



STANDARDS OF CONDUCT

Effective September, 2009 – Revised October, 2014

Table of Contents

Introduction.....	2
Compliance with the Law.....	2
Mandatory Requirement.....	3
Loyalty	3
Enforcement.....	3
Conflict of Interest.....	4
Employment Restrictions.....	4
Impartiality	5
Acceptance of Gifts.....	5
Post Employment Restrictions for Senior Management.....	5
Personal Conduct.....	6
Confidentiality and Protection of Privacy.....	6
Protection of General Corporate Information	7
Intellectual Property	7
Freedom of Information and Protection of Privacy.....	7
Reporting.....	8
Financial and Other Reporting	8
Reporting Violations.....	8
Standards of Conduct Responsibilities	9
Standards of Conduct Annual Review	10
Form of Acknowledgement	11

Introduction

Columbia Power is committed to fostering an environment throughout our organization that supports and reinforces our commitment to the highest moral and ethical standards. To that end, Columbia Power has adopted an ethical code entitled Standards of Conduct. The Standards of Conduct (SOC) apply to Columbia Power officers, executives and employees alike. The SOC are intended to supplement our company-wide policies, procedures and guidelines adapted from time to time. The SOC are not intended to contravene or otherwise supersede any Standards of Conduct adopted by a professional association to which an employee abides in fulfillment of their duty to the public, to the profession and to their fellow members.

The Standards of Conduct are designed to deter wrongdoing and promote:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that Columbia Power files with government and other public communications made by Columbia Power;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of the SOC; and
- Accountability for adherence to the SOC.

All employees have a duty of loyalty and care to the organization and must exercise a degree of skill and diligence reasonably expected from an ordinary person given the knowledge and experience required for their position. Each one of the individuals covered by the Standards of Conduct must abide by its terms. Any waiver of the Standards of Conduct must be approved in writing by the Finance and Audit Committee of Columbia Power's Board of Directors. Adherence to the Standards of Conduct and the disclosure of any conflicts of interest by those covered by it is a condition of employment. Violators are subject to disciplinary action, up to and including dismissal from Columbia Power and criminal prosecution.

Columbia Power believes that the highest standards of conduct among employees are essential to maintain and enhance the public's trust and confidence in the corporation.

Compliance with the Law

Columbia Power is required to comply with all laws, rules and regulations and governmental requirements. Many of Columbia Power's activities are subject to complex and changing laws in the province of BC and Canada that affect our operations. Ignorance of the law is not a defense and is not acceptable. Moreover, agreements or arrangements need not necessarily be in writing for a contravention to be inferred from our conduct.

Accordingly, our employees must diligently seek to avoid conduct which might be interpreted as being in contravention of laws governing the affairs of Columbia Power. Employees must not permit their decisions to be improperly influenced nor shall they improperly influence the decisions of others, irrespective of any perceived benefits to Columbia Power.

Compliance with the general laws and ethics of Canada applies. For example, bribery, sexual harassment, or abuse of human rights will not be tolerated.

If an employee is in doubt about the application of any legal requirements, the employee should refer the matter to his or her supervisor or seek the advice of the Director, Human Resources & Corporate Services (HRCS).

Mandatory Requirement

The requirement to comply with these standards of conduct is a condition of employment. Employees who fail to comply with these standards may be subject to disciplinary action up to and including dismissal. Employees should contact the Manager, Human Resources & Corporate Services for advice and assistance on the interpretation or application of this policy directive.

Loyalty

CPC employees have a duty of loyalty to the corporation as their employer. The duty of loyalty requires employees, irrespective of political preferences or affiliations, to serve Columbia Power to the best of their ability.

The honesty and integrity of the corporation demands that the impartiality of employees, in the conduct of their duties, be above reproach. Employees' conduct should instill confidence and trust and must not bring the corporation into disrepute.

Enforcement

The Director, HRCS will oversee any investigation into a suspected violation of the Standards of Conduct. When appropriate, the Director, HRCS will take statements, interview witnesses and determine appropriate action based on the facts. When appropriate, the Director, HRCS will prepare a written report of facts and findings directly to the Finance and Audit Committee of the Board of Directors, which will determine appropriate action based on the facts and information presented. It is Columbia Power's goal that the Standards of Conduct be enforced fairly and consistently. The Director, HRCS will provide periodic reports directly to the Finance and Audit Committee regarding compliance with the Standards of Conduct. When appropriate, the Director, HRCS will delegate the responsibility with respect to an investigation to an outside legal adviser. Circumstances where it would be appropriate for the Director, HRCS to delegate his/her responsibility include but are not limited to matters directly involving an employee in the HRCS group, or an allegation of criminal conduct.

