administrators, managers and employees. In addition, **Regulvar**'s suppliers and partners are invited to read and comply with the Code.

VISION, MISSION, VALUES

2. Vision, mission, values

VISION

Regulvar wishes to affirm its status as a leader in automatic control, system integration and building automation by developing innovative solutions based on the latest technology, and by adopting an environmentally responsible approach.

Regulvar also seeks to offer its clients value-added solutions by proposing ways to optimize building-related costs, increase technical and energy efficiency, and simplify management processes, in addition to ensuring the comfort and safety of building occupants.

MISSION

As a building automation specialist, **Regulvar** develops and implements automatic control and system integration solutions for clients of all sizes, with a view to optimizing building performance.

VALUES

Regulvar's values affirm our principles and guide our daily activities. All **Regulvar** employees undertake to adopt best business practices at all times and to comply with existing laws, standards and codes, in accordance with our corporate values:

- Rigour – develop appropriate, customized solutions
- Innovation – offer innovative, top-notch, reliable solutions
- Versatility – complete a wide variety of projects, of any scope
- Expertise – develop original, carefully planned solutions
- Professionalism – ensure high-quality service
- Accessibility – provide local, customized service
- Collaboration – work together to achieve anticipated outcomes

It was with these values in mind that **Regulvar** adopted this Code of Conduct, which defines **Regulvar's** perspective and expectations regarding the conduct of the company, its employees and its representatives.

3. Principles

3.1. CONFLICTS OF INTEREST

A conflict of interest occurs in a situation where a **Regulvar** employee has a personal interest or connection that affects or appears to affect his or her ability to work in an impartial and objective manner. A personal interest involves any benefit this employee may derive from, or grant to, individuals or organizations with whom he or she has a business, personal or political relationship.

Employees are expected to:

- Avoid situations where their personal interests may enter into conflict with those of the company, for instance, helping to prepare the bid of a company in which they have a personal stake.
- Never use their position at **Regulvar** for their own benefit, or for the benefit of a direct or an indirect acquaintance.
- Never have an interest in any entity that does business with the company, its subsidiaries or joint business ventures, unless this interest has been fully disclosed and authorized.
- Be aware that **Regulvar** will consider any undisclosed conflict of interest to be a serious offense.
- Avoid actions or relationships that could constitute a conflict of interest, or that might appear to conflict with their professional responsibilities or the company's interests, or that might compromise the impartiality of their actions or decisions on behalf of the company.
- Disclose their outside activities, financial interests or relationships that could constitute a potential conflict of interest or create the appearance of such a conflict. These disclosures must be made in writing and sent to the company president.
- Ensure that any activity conducted outside working hours does not involve a real or apparent conflict of interest with regard to the company's activities and/or their job.
- Never take advantage of a situation, internal information, or the authority of their position in order to obtain an advantage of any kind.
- Never influence or seek to influence negotiations or deals with **Regulvar** in order to obtain an advantage for anyone.
- Never favour certain clients or suppliers for personal reasons.
- Never use the company name to obtain discounts or preferential treatment, without written authorization.

HOW CAN YOU TELL IF YOU ARE IN A CONFLICT OF INTEREST?

Ask yourself the following questions:

“Am I performing my duties in an entirely objective and impartial manner?”

“Are my actions or decisions giving me, or a relative, or some other entity, such as a company or other groups in which I am involved, a financial or other benefit?”

“Could my actions or decisions give the impression that I acted out of personal interest, or in the interest of a close relative or friend?”

If you're not sure about a situation that might involve an actual or potential conflict of interest, contact:

Johanne Quevillon, Administrative Director and Integrity Officer

EXAMPLE 1: *I need to replace the water heater in my home and I'd like to use the company truck to transport my new water heater. Can I use the truck for this purpose?*

ANSWER 1: *Yes, if it is a taxable benefit. In other words, if you keep a log of trips made with the vehicle throughout the year, recording your mileage for work and personal use, and if you pay taxes for your personal use. Any other person (e.g., your brother-in-law) would not be entitled to borrow the company vehicle.*

QUESTION 2: *A client asks me to drop by one evening to help him install a Delta Controls controller that he bought at the Regulvar parts department. Can I agree to his request?*

ANSWER 2: *No. It is prohibited to use company tools, trucks, processes and standards for the benefit of a third party or for one's own benefit.*

3.2. GIFTS AND INVITATIONS

Regulvar has adopted a policy and procedures regarding the acceptance of donations, gifts, entertainment and other benefits offered to its employees. **Regulvar** has also put in place a register of gifts, donations and solicitations in order to record all gifts, donations and invitations offered by **Regulvar** or received by **Regulvar** employees. Managers must refer all cases concerning their branch to the integrity officer.

