



# CODE OF CONDUCT

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### I. INTRODUCTION

The Board of Directors of Héroux-Devtek Inc. has established this Code of Conduct to help Héroux-Devtek's<sup>1</sup> employees, managers, officers and directors (collectively, "**employee(s)**"), at every level, in every country, take a consistent approach to key integrity issues. This Code of Conduct provides mandatory guidance and framework for our actions and behaviors with respect to all our business activities.

It is Héroux-Devtek's policy and objective to maintain the highest standards of ethical business conduct. This Code of Conduct is the expression of such fundamental values. To continue to earn the trust of the public and our stakeholders, and to preserve our reputation, we must maintain high standards of conduct. In that regard, this Code of Conduct reflects our commitment to abide by ethical principles in our day-to-day dealings with customers, suppliers, and business partners, as well as with our employees and shareholders.

Integrity is everyone's business. Each of us has a role to play in upholding the very highest standards of integrity.

### APPLICATION

All Héroux-Devtek employees, wherever located, must read this Code of Conduct, understand it, and comply with its principles and requirements.

Héroux-Devtek's suppliers, consultants and other business partners are expected to conduct themselves in accordance with the separate *Héroux-Devtek Supplier Code of Conduct* ("**Supplier Code of Conduct**")<sup>2</sup>.

### APPLICABLE LAWS

Héroux-Devtek conducts business in many countries and as a result, our operations are subject to the laws of many countries, provinces, states and local authorities. This Code of Conduct overrules any local laws which permit something that is strictly prohibited by this Code of Conduct.

This Code of Conduct is designed to provide overarching guidance to allow employees to comply with such increasingly complex laws, as applied in the context of our international activities.

### EMPLOYEE RESPONSIBILITIES

As an employee of Héroux-Devtek, you must:

- Participate in any mandatory training on ethics and compliance;
- Abide by all principles and requirements of this Code of Conduct consistent with applicable laws;
- If you have questions about this Code of Conduct, seek assistance from your manager or Human Resources manager;
- Promptly raise any concern you may have about actual or suspected violations of this Code of Conduct, our internal policies or any applicable law, without regard to the identity or position of the concerned individual; and
- Fully cooperate with Héroux-Devtek in any investigation of actual or suspected violations of this Code of Conduct.

### LEADERSHIP RESPONSIBILITIES

The obligations of Héroux-Devtek's leaders go beyond those required of other employees. Leaders in our organization are comprised of all directors, officers and managers. As such, these individuals must:

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<sup>1</sup> "**Héroux-Devtek**" refers to Héroux-Devtek Inc., its wholly owned subsidiaries and any corporations in which Héroux-Devtek Inc. owns, directly or indirectly, more 50 percent of the voting rights.

<sup>2</sup> Available on Héroux-Devtek's website.

→ **Build and maintain a culture of compliance by:**

- Personally leading compliance efforts through frequent meetings with direct reports;
- Leading by example, using their own behavior as a model for all employees;
- Maintaining a work environment that reflects the spirit of this Code of Conduct;
- Encouraging employees to raise their integrity questions and concerns; and
- Evaluating employee's compliance with this Code of Conduct during performance review.

→ **Prevent non-compliance issues by:**

- Ensuring that risks of non-compliance arising from the business process under their management are identified and addressed.

→ **Detect non-compliance issues by:**

- Implementing appropriate control measures in business processes to detect compliance risks and violations of this Code of Conduct; and
- Ensuring that periodic compliance reviews are conducted.

→ **Respond to non-compliance issues by:**

- Protecting any employee who reports violations of this Code of Conduct from reprisals;
- Taking prompt corrective actions to remedy identified concerns and avoid reoccurrence; and
- Notifying the Vice President, Human Resources and/or the Director, Legal Affairs of any breach of this Code of Conduct by employees under his/her responsibility and taking appropriate disciplinary action or filing a Whistleblower report in accordance with *Héroux-Devtek Whistleblower Policy*<sup>3</sup>.