Conflict of Interest

The business decisions and actions of our executives and staff must never be influenced by personal considerations or personal relationships. These individuals should avoid any relationship or activity that might impair - or even appear to impair - their ability to make objective and fair decisions while performing their jobs. For example, a conflict of interest may occur when family members or close personal friends are involved in business relationships with you, either inside or outside the company. Other examples of potential conflicts of interest include:

- Employment by a competitor or potential competitor while you are employed by Columbia Power;
- Acceptance of gifts, payments, services or anything of value from anyone seeking to do business with Columbia Power; (see #4 below for guidance)
- Placement of Columbia Power business with an entity in which you or a family member has a financial interest; and
- A significant ownership interest in a Columbia Power competitor.

Where even the appearance of a conflict of interest may exist, share the facts with and seek guidance from your manager or notify the Director, HRCS. If you believe that a conflict of interest exists or if you believe that there is a material transaction or relationship that could potentially be a conflict of interest, notify the Director, HRCS immediately upon its discovery.

The following are a few questions to consider to help understand whether a particular situation could be perceived as a conflict of interest:

- Could someone perceive that I am using my work relationship at Columbia Power to gain personal benefit or to benefit my friends or family from an external party?
- Could a member of the public or another Columbia Power employee think it might affect how I do my job at Columbia Power?
- Could it affect or be perceived to influence any decision which I might make at Columbia Power?
- Would I be embarrassed if anyone inside Columbia Power knew about the situation?
- Do I feel obligated to an external party due to the relationship I have with that external party doing business with Columbia Power?

If the answer to any of the above question is “yes” or “maybe” or could be perceived by others as “yes” or “maybe,” you may be involved in a conflict of interest and should seek guidance from your manager or notify the Director, HRCS.

Employment Restrictions

Alternate employment, participating in a business, or receiving funds for personal activities outside your employment at Columbia Power is permitted, provided it does not result in a conflict of interest or negatively impacts your work at Columbia Power.

It is not permitted, however, to hold a significant financial interest (could be perceived to influence decisions or for personal gain), either directly or through a family member or associate, or hold or accept a position as an officer or director in an organization that has a relationship with Columbia Power, unless that interest has been fully disclosed and meets approval from Columbia Power.

Impartiality

It is imperative that any work-related decision made by a Columbia Power employee is not influenced, or perceived to be influenced by a personal interest in any of the following:

- Outside business interests
- Non-profit societies
- Professional associations
- Business relationships with suppliers and/or contractors (past, present, and prospective)
- Politics or political parties
- Outside employment
- Interaction with stakeholder business

Acceptance of Gifts

Columbia Power discourages the receiving of gifts or entertainment by employees from persons outside the Company, and discourages the giving of gifts or entertainment by employees on behalf of the Company to persons outside Columbia Power. Such practices are permissible only where they involve moderate values and conform to the following basic principles:

- They are infrequent
- They are permitted by law
- They legitimately serve a definite business purpose
- They are appropriate to the business responsibilities of the individual
- They are within limits of reciprocation or protocol as a normal business expense
- They are presented to persons participating in public functions

Remember, as an employee, you hold a special position of trust at Columbia Power. You should not be influenced in any way by gifts or other offers - from internal or external sources. Under no circumstances should you solicit or request gifts, meals, favours or free services.

Additionally, you should not accept anything if it will obligate you, make you feel obligated or may be construed to obligate you to do business with the giver. You should also never accept gifts of cash or securities. If you are in doubt as to whether a particular gift is appropriate, seek guidance from your manager or the Director, HRCS.

Post Employment Restrictions for Senior Management

After your employment ends, you must not disclose confidential information that you obtained through your employment.

If you had a substantial involvement in dealings with an outside entity at any time during the year immediately preceding the end of your employment then you must not:

- Accept an offer of employment, an appointment to the board of directors or a contract to provide services to that outside entity
- Lobby or otherwise make representations for that outside entity to the government
- Give council to that outside entity, for its commercial purposes, concerning the programs or policies of any organization or ministry of the government in which you were employed at any time during the year immediately preceding the termination of your employment

Until one year after your employment ends, you:

- Must not lobby or otherwise make representations for any outside entity to any ministry or organization of the government in which you were employed at any time during the year immediately preceding the termination of your employment

- Act for an outside entity in connection with any ongoing proceedings, transaction, negotiation or case in which the outside entity and the government are involved if
 - During your former employment with the government, acted for or advised the government concerning the proceedings, transaction, negotiation or case; and
 - Acting for the outside entity in that connection would result in the receipt by the outside entity of a private or commercial benefit not for general application

This one year limitation may be reduced only with written approval from Columbia Power which would consider:

- The circumstances under which your employment ended
- Your general employment prospects
- The significance to Columbia Power of information you possessed by virtue of your position at Columbia Power
- The desirability of a rapid transfer of your skills to an employer other than Columbia Power
- The degree to which the new employer might gain unfair commercial advantage by hiring you
- The authority and influence you possessed while employed at Columbia Power
- The disposition of other cases

Personal Conduct

The conduct and language of Columbia Power employees in the workplace must meet acceptable social standards and must contribute to a positive work environment. An employee's conduct must not compromise the integrity of the corporation.