Employees are expected to:

- Make sure that any gifts, donations and invitations they offer are appropriate and comply with the rules set out in this Code of Conduct.
- Inform and obtain prior authorization from their manager or the integrity officer for any gift, donation or invitation that they wish to give or that is offered to them by any individual or entity. If the manager or integrity officer grants this authorization, any donation, gift and/or invitation made or received must be recorded by **Regulvar** in this register of gifts, donations and solicitations.
- Make sure they never solicit donations, gifts or invitations from a partner or supplier if this contravenes the criteria and requirements set out in this section.
- Give to their manager or the integrity officer any gift they are authorized to receive, so that it may be offered to the entire group via a random draw.
- Personally attend any event for which they have accepted an invitation, with prior authorization. If employees cannot personally attend, they must immediately notify their manager or the integrity officer who will decide whether the invitation must be declined or offered to the group via a random draw. Notwithstanding the foregoing, if employees wish to invite someone to a restaurant, they must inform and obtain prior authorization from their manager or the integrity officer if the cost of the meal (total

PRINCIPLES

amount of the bill including beverages, food, tip and taxes) is more than \$100. Employees must also obtain prior authorization from their manager or the integrity officer if they invite the same person to a restaurant within a one-month period, and the cost of the meals (total amount of the bill including beverages, food, tip and taxes) totals \$175 or more.

- Inform all **Regulvar** partners and suppliers of the company policy in order to avoid any misunderstanding.

Management will use the following criteria to determine whether an employee may accept, propose or offer gifts or invitations:

- They are not cash gifts or easily convertible into cash (e.g., securities, cheques or money orders).
- They are consistent with accepted business practices in Canada.
- They cannot be interpreted as an attempt to corrupt or influence, or as a form of payment for a specific operation or recommendation.
- They do not contravene any law or affect the integrity of the employee or **Regulvar** (in cases where we propose or offer gifts, these must not affect the integrity of the recipients or their organization).
- They would not affect the reputation of the employees or **Regulvar** if they were to be made public.
- They do not place the employee or **Regulvar** in an awkward situation or in a situation where the employee or **Regulvar** feel indebted.
- The nature of the gift or invitation, and the circumstances in which they are offered.

EXAMPLE 1: *A supplier gives you a pair of tickets to a hockey game. Can you accept them?*

ANSWER 1: *Yes, provided you obtain prior authorization from your manager or the integrity officer who will offer the tickets to the group via a random draw.*

EXAMPLE 2: *A supplier invites you to accompany him to a show. Can you accept his invitation?*

ANSWER 2: *Yes, provided you have obtained permission from your manager or the integrity officer and you go in person. You cannot give the ticket(s) to an acquaintance. If you cannot attend the show, your manager or the integrity officer will decide whether someone can replace you and, if so, will select the individual or will offer the ticket(s) to the group via a random draw.*

3.3. CALLS FOR TENDER AND CONTRACTS

It is forbidden to communicate, or attempt to communicate, with any individual with the intention of intimidating, influencing or corrupting in order to:

- Exert influence.
- Work in collusion, reach agreements or make arrangements with other stakeholders related to bid prices or contracts to bid on.
- Influence bid prices or the selection of bidders in all types of call for tenders.

EXAMPLE: *If you are an estimator and are taking part in a pre-project visit, you may not communicate any information whatsoever to competitors. It is also forbidden to compare submitted prices with them after the bid closing date.*

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3.4. CORRUPTION

Regulvar does not engage in or tolerate any form of corruption.

Corruption involves proposing, giving, receiving, soliciting or accepting a gift, money, guarantee or benefit with a view to influencing the actions of other parties in the performance of their public and legal duties. Corruption is a criminal offense in Canada.

Regulvar does not seek to influence, for private ends, any individual or organization by using its official position or through use of force or threats. Extortion occurs when a public officer solicits or illegally obtains money or material goods through intimidation. Extortion involves threats to inflict physical or material harm, accuse the person of a crime, or reveal compromising information. Extortion is a criminal offense in Canada.

