



AQUABOUNTY TECHNOLOGIES, INC.

Corporate Governance Guidelines

(Adopted: May 21, 2021)

The Board of Directors (the “Board”) of AquaBounty Technologies, Inc. (the “Company”) has adopted these corporate governance guidelines to assist and guide the Board in the exercise of its responsibilities. These guidelines should be interpreted in accordance with any requirements imposed by applicable federal or state laws or regulations, The Nasdaq Stock Market (“NASDAQ”) and the certificate of incorporation and bylaws of the Company.

I. DIRECTOR CRITERIA AND SELECTION

- A. Selection of Board Members:** The Company’s stockholders elect Board members annually. The Nominating and Corporate Governance Committee recommends to the Board director candidates for nomination and election at the annual stockholders meeting or for appointment to fill vacancies. In making its recommendations to the Board, the Nominating and Corporate Governance Committee will follow the procedures set forth in the Company’s Charter and in the Nominating and Corporate Governance Committee Charter. For purposes of identifying new director candidates, the Nominating and Corporate Governance Committee may use a variety of sources, including executive search firms and stockholder recommendations.

The Nominating and Corporate Governance Committee will consider candidates recommended by stockholders. Stockholders may submit director candidate suggestions by following the procedures set forth in the appendix to the Nominating and Corporate Governance Committee Charter.

The Board nominates director candidates for election by the stockholders and fills any Board vacancies that occur between stockholder elections.

- B. Board Membership Criteria:** The Nominating and Corporate Governance Committee works with the Board annually to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience as described in Exhibit A to the Nominating and Corporate Governance Committee Charter.

The Board evaluates each individual in the context of the Board as a whole, with the objective of recommending a group that can best perpetuate the success of the Company's business and represent stockholder interests through the exercise of sound judgment, using its diversity of experience. In addition, attendance, preparation and participation at meetings are important components of the directors’ duties and will be taken into account

by the Nominating and Corporate Governance Committee in assessing directors for renomination as directors.

- C. **Independence:** At least a majority of the members of the Board shall meet the independence requirements of NASDAQ. New and continuing directors will complete a questionnaire each year that will be reviewed by the Nominating and Corporate Governance Committee and approved by the Board as part of the annual evaluation of all relationships between the Company and each director for the purposes of determining, among other things, whether a material relationship exists that might represent a potential conflict of interest or otherwise interfere with the director's ability to satisfy his or her responsibilities as an independent director.
- D. **Service on Other Boards:** Performing the duties and fulfilling the responsibilities of a director require a significant commitment of time and attention. The Board does not believe, however, that explicit limits on the number of other boards of directors on which a director sits, or on other activities a director pursues, are appropriate. The Board, however, recognizes that excessive time commitments can interfere with a director's ability to perform and fulfill his or her duties and responsibilities effectively. The Nominating and Corporate Governance Committee will consider whether the performance of a director has been or is likely to be adversely affected by excessive time commitments, including service on other boards of directors. Directors must notify the Chair of the Nominating and Corporate Governance Committee prior to considering a position with a separate entity so that the potential for conflicts or other factors compromising the director's ability to perform or fulfill his duties and responsibilities may be fully assessed.
- E. **Term and Age Limits:** The Board does not set fixed limits on the number of consecutive terms a director may serve or on the directors' ages. While term limits may help to ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations, and therefore provide an increasing contribution to the Board as a whole. However, the Nominating and Corporate Governance Committee will review and consider the length of each director's tenure on the Board as part of the annual nomination process.
- F. **Directors Who Change Job Responsibility:** The Board does not believe directors who retire or change their principal occupation or business association should necessarily leave the Board. However, promptly following any such event, the director should notify the Chair of the Nominating and Corporate Governance Committee, so that it can review and advise the Board regarding the continued appropriateness of the director's Board membership.

II. DIRECTOR RESPONSIBILITIES AND COMPENSATION

- A. **Role of Directors:** The business and affairs of the Company are managed by or under the direction of the Board, acting on behalf of the stockholders. The Board has delegated

to the officers of the Company the authority and responsibility for managing the Company's everyday affairs. The Board has an oversight role and is not expected to perform or duplicate the tasks of the Chief Executive Officer (the "CEO") or senior management.

- B. Risk Oversight:** The Board is responsible for oversight of strategic and enterprise risks to the Company. While the full Board has overall responsibility for risk oversight, it is supported in this function by each of its committees. The Audit Committee assists the Board in overseeing and evaluating risks related to the Company's accounting, reporting and financial practices, including the integrity of its financial statements, the integrity and effectiveness of the Company's disclosure controls and internal control over financial reporting, and compliance with legal requirements. The Compensation and Human Capital Committee assists the Board by overseeing and evaluating risks related to the Company's compensation structure and programs. The Nominating and Corporate Governance Committee assists the Board by overseeing and evaluating programs and risks associated with Board organization, membership and structure, and corporate governance.
- C. Ethical Business Principles:** Integrity and ethical behavior are core values of the Company. The Board and all Company employees shall reflect such principles in the conduct of business. The Board is responsible to provide the best example of these values and should reinforce their importance at appropriate times.

The Company's Code of Business Conduct and Ethics (the "Code") is an extension of the Company's values and reflects the Company's continued commitment to ethical business practices and legal compliance. The Code covers a wide variety of areas including conflicts of interest, insider trading, and confidentiality of information. Each director, executive officer and employee is expected to be familiar with and adhere to the Code.