## WHY RAISE INTEGRITY CONCERNS

Each of us has the responsibility to identify and raise concerns about actual or suspected violations of this Code of Conduct or any applicable law. It is important to realise that tremendous harm could result from failing to do so, including:

- Serious damage to health, safety and well-being of yourself, your fellow employees, Héroux-Devtek as a whole, our customers and/or the communities in which we operate;
- The loss of confidence in Héroux-Devtek by customers, shareholders and governments; and
- Fines, damages and other financial penalties against Héroux-Devtek and/or employees, potential prison sentences against individuals.

## HOW TO RAISE AN INTEGRITY CONCERN

Many options are available to you for raising concerns about actual or suspected violation of this Code of Conduct or any applicable law. You may submit your concern:

- anonymously,
- in writing or verbally,
- to either your manager or Human Resources manager, or
- by filing a Whistleblower report in accordance with *Héroux-Devtek Whistleblower Policy*<sup>4</sup>.

In all cases, Héroux-Devtek will treat the information submitted in a confidential manner.

## PROTECTION AGAINST RETALIATION & FRAUDULENT ACCUSATIONS

Héroux-Devtek prohibits any form of retaliation towards any employee who reports a violation of this Code of Conduct in good faith or cooperates in the investigation even if it is subsequently determined that the

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<sup>3</sup> Available on Héroux-Devtek's website.

<sup>4</sup> *id.*

report was unfounded. Likewise, Héroux-Devtek does not tolerate any fraudulent accusations made in bad faith against anyone.

If you witness acts or threats of retaliation or fraudulent accusations, you must report the situation immediately to your manager or Human Resources manager so appropriate measures may be taken.

### **CONSEQUENCES FOR VIOLATIONS**

Based on the gravity of the violation, employees who do not comply with this Code of Conduct may be subject to disciplinary actions, up to termination of employment, and may also be reported to the appropriate authorities for civil or criminal procedures. Disciplinary actions may also be taken against employees who:

- Request or encourage others to violate this Code of Conduct;
- Fail to promptly raise a known or suspected violation of this Code of Conduct;
- Fail to fully cooperate in the investigations of a suspected violation of this Code of Conduct;
- Retaliate against another employee for reporting in good faith an actual or suspected violation of this Code of Conduct; or
- Make fraudulent accusations in bad faith against anyone.

### **YOUR PERSONAL COMMITMENT**

As an Héroux-Devtek employee, you must commit to understanding and following this Code of Conduct regardless of your position or location. Therefore, newly hired employees must read this Code of Conduct and sign the acknowledgment on the last page prior to the start of employment, and thereafter, employees will be requested to reaffirm their commitment to the requirements of this Code of Conduct in accordance with Héroux-Devtek's internal policy.

## **II. EMPLOYEES AND HUMAN RIGHTS**

### **→ Overview**

One of Héroux-Devtek's greatest strength is the diversity of its employees, composed of women and men of many nationalities and backgrounds working together as one team. To promote an inclusive culture and protect the wellbeing of our employees, we are committed to providing a work environment that is free of discrimination, bullying, harassment and any form of violence. We recognize that such behaviors can have negative impacts on the safety of our employees, as well as their productivity and ability to innovate. Therefore, any form of discrimination, harassment or other misconducts, whether during or outside business hours, will not be tolerated.

Héroux-Devtek will treat employees fairly and with respect, in accordance with applicable local laws and international human rights standards<sup>5</sup>. Encouraging or tolerating illegal labor practices, including the use of forced or child labour, modern slavery or human trafficking is contradictory to our ethical principles and is strictly prohibited.

We respect the right of employees to join or form trade unions in accordance with their respective local laws and to conduct collective bargaining (if collective agreements exist). We will not discriminate against union representatives.

### **→ Requirements:**

- Work as a professional team, promote inclusiveness and treat your colleagues with respect and dignity;
- Do not engage in any form of discrimination against anyone, whether based on gender, national or ethnic origin, age, religion, sexual orientation/identity, marital or family status, physical status (including pregnancy), disability, mental ability or any other differentiating factors (unless justified by *bona fide* occupational qualification);

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<sup>5</sup> Héroux-Devtek adheres to the *International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work*.