Employees are to treat each other in the workplace with respect and dignity and must not engage in discrimination, harassment or bullying based on any of the prohibited grounds covered by the Human Rights Code and/or Bullying and Harassment WorkSafeBC Policy. The prohibited grounds are race, colour, ancestry, place of origin, religion, family status, marital status, physical disability, mental disability, sex, sexual orientation, age, political belief or conviction of a criminal or summary offence unrelated to the individual's employment.

Conflicts of interest arising out of personal relationships in the workplace must be avoided. Employees must never have influence, input or decision-making over the hiring, evaluation, promotion or establishment of term and conditions of employment of anyone with whom they have a close personal relationship. This includes influence over the hiring, evaluation or retention of contractors.

CPC respects the autonomy of our employees and contractors in their personal lives, however, their actions, both in the workplace and outside it, have the potential to negatively impact the reputation of the company. Employees whose personal conduct has the potential to harm the reputation of the company are accountable for their actions. The Standards of Conduct also applies to personal business arrangements outside of work.

Confidentiality and Protection of Privacy

Confidential information that employees receive through their employment must not be divulged to anyone other than persons who are authorized to receive the information. Employees who are in doubt as to whether certain information is confidential should assume that it is and must ask the appropriate authority before disclosing it. Caution and discretion in handling confidential information extends to disclosure made inside and outside of government and continues to apply after the employment relationship ceases.

Protection of General Corporate Information

All data/information held by the company in whatever form, is the property of the company. If you have access to this information, you must not use it for personal benefit or in any way that could be detrimental to Columbia Power.

Columbia Power has expended substantial resources in developing and protecting confidential business information. This sort of information includes, but is not limited to, customer, contractor, and supplier lists, pricing models and materials, marketing strategies, non-public financial data, design-build contracts, legal, proprietary and other sensitive information which you may help develop or to which you may be provided access while you are a Columbia Power employee. You should never disclose this information to individuals outside the Company and should disclose this information within the Company only to individuals who have a legitimate need to know the information. You should caution individuals within the Company to whom you provide such information to carefully maintain its confidentiality and prevent its disclosure. Your responsibility to preserve the confidentiality of Columbia Power's proprietary business information continues even after the termination of your employment with Columbia Power.

Intellectual Property

Intellectual property is a legal concept which recognizes ownership in creations of the mind (e.g. inventions, designs, drawings, academic papers, etc.). Common types of intellectual property rights include copyrights and patents. All intellectual property conceived or made during or after working hours in the course of employment with Columbia Power or which is derived from Columbia Power knowhow is the exclusive property of Columbia Power and is a valuable corporate asset. Employees must disclose to Columbia Power all such intellectual property and every employee assigns to Columbia Power all rights in such intellectual property.

Freedom of Information and Protection of Privacy

Columbia Power is also required to comply with the information access and protection of privacy requirements established in BC's *Freedom of Information and Protection of Privacy Act (FIPPA)*. *FIPPA* grants the Office of the Information and Privacy Commissioner the power to audit or investigate Columbia Power's freedom of information and privacy protection practice and to order changes where there are findings of non-compliance.

Records created by you may be subject to an access to information request. If requested, you are required to provide them to Columbia Power's Human Resources and Corporate Services department, who will apply *FIPPA* in Columbia Power's response to the request. Columbia Power must comply with the provisions of *FIPPA* when collecting, accessing, using, disclosing, storing and disposing of Personal Information.

FIPPA affords you Whistleblower protection if you report an unauthorized disclosure of personal information.

Reporting

Financial and Other Reporting

Columbia Power has a responsibility to maintain complete, accurate and reliable records of our business and must meet the disclosure requirements imposed by the Budget Transparency and Accountability Act, Financial Administration Act and Financial Information Act. To satisfy these requirements Columbia Power has implemented procedures to ensure that only proper transactions are entered into by the Company, that such transactions have proper management approval, that such transactions are properly accounted for in the books and records of the Company and that the reports and financial statements of the Company fairly and accurately reflect such transactions. You should familiarize yourself with these policies, accounting controls, procedures and records and must comply with these requirements. Indeed, you should continually work to identify areas for improvement in Columbia Power's internal controls and procedures for financial reporting. Ultimately, Columbia Power's executive, finance and accounting personnel bear significant responsibility for the accuracy and timeliness of disclosures in reports and documents Columbia Power's files with or submits to its Shareholder, JV partners and in other public communications.