- D. Attendance at Meetings:** Each member of the Board is expected to make reasonable efforts to attend meetings of the Board, whether regular or special.
- E. Time Commitment; Advance Distribution and Review of Materials:** Directors are expected to spend the time needed and meet as frequently as the Board deems necessary or appropriate to discharge their responsibilities. Senior management is responsible for distributing in a timely manner to directors information important to the Board's understanding of the business to be conducted at a Board or Committee meeting. Directors should review these materials before the meeting.
- F. Director Compensation:** The Compensation and Human Capital Committee will determine and periodically review the form and amount of non-employee director compensation, except as otherwise determined by the Board. The Company's executive officers shall not receive additional compensation for their service as directors.

III. BOARD STRUCTURE AND PROCEDURES

- A. Size of Board:** The Board reserves the right at any time to increase or decrease its size, subject to any provisions in the Company's certificate of incorporation and bylaws as well as any contractual obligations of the Company, depending on the Board's assessment of its needs and other factors. The size of the Board may vary based upon the capabilities and experience required to fulfill its purpose. Board size should facilitate active interaction and participation by all Board members. The Board will review from time to time the appropriateness of its size.
- B. Board Leadership:** The independent directors annually appoint a Chair of the Board. The Board does not have a policy as to whether the Chair should be an independent director, an affiliated director, or a member of management. To ensure robust independent leadership on the Board, if the individual appointed as Chair is not an independent director, or when the independent directors determine that it is in the best interests of the Company, the independent directors will also annually appoint a Lead Independent Director.
- C. Committees:** The Board intends at all times to have an Audit Committee, a Compensation and Human Capital Committee and a Nominating and Corporate Governance Committee. Each of these committees will have a written charter that sets forth its responsibilities and qualifications for committee membership. The Board may from time to time establish additional committees as it deems appropriate. Membership on the Audit Committee, Compensation and Human Capital Committee, and Nominating and Corporate Governance Committee is limited to independent directors meeting the independence requirements of NASDAQ and any other applicable rules or regulations of the Securities and Exchange Commission (the "SEC") and the Internal Revenue Service. The Board retains discretion to form new committees or disband current committees depending upon the circumstances.
- D. Executive Sessions:** The independent directors will meet at regularly scheduled executive sessions without management participation. If the Chair is a non-executive director and an independent director, then the Chair will preside at these meetings. If the Chair is not an independent director, then the director who presides at these meetings will be the Lead Independent Director, if any, or the director chosen by those present at a meeting. In either case, the director who presides at these meetings, and his or her name, or the process by which he or she is selected, will be disclosed, if required by SEC rules, in the annual proxy statement or, if the Company does not file an annual proxy statement, in the Company's annual report on Form 10-K filed with the SEC.
- E. Director Access to Management and Independent Advisers:** In performing its responsibilities, the Board, and each committee, shall be entitled to rely on the advice and information it receives from management and the experts, advisers and professionals who the Board, or a committee, may consult. The Board and each committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by

the Company to provide advice to the Company, attend a meeting of the Board or committee or meet with any members of or advisers to the Board. The Board or any committee shall also have the authority to engage legal, accounting or other advisers to provide advice and information it deems appropriate to carry out its responsibilities. Further, the Board encourages senior management, from time to time, to bring employees into Board meetings who (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas, or (b) should be given exposure to the Board.

- F. **Director Orientation and Continuing Education:** The Company will conduct an orientation program for each new director. The orientation will be designed to familiarize the new director with the Company's business and strategic plans, key policies and practices, principal officers and management structure, auditing and compliance processes and its code of business conduct and ethics. The Nominating and Corporate Governance Committee will be responsible for periodically providing materials or briefing sessions for continuing directors on topics that will assist them in discharging their duties.

IV. **OTHER CORPORATE GOVERNANCE MATTERS**

- A. **Annual Performance Evaluations of the Board and Committees:** The Nominating and Corporate Governance Committee will oversee an evaluation at least annually for the purpose of determining whether the Board and its committees are functioning effectively. Each committee of the Board will conduct a self-evaluation at least annually and report the results to the Board, acting through the Nomination and Corporate Governance Committee. Each committee's evaluation must compare the performance of the committee with the requirements of its charter.
- B. **Succession Planning:** The Nominating and Corporate Governance Committee shall be responsible for developing succession plans for the Board, and the Compensation and Human Capital Committee shall be responsible for developing succession plans for the CEO and key executives, and, in each case, presenting those plans to the Board for approval.
- C. **Communications with Outside Interested Parties:** The Board believes that management should be responsible for communications with the press, media and other outside parties on behalf of the Company, although individual Board members may, at the request of management or the Board, communicate with outside parties on behalf of the Company.
- D. **No Limitation on Other Rights:** These guidelines are not intended to modify, eliminate or in any other manner limit the indemnification, exculpation and similar rights available to the directors of the Company under applicable law and/or the Company's certificate of incorporation and/or its bylaws.

- E. Modifications to Guidelines:** Although these guidelines have been approved by the Board, they may evolve over time as customary practice and legal requirements change. In particular, guidelines that reflect legal, regulatory or exchange requirements as they currently exist will be deemed to be modified as and to the extent those requirements change. These guidelines shall be reviewed annually by the Nominating and Corporate Governance Committee and any changes recommended to the Board for approval.
- F. Disclosure of Guidelines:** It shall be the responsibility of the Corporate Secretary of the Company to assure that the current version of these guidelines, along with the Company's Code of Business Conduct and Ethics, be posted on the Company's website. The Company's stockholders shall be apprised of the availability of these guidelines on the Company's website.
-