

QUARTERHILL INC.
CODE OF BUSINESS CONDUCT AND ETHICS

The board of directors (the "**Board**") of Quarterhill Inc. ("**Quarterhill**") has adopted this Code of Business Conduct and Ethics (the "**Code**") in order to promote integrity and deter wrongdoing in the conduct of Quarterhill's and its subsidiaries' (collectively, the "**QH Group**") business operations. Quarterhill's policy is to promote high standards of integrity by conducting its affairs honestly and ethically. The purpose of the Code is to guide directors, officers and employees on how to carry out their duties in an honest and ethical manner.

1. General

This Code applies to the QH Group's directors, officers and employees. Directors, officers and employees are responsible for reading, understanding and complying with this Code. Nothing in this Code alters the terms and conditions of any written employment or services agreement.

This Code is not meant to be a complete listing of ethics and business conduct covering every eventuality. It is the responsibility of each director, officer or employee to apply common sense, together with their own highest personal ethical standards, in making business decisions where there is no stated guideline in this Code. If a director, officer or employee is confronted with a situation where further guidance is required, the matter should be discussed with their supervisor or a member of the QH Group's management team.

On an annual basis, each director, officer and employee of the QH Group will be asked to certify to Quarterhill in writing that they have received a copy of, read, understand, and will conduct themselves in compliance with: this Code, the Insider Trading Policy, the Corporate Disclosure and Confidentiality Policy and the Whistleblower Policy (the "**Policies**"). If any director, officer or employee does not understand any provision of this Code or any of the Policies, they should contact the VP of People & Culture.

2. Conflicts of Interest

Conflicts of interest should be avoided unless specifically authorized. A conflict of interest occurs when an individual's personal interest (or the interest of a member of their family) interferes, or appears to interfere, with the interests of the QH Group. A conflict of interest can arise when a director, officer or employee (or a member of their family):

- a. takes actions or has interests that may make it difficult to perform their work for the QH Group objectively and effectively;
- b. receives improper personal benefits as a result of their position in the QH Group; or
- c. has a material interest in an agreement or transaction involving the QH Group.

There are several situations that could give rise to a conflict of interest. The most common examples include: accepting gifts, favours or kickbacks from suppliers or business partners; employment by another company; ownership of a significant part of another company or business; close family relationships with outside suppliers; passing confidential information

to competitors; and/or unduly using or providing insider information. If an employee has a close family relationship with another employee, the relationship must be disclosed to the VP of People & Culture, Chief Financial Officer and the Chief Executive Officer. If the employees hold financial positions within Quarterhill, the positions of such employees must be approved by the Chief Financial Officer and the Chief Executive Office.

Whether or not a conflict of interest exists or will exist can be unclear. Employees who become aware of an actual or potential conflict, or who have questions about a potential conflict of interest, should bring the situation to the attention of the VP of People & Culture for discussion. Directors and officers are requested to bring any potential or actual conflict of interest situation to the attention of the Chair of the Board or the Lead Director of the Board (if any) for discussion, review and written approval, if required. The Chair of the Board or Lead Director, as applicable, will provide a copy of any such approvals to the VP of People & Culture and will brief the other members of the Board on all written approvals at the next subsequent Board meeting.

3. Improper Business Payments

The following are deemed improper business payments and are therefore prohibited:

- a. the offering or accepting of bribes, payoffs or kickbacks made directly or indirectly to obtain an advantage in a commercial transaction or to influence any decision; and
- b. the offering of gifts, gratuities, entertainment or other similar payments, except to the extent customary and reasonable in amount and not in consideration for any improper action by the recipient.

4. Compliance with Laws, Statutes and Regulations

The QH Group is committed to conducting its business affairs in compliance with all applicable laws, statutes, rules and regulations and expects directors, officers and employees acting on its behalf to do likewise.

This Code does not seek to provide legal guidance for all laws, statutes, rules and regulations that impact on the QH Group's activities. Although not all directors, officers and employees are expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Accordingly, there are certain high-level categories of legislation that warrant specific mention that are listed below along with some general guidelines for compliance. Questions about legal compliance in general should be directed to the VP of People & Culture or any member of the QH Group management team for forwarding to Quarterhill's legal counsel.