Reporting Violations

Compliance with Columbia Power Policies protects all employees and the Company's reputation by ensuring we are acting properly. Identifying problems or violations to quickly resolve issues and preventing them from escalating or recurring benefits all parties and enhances the workplace for the betterment of all. If you become aware of or suspect that a violation of the Standards of Conduct or the principles it embodies has occurred, you should immediately report the incident to the Director, HRCS. You may make a good faith report of a suspected violation secure in the knowledge that Columbia Power will not allow retaliation for reporting your concerns. Columbia Power will make appropriate efforts to safeguard the confidentiality of your report. However, confidentiality cannot be assured in every instance. For example, there may be circumstances that require us to report illegal conduct to appropriate law enforcement authorities.

To make a good faith report of a suspected violation of the Standards of Conduct or the principles it embodies anonymously please do so in writing and direct your correspondence to:

President & Chief Executive Officer Suite 200, 445 13 Avenue Castlegar, BC V1N 1G1

Please mark the envelope as "PERSONAL" and it will be forwarded directly to the President & CEO for action without being opened by an employee of the Company.

Depending on the circumstances, you may not wish to report the issue to the President & CEO. In this case, a number of external contacts are available to you. The external contacts are not intended as a substitute for speaking directly with your supervisor about workplace issues. However, the external contacts provide an option to report violations of the Standards of Conduct to someone "outside" the organization. As discussed above, while these individuals will, to the extent possible, maintain confidentiality, it cannot be assured in circumstances that require us to report illegal conduct to legal authorities.

The external contacts are:

Don Rose Email: drose@blg.com
Phone: 604.640.4247

Greg Lewis Email: gdl@bht.com
Phone: 604.642.4923

Please mark correspondence addressed to the above contacts as “*Strictly Confidential – Columbia Power Corporation*”.

You may also use the same anonymous procedure to make a good faith complaint or report or to express concerns regarding accounting or audit matters or questionable accounting or auditing matters.

Standards of Conduct Responsibilities

The President & CEO is responsible for:

- Ensuring that the provisions of this policy directive are met
- Ensuring that employees are advised of the required standards of conduct and understand the consequences of non-compliance
- Designating a corporate contact for matters related to standards of conduct
- Ensuring that all possible breaches of the policy directive are thoroughly investigated
- Based on the results of an investigation, ensuring that appropriate action is taken
- Ensuring that confidential information is handled with caution and discretion
- Waiving the provision on working relationships under the circumstances indicated
- Delegating authority and responsibility, where applicable, to apply this policy directive within the corporation
- Maintaining appropriate workplace behaviour

Supervisors and managers are responsible for:

- Advising staff on standards of conduct issues
- Ensuring confidential information is handled with caution and discretion
- Assisting staff in the resolution of conflicts of interest
- Maintaining appropriate workplace behaviour

Employees are responsible for:

- Fulfilling their assigned duties and responsibilities, objectively and loyally, regardless of the party or persons in power and regardless of their personal opinions
- Disclosing and resolving conflicts of interest situation in which they find themselves
- Checking with their designated corporate contact, supervisor, manager or HR advisor when they are uncertain about any aspect of this policy directive including
 - The appropriateness of receiving outside remuneration
 - Potential, perceived or actual conflicts of interest
 - Releasing any information that may be confidential
- Maintaining appropriate workplace behaviour

Standards of Conduct Annual Review

I have recently read the Standards of Conduct effective September 1, 2009 (revised October, 2014) to consider my response to the compliance review

- 1) Since January 1, 2013, I have not been involved in any infraction of the Standards of Conduct.

Agree _____ Disagree _____

- 2) Since January 1, 2013, I have not become aware of any infraction or apparent infraction of the Standards of Conduct.

Agree _____ Disagree _____

- 3) (a) I am aware of one or more infractions or apparent infractions of the Standards of Conduct.

Agree _____ Disagree _____

- (b) I have reported (or am reporting concurrently with this memo), the circumstances and corrective action taken

Agree _____ Disagree _____ N/A _____

Please explain

Signature of Employee

Name of Employee

Date



Form of Acknowledgement

I acknowledge that I have received and read a copy of CPC Standards of Conduct effective on the date September 1, 2009 (*revised October, 2014*) and I agree to abide by its terms.

Signature of
Employee

Name of Employee

Title

Department

Date

Please return completed form to Human Resources.