- Do not engage in any form of harassment (including all forms of sexual, physical and psychological abuse), threats, intimidation, bullying or violence against anyone;
- Spot and report incidents of discrimination, harassment or violence to your manager or Human Resources manager; and
- Managers must hire and promote employees based on qualifications and experience, without discrimination (unless justified by *bona fide* occupational qualification).

→ **What to watch out for:**

- Inappropriate or unwanted physical contacts or sexual solicitation;
- Unwelcomed remarks or jokes about a person's body, attire or other differentiating factors; and
- Display of any racist, sexually suggestive or offensive materials in print or electronic form.

### III. ENVIRONMENT, HEALTH & SAFETY (EHS)

→ **Overview**

At Héroux-Devtek, protecting employees and the environment where we operate is an integral part of our *raison d'être*. While compliance with applicable legal requirements represents a minimum, we prefer to establish our own standards which may impose more stringent obligations. Accordingly, environment, health and safety constitute some of the most important factors guiding our business decisions and we will always strive to be a leader in providing an EHS preventive culture.

We are committed to eliminating all work-related injuries and illnesses by providing a safe and healthy workspace and proactively identifying and addressing all inherent risks. Our health and safety programs combine clear leadership by management, the participation of all employees and functions, and the use of appropriate safety equipment and technology in all stages of our operations.

In line with this objective, Héroux-Devtek's workplace must be free from substance abuse, including use, possession and trafficking of cannabis or illicit drugs. Working while impaired due to alcohol, cannabis or any drugs is therefore prohibited. Employees who have a drug or alcohol problem are encouraged to seek assistance from their human resources manager to learn about our Employee Assistance Program.

Héroux-Devtek strongly believes that responsible use of environment resources is essential to ensure the growth and sustainability of our organization. Based on a long-term perspective, we engage in environmental management to prevent environmental impact and aim to reduce our environmental footprint.

When incidents occur, they are thoroughly analyzed to determine root causes and corrective actions are implemented to prevent reoccurrences. We build on synergies by sharing lessons learned and best practices throughout the organization. We review all environmental processes, programs and procedures on a regular basis to ensure they remain appropriate and up to date.

→ **Requirements:**

- Immediately report to your manager any environment, health and/or safety (EHS) hazard you encounter in your workplace;
- Understand and comply with all health and safety procedures applicable to your work, including wearing and using personal protective equipment when required;
- Request help if you think you are not properly trained to perform a job that may harm you or others;
- Keep all workspaces, equipment and tooling clean and in good working condition;
- While on Héroux-Devtek's premises, you are prohibited to:
  - carry or use any weapon or firearm;
  - use, possess, sell or distribute cannabis or illicit drugs;
  - use any other substance, including alcohol, that may compromise your security or that of others;

- Understand and comply with *Héroux-Devtek Environment Policy*<sup>6</sup> as applied to your role and responsibilities;
- At all times, strictly comply with all applicable environment laws and regulation, company environmental procedures and site-specific environmental procedures and instructions;
- Strive to minimize waste generation, pollutant emissions and the use of hazardous materials; and
- Immediately contact your local Designated Environmental Officer or the Environmental Director if you receive a communication from a third-party (including government agencies) regarding any environmental matter.

→ **What to watch out for:**

- EHS complaints from other employees, customers, government agencies or neighbours; and
- Failing to report a potential EHS risk, incident or accident to your manager or attempting to address it by yourself.

#### IV. GOVERNMENT BUSINESS

→ **Overview**

Héroux-Devtek conducts business with many government organizations, ministries, public officials, as well as government-funded enterprises and public international agencies. Héroux-Devtek is committed to conducting its business with all governmental representatives with the highest ethical standards and in accordance with applicable laws and regulations, including the special legal requirements associated with government contracts.

→ **Requirements:**

- Understand and comply with all applicable regulations associated with government acquisition contracts<sup>7</sup>;
- Be truthful and accurate when dealing with public officials and agencies;
- Adopt effective processes to ensure that:
  - all costs and pricing details included in reports, certifications, statements and proposals issued to government customers are accurate, and
  - contract requirements are adequately identified, communicated to relevant employees and flowed down to suppliers;
- Do not make any unauthorized substitutions for contracted goods and services or deviate from contract requirements without the written approval of the authorized public official.

