



CIELO WASTE SOLUTIONS CORP.

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

Every employee, officer and director of Cielo Waste Solutions Corp. and its subsidiaries (collectively, the “**Company**”) occupies a position of trust. Such individuals, as well as certain contractors and agents (“**Representatives**”), represent the Company in its relations with others. All Company Representatives are required to act honestly, ethically, with integrity, and in compliance with applicable laws and regulations.

This Code of Business Conduct (“**Code**”) sets the standard required of all Representatives. The Code does not purport to address every legal or ethical issue that may be encountered.

Cielo demands a high standard of professional conduct. This includes the exercise of good judgment. If actions cannot be characterized as ethical, such that they enhance the effectiveness and reputation of Cielo, then those actions contravene the Code regardless of the absence of a specific prohibition. Cielo and its Representatives understand that in order to be successful, we must do what is required by law and we must act ethically. The test to determine the proper course is simple:

- Is anyone’s life, health or safety, or the environment endangered by the action?
- Is there any reason you would not want a co-worker, an associate, a neighbour or a regulator to be fully aware of your conduct and motives?

If these questions cannot quickly be answered ‘No’, then you need to rethink your actions. If there is any doubt that your actions will comply with the Code, you are expected to seek guidance. We recognize that while it takes time to build a reputation of trust and integrity, a single thoughtless or unethical act can destroy what we have carefully built.

The Company may discipline those who violate this Code, up to and including discharge from office or termination of employment or engagement with the Company.

Adherence to Policies and Procedures is a Condition of Working with Cielo

Our policies and procedures, including the Code, are the means by which we protect our Representatives and Cielo from risk and ensure efficient operations. If you ignore the Code and

our other processes for the management of risk, particularly those concerning health and safety, you will not work for Cielo.

In the event of a conflict or inconsistency between this Code and any other written policies, procedures, codes, rules or standards of performance of the Company, this Code shall prevail unless the conflicting or inconsistent policy, procedure, code, rule or standard of performance imposes an additional and/or higher obligation or standard, in which case the conflicting or inconsistent policy, procedure, code, rule or standard of performance shall control.

We Commit to Protect Our Health, Safety & the Environment

Cielo is committed to ensuring the health and safety of our Representatives. Each employee must be proactive and follow all of the Company's safety and health rules and report possible safety and health issues and concerns to appropriate management personnel.

Cielo's strategic intent is to be the leading waste to fuel producer. To attain this, Cielo is committed to the continuous improvement of its health and safety and environmental management systems and to the prevention of pollution. Cielo will take steps to fully conserve energy resources to the extent consistent with sound business operations.

We Avoid Conflicts of Interest

Conflicts of interest include actual, potential, or perceived conflicts of interest. We never let our personal interests interfere, or appear to interfere, in any way with the interests of Cielo.

A personal interest is any situation that might cause someone to question whether a Representative is acting to benefit a party other than Cielo. Using our position to benefit another party is prohibited, even where Cielo is not impacted financially as the perceived conflict may jeopardize our ability to develop trusting relationships with our stakeholders.

All actual, potential or perceived conflicts of interest must be disclosed in writing. Following disclosure, where a conflict cannot be avoided and is approved by Cielo, controls will be documented to manage the conflict.

The following are examples, but not a complete list, of impermissible conflicts:

- We do not take part in business transactions or have a financial or personal interest that may conflict with our obligations to Cielo. This includes holding a position such as director, officer, employee, contractor, or consultant of any other entity whose interests may be in conflict with those of Cielo.
- We do not accept undisclosed financial or other benefits from a party bidding for or approved to work for Cielo.
- We do not accept gifts, entertainment or favours that may unfairly influence a business relationship in any way as the gifts may create an actual or perceived conflict of interest.

- We do not participate in the review of bids or proposals to work for Cielo or supervise or approve payment to vendors where we personally, a family member, or friend, may benefit from the relationship with the vendor (including as director, owner, employee, shareholder of the vendor). Passive investments in public or private entities where the Representative holds less than one per cent of the outstanding shares will not be viewed as “competing” with Cielo.
- We require vendors and suppliers to advise Cielo of the identity of their Representatives that are close associates of Cielo directors, officers, employees or consultants so that perceived conflicts of interest can be managed.
- We do not have family members or individuals with which we have a close personal relationship reporting through our reporting lines. We will also not involve ourselves in any administrative process concerning such an individual.

Gifts, Benefits and Entertainment Create Conflicts

Gifts and other benefits may create a conflict of interest. Except as provided by any supporting guidance, or this Code, Representatives are strictly prohibited from furnishing or providing, directly or indirectly on behalf of the Company, gifts, entertainment or benefits to public officials (as defined below). Similarly, Representatives must not accept or give anything that will compromise or be seen to compromise their judgement or inappropriately influence themselves or others.

