



SUPPLIER CODE OF CONDUCT

INTRODUCTION

It is Héroux-Devtek's policy and objective to maintain the highest standards of ethical business conduct. As stated in our own Code of Conduct, Héroux-Devtek directors, officers and employees must comply with the law, sustain a culture where ethical conduct is recognized value and exemplified, honor their commitments, act in good faith, uphold Héroux-Devtek's values and hold themselves accountable.

Our suppliers are critical to our success and, in order to provide superior products and services in a responsible manner, we require you to meet our expectations for ethics and compliance.

Héroux-Devtek or the Corporation refers to Héroux-Devtek Inc., its wholly-owned subsidiaries and its controlled affiliates.¹

This Supplier Code of Conduct (the "**Supplier Code**") was established to help Héroux-Devtek's suppliers, vendors and other third party contractors take a consistent approach to key integrity issues, aligned with the expectations we maintain for our own directors, officers and employees.

Héroux-Devtek understands and expects that its suppliers may have their own internal code of ethics and conduct. This Supplier Code is not intended to replace such internal code (provided it complies with the substance of this Supplier Code) or to be an exhaustive list of all ethical business conduct requirements. You are responsible for ensuring that your directors, officers, employees, representatives, and business partners understand and comply with the expectations set forth in this Supplier Code.

This Supplier Code is in no way intended to conflict with or modify the terms and conditions of any existing contract with Héroux-Devtek. Unless otherwise set out in such contract, in the event of a conflict, the provisions of the contract shall prevail over the provisions of this Supplier Code.

COMPLIANCE WITH LAWS

Suppliers must maintain full compliance with all laws and regulations applicable to the operation of their business and their relationship with Héroux-Devtek.

¹ Controlled affiliates refer to corporations in which Héroux-Devtek Inc. owns, directly or indirectly, more 50 percent of the voting rights.

SUPPLIER RESPONSIBILITIES

Commensurate with the size and nature of your business, you must have management systems, tools and processes in place that:

- ensure compliance with applicable laws, regulations and the requirements set forth in this Supplier Code;
- promote an awareness of and commitment to ethical business practices, including, without limitation, the expectations set forth in this Supplier Code;
- facilitate the timely discovery, investigation, disclosure (to Héroux-Devtek and others, as appropriate) and implementation of corrective actions for violations of law, regulations or the expectations set forth in this Supplier Code; and
- provide training to your employees on compliance requirements, including the expectations set forth in this Supplier Code.

BRIBERY, IMPROPER PAYMENT AND KICKBACKS

We work with honesty and integrity at all times. We understand that the future of our business depends upon the trust of our customers and other stakeholders, and our reputation for technical expertise and reliable ethical conduct. The opposite of integrity is dishonest behavior, including corruption, that would undermine our reputation for fair dealing.

Héroux-Devtek is subject to the strictest anti-corruption laws in the world, including the *Canadian Corruption of Foreign Public Officials Act (CFPOA)*, the *United States Foreign Corrupt Practices Act (FCPA)*, and the *UK Bribery Act*. They apply to all employees, customers, suppliers, agents and subsidiaries everywhere in the world, regardless of nationality or location. The penalties for violation of these laws include fines and prison sentences for individuals and heavy fines for companies.

Héroux-Devtek does not tolerate any form of bribery or corruption in the way its business is run.

You must commit to the principles of fairness and excellence in your dealings with all your business partners, and expect the same commitment in return. We require all suppliers, agents, representatives and subcontractors acting on our behalf to apply ethical principles that are consistent with our own.

You should not offer anything of value to obtain any improper advantage in selling goods or services, conducting financial transactions or representing whether Héroux-Devtek's interests, your interests, or others' interests to governmental authorities. You must never give a gratuity or other payment to government officials or employees to expedite an action.

EXPORTS, IMPORTS AND TRADE COMPLIANCE

As a global company working on critical aerospace and defense products, we are subject to the complex world of international trade. This is a highly regulated area. We require strict compliance with all export and import laws and regulations that cover the transfer of certain parts, technical data, equipment, and services between countries, such as the Canadian Export and Import Permit Act (EIPA), the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR).

You are required to conduct your business in strict compliance with all applicable laws and regulations governing the import, export, re-export and retransfer of goods, technical data, software and services, economic sanctions and embargoes.

GOVERNMENT BUSINESS

Héroux-Devtek conducts business with many government organizations, ministries, officials, as well as government-funded enterprises and public international agencies. The Corporation is committed to conducting its business with all governmental representatives with the highest ethical standards and in

compliance with applicable laws and regulations, including the special requirements associated with government transactions. The expression “government officials” must receive a wide interpretation and will include those who are not simply traditional representatives of governments at the federal, state or municipal levels (appointed or elected). It may also encompass a wide range of civil servants, as well as employees of state-owned or state-controlled entities.