→ **What to watch out for:**

- Unauthorized cost-charging on government contracts;
- Submission of inaccurate cost or pricing data when such data is required by the government;
- Violation of government regulations that establish gratuity restrictions, entertainment rules, recruiting prohibitions, non-commercial contract requirements or certification procedures; and
- Acceptance of information related to governments' competitive supplier selection process or competitors' bids or proposals unless the contracting officer or head of the agency has specifically and lawfully authorized release of such information.

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<sup>6</sup> Available on Héroux-Devtek's website and posted in visible locations at your site.

<sup>7</sup> For example, the *Federal Acquisition Regulation "FAR"* and the *Defense Federal Acquisition Regulation Supplement "DFARS"*.

## V. SUPPLIER RELATIONSHIPS

### → Overview

Héroux-Devtek builds its relationships with suppliers, consultants, agents and other business partners (collectively “**suppliers**”) on lawful and fair practices. Héroux-Devtek will treat its suppliers with integrity and without discrimination. We also expect our suppliers to adhere to applicable legal requirements in their business relationships, including those with their employees, other customer, suppliers and local community. Our suppliers’ financial assets and cash must come from legitimate sources. The quality of our supplier relationships often has a direct bearing on the quality of our customer relationships. Likewise, the quality of our suppliers’ products and services affects the quality of our own products and services.

### → Requirements:

- Flow-down to the suppliers under your responsibility all applicable customer contract provisions when purchasing parts, materials and/or services;
- Do business with suppliers that adhere to the *Supplier Code of Conduct*;
- Report any suspicious conduct by any supplier to your manager;
- Select suppliers in accordance with the selection process of the applicable *Héroux-Devtek Quality Standard Procedures (QSP)* or similar internal procedures<sup>8</sup>; and
- Request appropriate support from our suppliers to ensure that Héroux-Devtek consistently meets or exceeds customers’ expectations in terms of quality, cost and delivery.

### → What to watch out for:

- Selection of suppliers on any basis other than open, competitive bidding, unless authorized by your manager;
- Potential conflicts of interest in supplier selection, including the acceptance of gifts or other valuable consideration;
- Directing business to a supplier owned or managed by a relative or close friend;
- Unsafe conditions in supplier facilities, or workers who appear to be underage or subject to coercion; and
- Apparent disregard of environment, health and/or safety (EHS) standards in supplier facilities.

## VI. BRIBERY AND CORRUPTION

### → Overview

We always work with honesty and integrity. We understand that the future of our business depends upon the trust of our customers and other stakeholders, and on our reputation for good ethical conduct. As a result, Héroux-Devtek does not tolerate any form of dishonest behaviors such as bribery and corruption in the way its business is run.

Strict compliance with all applicable anti-corruption laws is mandatory<sup>9</sup>. Such laws apply to all persons and entities dealing with Héroux-Devtek, everywhere in the world, regardless of nationality or location. In most jurisdictions, violation of these laws is considered a criminal offense punishable by fines and prison sentences for individuals and heavy fines for companies.

We are committed to the principles of fairness and honesty in our dealings with everyone we do business with and expect the same commitment in return. All suppliers, consultants and other business partners are expected to apply ethical principles that are consistent with our own.

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<sup>8</sup> Please contact your Procurement Director to obtain a copy of the applicable supplier selection procedure.

<sup>9</sup> Anti-corruption laws include the Canadian *Corruption of Foreign Public Officials Act (CFPOA)*, the United States *Foreign Corrupt Practices Act (FCPA)*, the UK *Bribery Act* and the Spanish *Criminal Code* (articles 286, 419 to 427), reformed by the *Organic Law 5/2010* of Spain.

→ **Requirements:**

- Never give, offer or promise, directly or indirectly, valuable consideration to anyone, including public officials<sup>10</sup>, to obtain an unfair business advantage or in circumstance that could create the appearance of impropriety. Similarly, never accept or receive from anyone, valuable consideration that could influence your judgement (or have the appearance of doing so) or if a return favour is expected. In that context, “**valuable consideration**” includes:
  - Cash or cash equivalents (ex: gift cards);
  - Loans or other non-arm’s length transactions;
  - Personal business opportunities such as a job or a consulting arrangement for a relative or a friend;
  - Kickbacks, secret, illicit commissions or other similar payoff arrangements;
  - Political and charitable contributions; and
  - Gifts and entertainment.