The QH Group is committed to the following business practices and operating in compliance with applicable laws relating to such business practices:

- *Health and Safety Laws*: the QH Group is committed to creating and maintaining a healthy and safe workplace for its people. Directors, officers and employees are expected to comply with all applicable safety laws and regulations.

- *Human Rights Legislation*: the QH Group does not discriminate on the basis of race, colour, religion, sex, age, ethnic origin or ancestry, sexual orientation, disability, veteran status, marital or family status, political affiliation or any other factors protected by Canadian federal or provincial law, or any laws applicable in the jurisdiction where such directors, officers or employees are located. This applies to all terms and conditions of employment including, without limitation, hiring, placement, promotion, termination, layoff, transfers, leave of absence, compensation and training. The QH Group will not tolerate discrimination by or toward its employees and agents. Any discrimination should be reported to the VP of People & Culture or any member of the QH Group management team.
- *Harassment-free and Violence-free Workplace*: the QH Group does not tolerate harassment of its directors, officers, employees, customers or suppliers in any form. Directors, officers and employees are expected to foster a respectful work environment that adheres to the requirements of applicable human rights law and related workplace legislation. The workplace must be free from violent behavior. Threatening, intimidating or aggressive behavior, as well as bullying, subjecting to ridicule or other similar behavior toward fellow employees or others in the workplace will not be tolerated.
- *Competition*: the QH Group is committed to the ideals of free and competitive enterprise, and to complying with all applicable competition laws.
- *Securities Laws Specifically*: applicable securities laws prohibit the buying or selling of any securities, including Quarterhill securities, as well as the securities of customers, contractors, suppliers and all other companies, by anyone who possesses material non-public information relating to the issuer of the securities. Material non-public information is information which, if disclosed, would reasonably be expected to have a significant impact on the market value of such securities. In addition, tipping is prohibited. Tipping is the disclosure of material non-public information to anyone other than in the necessary course of business. All directors, officers or employees must make themselves aware of all applicable insider trading laws. Any questions about whether information is material or public, should be directed to Quarterhill's Chief Financial Officer.
- *Fair Dealing*: each director, officer and employee must deal fairly with Quarterhill's security holders, customers, suppliers, competitors, employees and anyone else with whom they have contact in the course of performing their job. No director, officer or employee may take unfair advantage of anyone through manipulation, concealment, abuse or privileged information, misrepresentation of facts or any other unfair dealing practice.

5. Public Quarterhill Reporting and Other Public Communication

Quarterhill's periodic reports and other public filings, including all financial statements and other financial information, must comply with applicable securities laws and stock exchange rules.

Each director, officer and employee who contributes in any way to the preparation or verification of Quarterhill's financial statements and other financial information must ensure

that Quarterhill's books, records and accounts are accurately maintained. Each director, officer and employee must cooperate fully with Quarterhill's accounting and internal audit departments as well as Quarterhill's independent public accountants and counsel, and must comply with Quarterhill's disclosure controls and procedures and its internal control over financial reporting processes and procedures. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by Quarterhill in the reports filed with the securities regulatory authorities or stock exchanges is accumulated and communicated to the QH Group's management, as appropriate, to allow timely decisions regarding required disclosure.

Each director, officer and employee who is involved in Quarterhill's disclosure process must take all necessary steps to ensure that all filings with the securities regulators and all other public communications about the financial and business condition of Quarterhill provide full, fair, accurate, timely and understandable disclosure. The QH Group expects its directors, officers and employees to provide prompt, accurate answers to any inquiries related to Quarterhill's public disclosure requirements.

6. Integrity of Records and Compliance with Sound Accounting Practices

Accuracy and reliability in the preparation of all business records is of critical importance to the decision-making process and to the proper discharge of financial, legal and reporting obligations. All business records, expense accounts, invoices, bills, payroll and employee records and other reports are to be prepared with care and honesty. False or misleading entries are not permitted in the QH Group's books and records. All of the QH Group's assets and liabilities are to be recorded in compliance with Quarterhill's accounting and internal control procedures.

