



**CODE OF CONDUCT**

## Code of Conduct

### INTRODUCTION

Héroux-Devtek Inc. has established its Code of Conduct to help the Corporation's directors, officers and employees take a consistent approach to key integrity issues. The underlying responsibilities of all employees and leaders, penalties for violations and how to handle an integrity concern are described in this introduction. **Héroux-Devtek or the Corporation refers to Héroux-Devtek Inc., its wholly-owned subsidiaries and controlled affiliates.**<sup>1</sup>

It is the Corporation's policy and objective to maintain the highest standards of ethical business conduct. This Code of Conduct (the "**Code of Conduct**") is the expression of fundamental values governing the day-to-day activities and decision making process of the Corporation:

- *Obey the applicable laws and regulations governing our business conduct both in Canada and abroad.*
- *Be honest, fair and trustworthy in all activities and relationships of the Corporation.*
- *Avoid all conflicts of interest between work and personal affairs.*
- *Treat others with respect.*
- *Strive to create a safe workplace and to protect the environment.*
- *Through leadership at all levels, sustain a culture where ethical conduct is recognized, valued and exemplified by all employees.*

In order to continue to earn the trust of our clients and stakeholders, and to preserve our reputation, we must set high standards of conduct for ourselves. In that regard, our Code of Conduct reflects our commitment to abide by ethical principles in our business dealings with clients, shareholders, employees and suppliers. It aims, among other things, to provide guidance and a framework for our actions and behaviors with respect to our corporate obligations as well as our business activities.

Integrity is everyone's business. All employees must read this Code of Conduct, understand it and comply with it. Each of us has a role to play in upholding the very highest standards of integrity.

### WHO MUST FOLLOW THE CODE OF CONDUCT

#### → **Corporation's directors, officers and employees**

The Code of Conduct applies to all directors, officers and employees (collectively, "**employees**") of the Corporation wherever located.

#### → **Suppliers, vendors and other third party contractors**

Those individuals and companies whose services are retained by Héroux-Devtek are expected to conduct themselves in accordance with Héroux-Devtek Supplier Code of Conduct. It is the responsibility of the employee retaining such persons to ensure that they are aware of the contents of the Supplier Code of Conduct and that they agree to comply with it.

#### → **Other subsidiaries and affiliates**

Subsidiaries and affiliates in which the Corporation owns, directly or indirectly, less than 50 percent of the voting rights must adopt and follow policies that correspond to the requirements of the Code of Conduct.

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

## WHICH LAWS APPLY ?

The Corporation conducts business in many countries and as a result, our operations are subject to the laws of many countries, provinces, states, municipalities and local authorities.

Héroux-Devtek Inc. is organized in Canada. The laws of Canada frequently extend to the operations of the Corporation and its affiliates throughout the world as well as to the business activities of its employees wherever they live and work. Other countries may also apply their own laws outside of their borders to their own citizens and to corporations that are organized under their laws, such as subsidiaries or other controlled affiliates.

In this Code of Conduct, the references to the laws of Canada and the other countries where we do business reflect the reality that a company doing business in Canada and abroad is regulated by many different laws at the same time. In some instances, there may be a conflict between the applicable laws of two or more countries. When you encounter such a conflict, it is especially important to consult the Manager, Legal Affairs to understand how to resolve that conflict properly.

Our Code of Conduct takes into account our legal and regulatory requirements, and is designed to provide overarching guidance to allow employees to comply with increasingly complex international and national regulations.

## EMPLOYEE RESPONSIBILITIES

Here are the basic obligations to which you must comply:

- Seek assistance from your manager or your human resources manager when you have questions about application of this Code of Conduct.
- Promptly raise any concern that you or others may have about possible violations of this Code of Conduct or about a possible request that you believe might violate it.
- Understand the many options you have for raising integrity concerns. You may raise them with a manager or, if you prefer, with human resources manager. Your communication may be written or oral, and it may be anonymous.
- Cooperate with the Corporation in any investigation of potential violation of this Code of Conduct.

## LEADERSHIP RESPONSIBILITIES

The obligations of the Corporation leaders go beyond those required of all employees. Leaders in our Corporation are comprised of all directors and officers of Héroux-Devtek, as well as the Corporation plant and procurement managers. As such, these persons are expected to:

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

- Personally leading compliance efforts through frequent meetings with direct reports.
- Leading by example, using their own behaviour as a model for all employees.
- Making sure that employees understand that business results are never more important than compliance.
- Encouraging employees to raise their integrity questions and concerns.
- Using employee actions and judgments in promoting and complying with this Code of Conduct as considerations when evaluating and rewarding employees.

➔ ***Prevent compliance problems by:***

- Ensuring that compliance risks associated with the business process under the leader's management are systematically identified.

→ **Detect compliance problems by:**

- Implementing appropriate control measures in business processes to detect heightened compliance risks and/or violations.
- Ensuring that periodic compliance reviews are conducted.

→ **Respond to compliance problems by:**

- Taking prompt corrective action to fix any identified concerns.
- Taking appropriate disciplinary action.
- Consulting with the Vice President, Human Resources and making appropriate disclosures to regulators and law enforcement authorities.