Provided no public official or political party is involved, such requirement does not prohibit payment or receipt of reasonable and *bona fide* expenditures, such as reasonable travel and living expenses, including food, beverage and lodging directly related to the promotion of Héroux-Devtek or its products or services.

Any form of donation or gratuity to a **public official**, regardless of the value, is strictly prohibited unless authorized by the Chief Executive Officer of Héroux-Devtek.

- Never make any payment to a low-level public official to expedite a routine, non-discretionary, government action (also known as “facilitation payment” or “grease payments”). This does not include legally posted expediting or rush service fees or other fast track services for which one can obtain an official government receipt;
- Immediately consult with the Director, Legal Affairs if you are unsure whether the offer or acceptance of a gift or other consideration is permitted in light of a particular situation;
- Certain communications with public officials are subject to strict registration and reporting requirements under applicable lobbying laws. Consult with the Director, Legal Affairs if you solicit public officials in the normal course of your work to validate if such requirements exist; and
- Any consultant, agent and other business partner acting for or on behalf of Héroux-Devtek must be assessed against corruption risks in accordance with the *Héroux-Devtek Ethics Program Policy*<sup>11</sup>.

→ **What to watch out for:**

- Unusual, excessive or out of the ordinary requests for travel, lodging, hospitality or any other benefit for public officials, customers, suppliers, family members or friends;
- Any business partner that suggests unusually “fast” clearance of goods through customs, visas or issuance of government permits;
- Any request to make a payment to a person who is not related to the transaction being discussed or a request that payment be made in another country;
- A commission that seems large in relation to the services provided;
- Competitive bids that require the use of designated intermediaries due to a “special relationship”;
- Requests for donations to charities or organizations that may be affiliated with a public official or a customer;
- Receipt of false or inflated invoices from a supplier or business partner; and
- Demand from a business partner to receive its commission payment prior to winning a contract.

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<sup>10</sup> “**Public officials**” mean any officer or employee of a government, a government department, agency, or government owned or controlled state enterprise, any person acting in an official capacity for or on behalf of a government or government entity or of a public international organization, any political party or party official, or any candidate for political office. Public officials include not only elected officials, but also consultants who hold government positions and political party officials.

<sup>11</sup> Please contact the Legal Department for assistance on this process.



## VII. CONFLICTS OF INTEREST

### → **Overview**

Héroux-Devtek recognizes that employees may take part in legitimate business activities and relationships outside Héroux-Devtek. However, such personal activities and relationships must not create or give the appearance of a conflict with the interests of Héroux-Devtek or affect the performance of the employee's duties to Héroux-Devtek. To determine if you are in such situation, ask yourself the following questions:

- Am I performing my duties in a completely objective and impartial manner?
- Could my actions or decisions result in a financial benefit for me, a relative, a friend or an entity in which I, or any such person hold an interest?
- Could my actions or decisions give the impression that I am acting for my own personal interests or the interests of a relative or a friend?
- Am I carrying out my duties to Héroux-Devtek with less diligence?
- Would I be embarrassed to discuss this with my manager or my colleagues?

### → **Requirements:**

- At all times during your employment, you must report in writing any outside activities, financial interests and relationships in which you take part that may present a potential conflict with the interests of Héroux-Devtek to your manager or Human Resources manager;
- Behave in a loyal manner and avoid any behavior that could be perceived as prejudicial to Héroux-Devtek or its image and reputation;
- Avoid actions or relationships which might conflict or appear to conflict with your job responsibilities or the interest of Héroux-Devtek;
- Unless agreed in writing by your manager, you must not (outside of your duties at Héroux-Devtek) provide any services to a company or person involved in the same or similar type of business as Héroux-Devtek;
- Unless agreed in writing by your manager, you must not accept a board position with an entity when Héroux-Devtek could enter into a relationship with such entity or when there could be an expectation of any form of contribution from Héroux-Devtek; and
- You must not misuse Héroux-Devtek's influence or discredit its good name and reputation.