As a supplier which might be supporting a contract of the Corporation with a governmental entity, you must take special care to comply with the many special rules that apply to contracting with governmental entities, with particular emphasis on those special requirements associated with government contracts and transactions (for example, the Federal Acquisition Regulation “FAR” and the Defense Federal Acquisition Regulation Supplement “DFARS” in the United-States).

EMPLOYEES AND COMMUNITIES WHERE WE OPERATE

You must ensure that employees are hired and promoted based on merit and that working conditions comply with the law. You must strive to provide safe environments for your employees and the communities where you operate. You will treat employees fairly and with dignity and respect. You must be committed to maintaining challenging workspace in which ability and performance are recognized, free from any form of discrimination or harassment. You must comply with all applicable employment and labour legislation, as well as any other legislation governing employer-employee relations in the workplace and existing collective agreements.

Child labor (employment of any person under the minimum legal age for employment where the work is performed) and human trafficking (forced labor, bonded labor, indentured labor, involuntary prison labor, slavery or trafficking in persons) are strictly prohibited.

At Héroux-Devtek, respect for the environment and communities where we operate is an integral part of our reason of existence. We expect each supplier to maintain compliance with applicable standards and to continually improve its control over the environmental aspects of managing and operating its facilities in order to aim at reducing its environmental footprint.

We further expect our suppliers to provide a safe and healthy workspace and to avoid adverse impact and injury to the communities where such suppliers operate.

FAIR DEALING WITH OTHER PEOPLE AND ORGANIZATIONS

You must avoid misrepresentation, manipulation or concealment or any misuse of confidential information, and you must not engage in any unfair practices with shareholders, customers, suppliers, competitors and employees. Our suppliers must comply with the applicable competition laws such as Canada’s *Competition Act* and similar legislation in other countries.

CONFLICTS OF INTEREST

The effectiveness of this Supplier Code depends in large part on the cooperation of all suppliers in disclosing any situations that may be contrary to the intent of the Supplier Code. Suppliers are required to avoid all conflicts of interest or situations giving the appearance of a conflict of interest in their dealings with Héroux-Devtek, and to report to Héroux-Devtek any actual or apparent conflicts of interest between their interests and those of Héroux-Devtek.

CONTROLLERSHIP

You must keep books, records, and accounts that accurately reflect all transactions related to Héroux-Devtek and to establish for this purpose an appropriate accounting and internal control system. You must therefore ensure that your books, records and accounts are valid, complete and accurate, and based on verifiable supporting documentation. Under no circumstances will you keep parallel accounts.

INSIDER TRADING OR DEALING & STOCK TIPPING

Suppliers and their directors, officers and employees must not use any material or non-publicly disclosed information obtained in the course of their business relationship with Héroux-Devtek as the basis for trading or for enabling others to trade in the stock or securities of Héroux-Devtek or any other company.

CONFIDENTIAL INFORMATION

You must protect Héroux-Devtek confidential information and trade secrets like your own assets of value. Confidential information includes any form of intellectual property such as patents, trade secrets, trademarks, copyrights and other proprietary information such as special manufacturing processes, technical drawings, pricing and non-public suppliers and customers information. All suppliers must take steps to safeguard the confidential information made available to them through their business relations with the Corporation (including data).

Unless otherwise authorized by Héroux-Devtek, you must not use such confidential information for any purpose other than the business purpose for which it was provided.

YOUR BUSINESS PARTNERS

If your contract with Héroux-Devtek prohibits you from assigning, delegating, or subcontracting your obligations, you must strictly comply with this prohibition.

If your contract with Héroux-Devtek permits you to assign, delegate, or subcontract your obligations or procure products or services from others that will be incorporated in products or services acquired by Héroux-Devtek from you, we expect you to carefully select your business partners, and perform due diligence, audit, and oversight to prevent and detect misconduct. You must flow down the principles set forth in this Supplier Code to your business partners.

ANONYMOUS REPORTING & REPORTING MISCONDUCT

We expect you to provide your employees and your business partners with access to adequate reporting channels to raise legal or ethical issues or concerns, including, without limitation, reports of a violation of this Supplier Code by you or your business partners, without fear of retaliation, including opportunities for anonymous reporting.

In the event that you become aware of misconduct related to Héroux-Devtek business undertaken by any Héroux-Devtek employee, any of your employees, or any employees of your business partners, we request you to promptly notify your point of contact at Héroux-Devtek, or the Manager, Legal Affairs of Héroux-Devtek.

SUPPLIER CODE COMPLIANCE

You are solely responsible for full compliance with this Supplier Code by your directors, officers, employees, representatives, and business partners. In the event that the expectations of this Supplier Code are not met, the business relationship between you and Héroux-Devtek may be reviewed and corrective action pursued.