Before accepting a gift or entertainment, consider:

- Frequent gifts of any value are inappropriate. As are cash or equivalent gifts (i.e. gift cards).
- We do not solicit personal gifts and invitations.
- Invitations to conferences, social, cultural or sporting events are acceptable if your host will be present, your attendance serves a business purpose and the event is customary within the industry for people in similar roles.
- A Representative that frequently gives/ accepts gifts or invitations might create the perception that Cielo is not treating contractors or vendors fairly. Any gift or entertainment that might unfairly influence a business relationship is prohibited.
- No gifts or entertainment can be accepted from anyone that is currently bidding for work or in the process of negotiating or renewing a contract.
- Whether a vendor might conclude that they will not receive equal treatment and that work or services will be awarded based on something other than objective criteria.
- If a gift has a value greater than \$250, acceptance of the gift requires prior written approval.

Confidential Information and Intellectual Property Will be Protected

Next to our employees, Confidential Information and Intellectual Property (“Corporate Information”) is our most valuable asset. Secrecy concerning activities within Cielo facilities is of paramount importance. Discussing or disclosing details such as our research, processes, equipment, plans, know how, strategies, business opportunities, inventions, costs or profit is prohibited as it may jeopardize the future or full potential that might be realized by Cielo for its stakeholders, including those of its Representatives.

All intellectual property developed by an employee in his or her role during the course of his or her employment with the Company belongs to the Company and all employees assign to the Company all rights the employee may have in such Corporate Information. All materials documenting intellectual property must remain with the Company following termination of employment and employees must delete copies from personal devices. Employees must take such reasonable steps as requested by the Company to confirm ownership of any intellectual property in the Company and assist the Company to perfect and maintain its title to such intellectual property and bring or defend cases involving such intellectual property. All employees waive all authors’ and moral rights which they may have in such intellectual property.

Prior to discussing or disclosing Corporate Information ask yourself:

- Does the recipient require the information to perform its role for Cielo?
- Is there a confidentiality or non-disclosure agreement in place?
- Is it necessary to provide full disclosure of the Corporate Information or are only certain details required?

Inappropriate disclosure of Corporate Information is strictly prohibited.

Company Assets and Technology are Utilized for the Benefit of Cielo

Each Representative has a responsibility to prevent misuse, loss, unauthorized destruction or damage or theft of the Company’s assets. Reasonable precautions should be taken to secure the Company premises and assets.

Except where otherwise indicated in this Code, Company assets should be used solely for the benefit of the Company.

Improper use of the Company’s IT resources can create legal liability and these resources should generally be used for Company purposes only. Incidental personal use of IT resources is not prohibited but where personal information is stored on a Cielo device, should the relationship between Cielo and the Representative be terminated, Cielo will not return the personal information to the Representative.

Information transmitted through Company resources implies affiliation with the Company and should therefore reflect positively upon the Company. Sending, receiving, displaying, printing, or otherwise engaging in any communications that are in violation of applicable law or this Code, or

any other the Company policy, including, but not limited to, communications that are unlawful, libellous, invasive of another's privacy, threatening, fraudulent, harassing, sexually explicit, defamatory, or otherwise objectionable, or that infringe or may infringe the intellectual property or other rights of another person or company, are prohibited. Employees are expected to discourage others from transmitting such information.

All information of any kind (including without limitation voice communications and electronic messages) stored or transmitted on Company systems is the property of the Company. Communications of any nature on these systems should not be considered private communications.

We Treat One Another With Respect

Cielo is committed to fair practices, including employment (hiring, promotion, training and compensation, termination, and disciplinary action) and in relation to vendor selection.

In our workplace and on our worksites, we value the diversity of our representatives and will provide equal opportunity in all aspects of employment. All Representatives will be provided a comfortable and welcoming workplace. We will encourage each other to speak up and report concerns. We will not tolerate harassment or discrimination.

Any Representative who believes they have been subjected to harassment or offensive conduct, or who believes they have witnessed such conduct, must report the offense to their supervisor, the Corporate Secretary or pursuant to the mechanisms for reporting suspected violations of this Code, including through the Whistle Blower hotline.

Selection of Suppliers

Selection of suppliers to the Company will be based on merit after due consideration of alternatives.

The Company expects all of its suppliers to comply with this Code, to the extent feasible, and any applicable supplier code of any Company entity in the course of that supplier's dealings with or on behalf of the Company. Suppliers are required to promptly report an actual, potential or suspected breach of this Code and any other applicable policy of any the Company.