### → **What to watch out for:**

- Holding a financial interest in a company where you could personally affect Héroux-Devtek's business with that company;
- Taking a part-time job where you may be tempted to spend time on that job during your normal working hours at Héroux-Devtek or to use the equipment or materials of Héroux-Devtek for that job;
- Receiving gifts or valuable consideration from suppliers, customers or competitors while you are in a position to influence decisions of Héroux-Devtek in relation to them;
- Receiving personal discounts or other benefits from suppliers, service providers or customers not available to the general public or other employees of Héroux-Devtek;
- Accepting an offer to purchase "friends and family stock" in a company issuing shares through an initial public offering (IPO) if you interface with that company in your business activities;
- Directing business to a supplier that is owned or managed by a relative or close friend;
- Misusing Héroux-Devtek's resources, your position or influence to promote or assist an outside business; and
- Preferential hiring of, direct supervision of, or making a promotion decision about a spouse, relative or close friend.

## VIII. EXPORTS, IMPORTS AND TRADE COMPLIANCE

### → Overview

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 must comply with all laws and regulations applicable to the export and import of goods, technical data and services, and observe all trade sanctions and embargoes.

### → Requirements:

- Understand the nature of trade compliance as applied to your work and responsibilities;
- Understand which types of transactions are considered exports;
- Understand that certain laws and regulations<sup>12</sup> make the export of certain goods, technical data and services subject to an export license or other government authorization, and
- Direct any of your questions, concerns or requests in this area to the Legal Department.

### → What to watch out for:

- Unusual pressure to take shortcuts when handling exports;
- Exporting military parts or equipment without obtaining the prior authorization from the Legal Department;
- Transferring military technical data (via electronic means or else) to a foreign customer or supplier without prior authorization from the Legal Department;
- Travelling with military technical data (stored on an electronic device such a laptop) to a foreign country or supplier without prior authorization from the Legal Department; and
- Requests for unusual or suspicious shipment locations or drop shipping instructions.

## IX. FAIR DEALING WITH OTHER PEOPLE AND ORGANIZATIONS

### → Overview

All transactions of Héroux-Devtek must be conducted in an honest and straightforward manner to protect its integrity and reputation. It is our policy to avoid misrepresentation, misuse of confidential information or engaging in any unfair practices with others, including our competitors and their personnel. Héroux-Devtek and its employees must comply with the applicable competition laws such as Canada's *Competition Act* and similar legislations in other countries.

### → Requirements:

- Never enter into any business arrangement that eliminates or discourages competition or that confers an inappropriate competitive advantage;
- Never engage in bid rigging;
- Never enter into price fixing activities;
- Never enter into agreement to allocate markets or abuse market power; and
- Always obtain information about our competitors in a legal and ethical manner.

### → What to watch out for:

- Agreements that improperly restrict a customer's choices in using or reselling a product or service;
- Unusual price discounting to only certain customers; and
- Distribution arrangements with competitors.

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<sup>12</sup> Such as the *Canadian Export and Import Permit Act (EIPA)*, the *International Traffic in Arms Regulations (ITAR)*, the *Export Administration Regulations (EAR)* and the *European Union Council Regulation (EC) No 428/2009 of 5 May 2009*.

## X. CONFIDENTIAL INFORMATION AND OTHER ASSETS

### → Overview

Héroux-Devtek's confidential information constitutes one of its most valuable assets and must be protected with the highest level of care and diligence. Except for information that has been authorized for public release (such as published financial reports)<sup>13</sup>, all internal information concerning the business and affairs of Héroux-Devtek, including its intellectual property (such as copyrights and trade secrets), must be considered and treated as confidential information.<sup>14</sup> Personal information related to Héroux-Devtek's employees is also considered confidential information.

Similarly, Héroux-Devtek must safeguard the confidential information and intellectual property of its customers, suppliers or other business partners. Unauthorized use by Héroux-Devtek could expose the organization and its employees to lawsuits, damages, fines and criminal penalties. Therefore, the development of new products and manufacturing processes, and the proposed use of confidential information or intellectual property owned by third parties must be timely reviewed to avoid potential claims of misappropriation or infringement.