7. Maintenance of Assets & Corporate Opportunities

All directors, officers and employees have a responsibility to protect the QH Group's assets against loss, theft, abuse and unauthorized use or disposal. QH Group's assets should be used only for legitimate business purposes. Any suspected incident of fraud, theft, abuse or unauthorized use should be reported for investigation immediately. "**QH Group's assets**" refers to all property whether tangible, intangible or electronic in form, which includes the QH Group's products, inventory, equipment, office supplies, facilities, vehicles, computers, software and intellectual property including, without limitation, proprietary information, trade secrets and confidential information. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties.

All directors, officers and employees owe a duty to Quarterhill to advance its interests when the opportunity arises. Directors, officers and employees are prohibited from taking for themselves personally (or for the benefit of friends or family members) opportunities that are discovered through the use of the QH Group's assets. Directors, officers and employees may not use the QH Group's assets for personal gain (including gain of friends or family members). In addition, no director, officer or employee may compete with Quarterhill.

8. Confidentiality

During the normal course of business, directors, officers and employees will have access to confidential information (regardless of the source of information). In some cases, the information may affect the value of Quarterhill's shares or those of another company with

whom the QH Group is involved. Directors, officers and employees are expected to utilize confidential information exclusively for QH Group business purposes and this information must not be: (a) disclosed externally without a confidentiality agreement and for a valid business purpose, or (b) be used as a basis for trading in shares.

In cases where information or records are obtained under an agreement with a third party, such as license agreements or technology purchases, directors, officers and employees must ensure that the provisions of such agreements are strictly adhered to so the QH Group will not be deemed to be in default. Unauthorized disclosure or use of information or records associated with these agreements could expose the director, officer or employee involved and/or the QH Group to serious consequences.

The obligation to maintain the confidentiality of information remains even after the director, officer or employee ceases to be employed or hold office with Quarterhill.

9. Reporting and Enforcement

Reporting and Investigating Violations

Directors, officers and employees are expected to report any situations of non-compliance with this Code, including any alleged illegal or unethical behavior, through Ethico by calling 1-877-870-4389 or via www.mycompliancereport.com/report?cid=QRTHL. Alternatively, any QH Group director, officer or employee may send a report to the independent chair of Quarterhill's Environment, Social & Governance and Nominating Committee (the "**ESGN Committee**") at ethics@quarterhill.com.

If any director, officer or employee chooses to remain anonymous, every effort will be made to respect this request. No one will be punished for asking about possible breaches of law, regulation or QH Group policy. It is corporate policy not to take any action (including any acts of retaliation, demotion, discharge, discipline, discrimination, harassment, suspension or threats) against a director, officer or employee who reports in good faith regardless of whether or not the report proves to be accurate. Any allegation of a reprisal will be investigated.

After receiving a report of an alleged non-compliance or concerns regarding ethics and business conduct, Quarterhill's ESGN Committee (or, if delegated by the ESGN Committee, the VP of People & Culture or the Chief Financial Officer) will promptly take all appropriate actions necessary to investigate. All directors, officers and employees are expected to cooperate in any such internal investigation.

Disciplinary Matters

Quarterhill must ensure prompt and consistent action against violations of this Code. If, after investigation, a violation of this Code has been found to have occurred by a director or officer, it will be reported to the Board. If, after investigation, a violation of this Code has been found to have occurred by an employee, it will be reported to the Chief Financial Officer and Chief Executive Officer. Upon receipt of a determination that there has been a violation of this Code, the Board will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

Waivers and Disclosure

Any waiver of any provision of this Code made to any director or executive officer may only be made by the Board (or a committee of the Board), in its discretion, and any waiver of any provision of this Code made to any other employee may only be made by the Chief Financial Officer, in his discretion. Any waiver of this Code for or violation of this Code by a director or an executive officer shall be disclosed as required by securities laws.

10. Amendment and Administration of this Code

The Board may, from time to time, amend this Code. Responsibility for day-to-day administration of this Code has been delegated to the VP of People & Culture. If employees, directors or officers have any questions about the Code generally or any questions about reporting a suspected conflict of interest or other violation of the Code, they may contact the VP of People & Culture.