Employees are expected to:

- Respect the law. This Code is simply a reminder of certain established standards.
- Refrain from cheating, tricking or abusing trust to obtain an advantage through unfair or dishonest means.
- Refrain from illegally appropriating or embezzling goods or funds entrusted to them.
- Never engage in any form of corruption, extortion or intimidation.

3.5. POLITICAL CONTRIBUTIONS

Employees may participate in, and make personal contributions to, political activities. However, they are not authorized to directly or indirectly contribute funds to political parties on behalf of **Regulvar**. It is therefore important to draw a distinction between a personal political contribution and a contribution made on behalf of the company.

3.6. RESPECT FOR THE LAW

Regulvar employees undertake to carry out their activities in compliance with applicable laws, standards and regulations. They also agree to respect the company's regulations, policies and internal procedures, as well as the rules of conduct and code of ethics specific to their profession.

Employees are expected to:

- Never contravene the above regulations, either directly or indirectly.
- Never allow, help or encourage clients, suppliers or any other party to take measures that contravene the above regulations.
- Never show any form of sexual, psychological or moral harassment. *See Regulvar's "Anti-harassment policy" and its "Policy regarding the use and consumption of drugs, alcohol, prescription drugs and other substances" (attached and on Sharepoint).*

Example of expected behaviour:

Respect for working hours, required performance levels and general working conditions.

Example of behaviour that is not tolerated:

Consumption of drugs or alcohol, personal Internet use, failure to respect working hours.

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3.7. RESPECT FOR THE ENVIRONMENT

Regulvar employees undertake to perform their duties in a responsible manner that respects environmental laws and regulations. Employees are also committed to preserving natural resources and reducing waste and harmful emissions.

3.8. HEALTH AND SAFETY

Regulvar is committed to providing a safe and healthy working environment in which employees, visitors, suppliers and clients feel protected. The company encourages all employees to get involved in the health and safety program.

Employees are expected to:

- Respect health and safety guidelines and regulations.
- Respect the instructions and rules of the prevention mutual group, if applicable.
- Help to improve the existing health and safety program.
- Remain vigilant and immediately report to their manager incidents, anomalies, malfunctions, concerns or potentially dangerous behaviours.
- Refrain from exposing themselves or anyone else to a situation that could compromise their health and safety.

3.9. USE OF COMPANY PROPERTY AND WORKING HOURS

Company property (tangible and intangible) and resources, including working hours, must be used exclusively for the benefit of the company. Employees may tend to personal matters, provided it is to a reasonable degree and does not disrupt their work or generate additional costs for the company.

The company name and logo are trademarks and must not be used by employees for purposes other than the performance of their duties, in compliance with company standards.

Under certain circumstances, **Regulvar** allows employees to use company property (tools, equipment, etc.) and services (phones, faxes, computers, etc.) for personal purposes, provided they:

1. Obtain prior authorization from their manager or the integrity officer.
2. Borrow or use the property or services themselves.
3. Are qualified to use the property or services in question.
4. Do not negatively impact the company's productivity by using or borrowing the property or services.
5. Return borrowed goods, in good condition, by the deadline set by their manager (failing which, they will have to cover the cost of repairing or replacing these items).

The responsible and reasonable use of company resources allows everyone to continue enjoying this benefit.

Employees are expected to:

- Return the property to the company when their work contract ends.
- Protect company property. *See Regulvar's "Policy regarding the use of a laptop" (attached and on Sharepoint).*

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- Protect the vehicle provided by **Regulvar**. See the Regulvar policy “Obligations of employees provided with a company vehicle” (attached and on Sharepoint).
- Never steal, sell, lend, give, neglect, destroy or waste company property.
- Refrain from using **Regulvar** software for personal purposes. See the Regulvar policy “Electronic media usage guidelines” (attached and on Sharepoint).

Example of expected behaviour:

The appropriate and respectful use of company equipment and property.

Example of behaviour that is not tolerated:

Neglect, theft and use for personal purposes.

3.10. PROTECTION OF CONFIDENTIAL INFORMATION

Confidential information is defined as any information directly or indirectly received from **Regulvar** or its affiliated and associated companies, whether this information is commercial, technological, technical, financial or of any other nature, including but not limited to client lists and all information pertaining thereto.