Employees must also protect Héroux-Devtek's physical resources and properties (including material, equipment and computers) and use such assets for legitimate business purposes of Héroux-Devtek. All employees must act in a reasonable manner and take appropriate steps to prevent loss, theft or destruction of, or damage or unauthorized access to, the assets of Héroux-Devtek.

The use of Héroux-Devtek's Information Assets (including hardware, software, networks, websites, emails and mobile devices, as well as all confidential information) is further subject to the separate *Héroux-Devtek Acceptable Use of Information Assets Policy*.<sup>15</sup>

### → Requirements:

- Identify and protect Héroux-Devtek's confidential information and that of others in its possession;
- Respect valid patents, copyrighted materials and other protected intellectual property of others;
- Consult with the Legal Department if you are uncertain whether you are authorized to:
  - use in your work any intellectual property owned by third parties, such as a former employer of another employee;
  - disclose confidential information belonging to Héroux-Devtek to outsiders, such as a potential supplier; or
  - permit any business partner to use the intellectual property of Héroux-Devtek;
- Return to your manager all confidential information and intellectual property, whether in physical or electronic support, upon termination of employment;
- Use and maintain assets of Héroux-Devtek with care and respect, guarding against loss, damage, misuse or theft; and
- Obtain the approval of your manager before using for your personal use an asset belonging to Héroux-Devtek.

### → What to watch out for:

- Receiving from an employee confidential information about his or her prior employer;
- Accepting from a third-party information from suspicious origin or under circumstances that raise questions about the legitimacy of such disclosure;
- Discussing confidential information with customers or suppliers without first ensuring that a valid arrangement of confidentiality (e.g. non-disclosure agreement) is in place;

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<sup>13</sup> Any public disclosure must be approved in accordance with the *Héroux-Devtek Corporate Disclosure and Insider Trading Policy*.

<sup>14</sup> Examples of confidential information include: technical drawings, designs, specifications, manufacturing methods, software, pricing lists, marketing strategies, budgets, suppliers' and customers' contracts, internal reports, employee and supplier lists, management changes, merger or acquisition plans and other trade secrets.

<sup>15</sup> Distributed to all employees for review and signature upon hire. Please contact your Human Resources manager for a copy.

- Introducing, or disclosing information about, a new product or manufacturing process before patent applications have been filed or a decision has been made not to file an application;
- Developing a new product or manufacturing process before first reviewing for possible patent infringement; and
- Threatening anyone suspected of infringing any intellectual property of Héroux-Devtek without first consulting with the Legal Department.

## XI. DATA PRIVACY AND DIGITAL ETHICS

### → Overview

Héroux-Devtek is committed to protecting the privacy of individuals in accordance with applicable personal data protection laws in every country in which Héroux-Devtek operates, including, as applicable, the *Personal Information Protection and Electronic Documents Act (PIPEDA)* of Canada and the European Union's *General Data Protection Regulation (GDPR)*. Digital technologies are becoming increasingly important at Héroux-Devtek. While leveraging new digital technologies to enhance our business performance and customer satisfaction, we also commit that our employees will benefit from such development. Faithful to Héroux-Devtek's values, we are determined to conducting digitalisation in an ethical manner that balances privacy and technology.

### → Requirements:

- Collect personal data only as necessary to fulfil a lawful and legitimate purpose;
- Upon written request, employees must be informed of the existence, use, and disclosure of their personal information collected by Héroux-Devtek and be given access to that information;
- Personal data must be as accurate, complete, and up-to-date as possible in order to properly fulfil the purposes for which such data has been collected;
- In case of any doubt, seek advice from your Human Resources manager before transferring personal data outside of Héroux-Devtek;
- Immediately report any personal data breach to your Human Resources manager; and
- Where required under applicable law, the policies and practices relating to the management of personal information are available on the Héroux-Devtek website (or its affiliates, as applicable).

### → What to watch out for:

- Assuming that personal data collected for one purpose can be used for other purposes;
- Collecting sensitive data (e.g., health data) if not required by law or agreed to by the subject individual; and
- Not reporting authorized access to, or misuse or loss of, personal information.