Transactions and Financial Information are Recorded Accurately

Employees must document and record all transactions in accordance with the Company's internal control procedures and in compliance with all applicable accounting principles, laws, rules and regulations, and employees with responsibility for reporting financial information must provide information that is accurate, complete, objective, timely and understandable and that complies with all applicable laws relating to the recording and disclosure of financial information. Employees and managers are forbidden to use, authorize, or condone the use of "off-the-books" record-keeping or any other device that could be utilized to distort records or reports of the Company's true operating results and financial conditions. Employees must not fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant engaged in the performance of an audit, review, compilation or other service with respect to the financial statements for the purpose of rendering such financial statements misleading.

Agreements are Written, No Side Deals or Side Letters

Cielo documents business transactions with full and complete written agreements that set out the terms and conditions of the agreement and understandings between the parties. No oral contracts, informal letters of understanding or intent, “handshake deals” or side letters are permitted. As it concerns the execution of any agreement, Representatives are to comply with the Delegation of Authority Policy.

Representatives Preserve Company Records

Legal and regulatory practice requires the retention of certain records, such as certain tax, personnel health and safety, and financial records, for various periods of time and employees, officers and directors are required to comply with Company controls for the retention and timely destruction of records. In addition, when litigation or a governmental investigation or audit is pending or imminent, relevant records must not be altered or destroyed until the matter is closed. Alteration or destruction of records in a legal or governmental proceeding may constitute a criminal offense.

Questions regarding records retention should be addressed to the Corporate Secretary, particularly if any litigation, investigation, inquiry or administrative action involving the Company or any of its employees, suppliers or customers is pending or threatened.

Only Authorized Representatives Speak on Behalf of Cielo

Cielo is committed to providing, as appropriate, full and prompt disclosure to the public of material developments and events. However, all media, public and investor relations and communications are to be co-ordinated through the Disclosure Committee in accordance with the Company’s Disclosure Policy. Representatives should not comment on any inquiry from the media, no matter how innocuous the inquiry may appear. Any employee who is asked by the media or otherwise for a statement or to give a presentation should explain that he or she is subject to this Code and the Disclosure Policy and refer the matter to the Disclosure Committee.

Facility tours may only be authorized by the Chief Operations Officer or Corporate Secretary.

Lobbying Activities Require Prior Approval and Political and Charitable Contributions Must Not Utilize Company Resources

Neither Cielo nor its personnel or representatives will engage in or undertake lobbying activities on behalf of the Company unless prior express approval of the Corporate Secretary has been obtained. The Company respects personal participation in the political process by Representatives, however, that involvement and participation in the political process must be on an individual basis, on personal, not Company, time and at the person’s own expense. The use of Company funds, goods or services as contributions to political parties, candidates, campaigns or charities is not permitted.

Representatives are encouraged to participate in charitable and other community organizations, provided that such participation does not reflect negatively on the Company and does not conflict with the employee’s work. Except with prior legal approval, soliciting donations to any charitable

or non-profit organization, on the Company's time to Company employees or suppliers is not permitted.

Seek Guidance and Protect Cielo by Reporting Unethical Behaviour

We believe that by fostering a respectful workplace that Representatives will feel comfortable seeking guidance from one another where they have questions concerning any Cielo policy or are deciding on the appropriate course of action when presented with an issue. In addition, we believe that the best way to manage risk is to encourage swift and efficient reporting of any concern that a Representative is acting in contravention of a policy or in an otherwise unethical manner by ensuring that Representatives report to their supervisor, manager or member of the executive team responsible for the operations to which the concern relates. However, if for any reason the Representative is not comfortable raising their concern within their reporting line they must report the concern to another member of the executive team or through the Cielo Whistle Blower Hotline.

Reports allow us to continue to improve our business. We respect requests for anonymity and act against any retaliatory action. Where a person raising a concern wishes to remain anonymous, we will respect this request and will maintain the anonymity of the individual unless prohibited by law. All complaints, whether or not received anonymously, are treated as confidential and access to information concerning the complaint is limited to only those that have a need to know. We will not allow any retaliatory action against any Representative who, in good faith, reports a possible violation or concern. Anyone who retaliates against a Representative for speaking up will be disciplined and should expect termination of their employment, contract or consulting services.

Certifying Compliance with the Code

At the commencement of employment or other service with the Company, and from time to time as may be requested by the Company, each employee, officer and director, as applicable, must complete an acknowledgement and disclosure statement attesting to that individual's compliance with this Code. All such acknowledgements will be retained by the Human Resources Department for purposes of confirming that each employee, officer and director has acknowledged this Code.

Written Waiver Required to Vary from the Code

Any waiver of this Code or other Company policy or procedure for executive officers or directors may be made only by the Board. Any waivers of this Code will only be granted where such waiver is both necessary and appropriate, and it will be qualified in scope so as to protect the Company to the greatest extent practicable.