Employees are expected to:

- Protect the confidentiality of all information and refrain from copying any sample or document containing confidential information.
- Refrain from disclosing any confidential information, regardless of whether said information was communicated orally or in writing, to anyone other than employees of **Regulvar** or its affiliated and associated companies who require this confidential information, and only insofar as said employees will make impartial and reasonable use of this information.
- Return to **Regulvar**, without delay, any confidential information requested by the company as soon as they no longer need this information or when their employment at **Regulvar** ends. More specifically, when an employee’s contract ends, the latter may not keep any confidential information on any medium whatsoever, and will refrain from using any confidential information from the employment end date. See the Regulvar policy “Non-solicitation and confidentiality agreement” (attached and on Sharepoint).

Example of expected behaviour:

Respect for the confidentiality of company information.

Example of behaviour that is not tolerated:

Disclosure of confidential information to third parties, or use of this information for personal purposes.

Non-exhaustive list of confidential documents:

- *Employee list with cellphone numbers*
- *Lists of suppliers, clients, projects*
- *Copy of shop drawings*
- *Price list or supplier agreement*
- *Design and programming methods*

4. Implementation

The principles and rules in this document reflect the company's vision and values.

The above standards must be understood and followed by **Regulvar** employees.

Employees are invited to share their criticisms and comments regarding this Code of Conduct in order to ensure that it remains relevant.

5. Compliance

5.1. REPORTING

Regulvar encourages employees to report any failure to comply with this Code on the part of employees, suppliers and clients, without fear of intimidation and in the knowledge that whistleblowers will remain anonymous.

Employees are expected to:

- Respect this Code, and the laws and regulations related to company activities.
- Report, in accordance with company protocol, any suspected or actual infraction of this Code, irrespective of the identity or position of the person suspected of the infraction.
- Never retaliate, directly or indirectly, against an employee who has reported an infraction of this Code or of existing rules and regulations.

A violation of this Code may be reported to one of the following individuals:

- Your integrity officer
- Your manager

Regulvar management will not take any retaliatory measures against employees who report, in good faith, what they believe to be an infraction or failure to comply with this Code, or with company rules and regulations.

5.2. DISCIPLINARY MEASURES

Employees who fail to comply with this Code shall be subject to disciplinary measures according to the severity of the infraction, including termination or legal proceedings.

6. Requests for information

This Code is designed to serve as a guide, helping you to resolve issues and dilemmas that may arise in the course of your work. It will also help you make sure your decisions are aligned with **Regulvar**'s values. Remember that good judgement is your first tool. In case of doubt, ask yourself the following questions. If your answer resembles one of the statements below, you are probably on the verge of crossing a line and should contact your manager or the integrity officer.

For information or specifications regarding the application of this Code, contact:

Ms. Johanne Quevillon
Administrative Director and Integrity Officer
jquevillon@regulvar.com
450-629-0435, ext. 1023

If you are still in doubt, ask yourself the following questions:

- Is this aligned with the company's values and operating rules?
- Does this decision make me feel guilty?
- What if this came out in a newspaper?
- What if I were treated the same way I'm treating others?
- Is this honest?
- What if my children, parents, friends or colleagues found out about this?
- What if everyone did this?
- Would I be ashamed to discuss this with my manager or colleagues?

You may be crossing a line if your answer goes something like this:

- Nobody needs to know . . .
- The end justifies the means . . .
- Everyone does this . . .
- Just this once . . .
- It's always been done this way . . .
- We don't have to say that . . .
- Let's just say I kept my mouth shut . . .
- It seems too good to be true . . .
- Turn a blind eye to . . .

7. Authority and effective date

February 10, 2015

Marc Dugré, Eng., President

8. Attestation

I, the undersigned _____, attest that I have read and understood this Code of Conduct, as well as its annexes, if applicable, and that I agree to comply with all of its requirements.

I understand and recognize that **Regulvar** may, if appropriate, amend this Code of Conduct, and I agree to comply with any ensuing modifications.

I agree to adhere to the principles set out in this Code of Conduct, to share the organizational values described herein, and to respect **Regulvar's** commitments and actively participate in implementing its objectives related to ethics and integrity. I agree to declare any potential conflict of interest as soon as it arises.

Signature

Title

Name (please print)

Date

9. Annexes

Anti-harassment policy

Policy regarding the use and consumption of drugs, alcohol, prescription drugs and other substances

Policy regarding the use of a laptop

Obligations of employees provided with a company vehicle

Electronic media usage guidelines

Non-solicitation and confidentiality agreement