## XII. INSIDER TRADING OR DEALING AND STOCK TIPPING

### → Overview

Héroux-Devtek endeavours to preserve the confidentiality of sensitive non-public information ("**Inside Information**") and to prevent misuse of such information. Consequently, employees are not allowed to buy or sell stocks or other securities of Héroux-Devtek or other companies while in the possession of Inside Information regarding that company. Employees are also not permitted to "tip" or pass on Inside Information to any other person who could make an investment decision based on that information. These practices, also called insider trading, insider dealing and stock tipping, are illegal and against *Héroux-Devtek Corporate Disclosure and Insider Trading Policy*<sup>16</sup>. Moreover, we request our employees to avoid any action that would create the appearance of insider trading, insider dealing or stock tipping.

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<sup>16</sup> For further details, please refer to the *Héroux-Devtek Corporate Disclosure and Insider Trading Policy* available on Héroux-Devtek's website.

These guidelines do not aim to restrict the freedom of employees to make legitimate personal investments or Héroux-Devtek's right to disclose Inside Information in the ordinary conduct of its business, in accordance with applicable laws and internal policies.

→ **Requirements:**

- Never buy or sell the stock or other securities of a company while you have Inside Information about such company;
- Never recommend or suggest that anyone else buy, sell or retain the stock or other securities of a company while you have Inside Information about such company;
- Never disclose Inside Information to anyone outside Héroux-Devtek (including customers, suppliers and outside professional advisors), except when such disclosure is needed to enable Héroux-Devtek to carry on its business properly and effectively, and appropriate steps have been taken by Héroux-Devtek to prevent the misuse of the information. Employees are urged to consult the Vice-President, Corporate Controller to determine if such disclosure is needed and is being undertaken in an appropriate manner; and
- Only disclose Inside Information within Héroux-Devtek to other employees that absolutely need to know the information and when you have no reason to expect that the information will be misused.

→ **What to watch out for**

- Failing to identify Inside Information. Remember that Inside Information may be any non-public information about a business that could affect its stock price, including information about:
  - an unpublished financial information, including quarterly or annual financial results not yet disclosed to the public,
  - a pending merger, acquisition, disposition or joint venture,
  - a substantial contract award or termination,
  - any change to the Board of Directors or executive management which has not yet been disclosed to the public,
  - a major lawsuit or claim,
  - an earnings or dividend announcement,
  - a significant product development,
  - the gain or loss of a significant customer or supplier, or
  - the filing of a bankruptcy petition.
- Any non-public information about a company that would influence your own decision to buy or sell that company's stock or other securities is probably Inside Information; and
- Trading tips are probably Inside Information if there is any indication that the information may originally have come from someone with Inside Information.

### **XIII. FINANCIAL STEWARDSHIP/CONTROLLERSHIP**

→ **Overview**

Héroux-Devtek is required under several legislations and standards such as securities legislations, tax laws and International Financial Reporting Standards (IFRS) to keep books, records, and accounts that accurately reflect the organization's overall operations and to establish for this purpose an appropriate accounting and internal control system. We must therefore ensure that Héroux-Devtek's books, records and accounts are current, complete, accurate and based on verifiable supporting documentation. Under no circumstances Héroux-Devtek may maintain parallel accounts.

Héroux-Devtek has adopted a system of internal controls and procedures to meet its accounting requirements and comply with applicable legislation and regulations. Employees are required to implement such controls and procedures to ensure that all financial transactions are recorded completely and accurately. All managers must also implement internal controls relating to their activities to safeguard the assets of Héroux-Devtek and ensure the accuracy of its financial reports and accounts. All employees must comply with the established accounting procedures.

No one may interfere with the process of auditing Héroux-Devtek's accounts by internal or external auditors, nor seek to improperly influence the auditing process, either directly or indirectly.

I acknowledge that I have read and understand Héroux-Devtek's Code of Conduct and further understand that I must comply with its principles and requirements.

If I have a concern about an actual or suspected violation of this Code of Conduct, I will raise the concern:

- to either my manager or Human Resources manager, or
- in accordance with *Héroux-Devtek Whistleblower Policy*.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date