## **PENALTIES FOR VIOLATIONS**

Employees who violate the Code of Conduct are subject to disciplinary action, which could result in sanctions up to and including termination of employment for misconduct or gross misconduct. The following are examples of conduct that may be sanctioned:

- Actions that violate the Code of Conduct.
- Requesting others to violate the Code of Conduct.
- Failure to promptly raise a known or suspected violation of the Code of Conduct.
- Failure to cooperate in the investigations of possible violations of the Code of Conduct.
- Retaliation against another employee for reporting an integrity concern.

## **YOUR PERSONAL COMMITMENT**

When it deems necessary, the Corporation will ask employees to reconfirm their commitment to the requirements of the Code of Conduct. Newly hired employees must sign the acknowledgment at the last page of the Code of Conduct.

## **WHEN YOU HAVE AN INTEGRITY CONCERN**

One of the most important responsibilities each of us has as an employee of Héroux-Devtek is the obligation to raise a concern about a possible violation of the Code of Conduct or the law. Sometimes it may seem difficult to raise such a concern. Some of us may even feel it is a breach of personal ethical standards to do so. If you experience that sense of conflict, it is important to remember the tremendous harm that not raising a concern can cause, including:

- Serious damage to health, safety and well-being of yourself, your fellow employees, the Corporation as a whole, our customers and the communities in which we operate.
- The loss of confidence in the Corporation – by customers, shareholders and governments.
- Huge fines, damage awards and other financial penalties against the Corporation; fines and/or prison sentences for individual employees.

Those are the reasons the Corporation requires that employees not sit silently when they have such a concern. The point of raising a concern is not to get a colleague in trouble, but to protect such individual and the Corporation from potential harm.

## **HOW TO RAISE AN INTEGRITY CONCERN**

The Corporation offers you many ways to get answers to your questions about integrity issues and to raise any concern about what might be a violation of the Code of Conduct:

- Your supervisor or manager

- Your human resources manager
- Next level of authority within the organization including the Vice President, Human Resources

Employees are required to come forward with any such information, without regard to the identity or position of the suspected offender. The Corporation will treat the information in a confidential manner and will seek to ensure that there is no retaliation against anyone for making a report in good faith. Generally, your supervisor or manager will be in the best position to resolve the issue quickly. If after raising an integrity concern the issue is not resolved, raise it with one of the other contacts listed above. You can raise your concern orally or in writing, and if you prefer, you can do it anonymously.

**Please refer to the Whistleblower Policy for more detailed information on the procedures for handling complaints.**

## PROTECTION AGAINST RETALIATION

Any form of retaliation against someone who reports a violation of the Code of Conduct, a law or regulation or who cooperates in the investigation of a reported violation, is by itself a serious violation of the Code of Conduct, even if it is subsequently determined that the report was unfounded (provided it was made in good faith). Acts or threats of retaliation must be reported immediately so appropriate disciplinary measures may be taken against those involved.

## BRIBERY, IMPROPER PAYMENT AND KICKBACKS

### → Overview

We work with honesty and integrity at all times. We understand that the future of our business depends upon the trust of our clients 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.

The Corporation 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.

The Corporation does not tolerate any form of bribery or corruption in the way its business is run.

We are committed to the principles of fairness and excellence in our dealings with all our 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.

Employees should not offer anything of value to obtain any improper advantage in selling goods or services, conducting financial transactions or representing the Corporation's interests to governmental authorities. This Code of Conduct sets forth the Corporation's standards of conduct and practices for certain kinds of payments, entertainment and political contributions.

A violation to such standards of conduct can result in severe civil and criminal penalties. All countries prohibit the bribery of their own public officials, and many also prohibit the bribery of officials of other countries.

This Code of Conduct goes beyond these laws and prohibits improper payments in all of our activities.

### → Requirements

- Never give, offer, or authorize the offer, directly or indirectly, of anything of value (such as money, goods or a service) to a customer or government official to obtain any improper advantage. A business courtesy, such as a gift, contribution or entertainment, should never be offered under circumstances that might create the appearance of an impropriety.

This requirement does not prohibit lawful reimbursement for reasonable and bona fide expenditures – for example, travel and living expenses incurred by customers and directly related to the promotion of product or services, or to the extension of a contract.

- Never give a gratuity or other payment to government officials or employees to expedite a routine administrative action.
- Exercise due diligence when selecting persons or firms to represent the Corporation.

→ **What to watch out for**

- Any person or firm representing the Corporation or being considered to represent the Corporation who:
  - has been accused of improper business practices;
  - has influence on the buying decision and a reputation for bribes;
  - has a family or other relationship that could improperly influence the decision of a customer or governmental official;
  - approaches you near an award decision and explains that he or she has a “special arrangement” with a government official or the customer;
  - insists on receiving a commission payment before the announcement of the award decision (kickback);
  - suggest they can provide favours or help on unrelated matters.
- Any request that a commission or other payment be made in a third country or to another name.
- A commission that seems large in relation to the services provided.
- Competitive bids that require the use of designated intermediaries.
- Officials or business partners who request charitable or political donations during a competitive bid.

## SUPPLIER RELATIONSHIPS

→ **Overview**

The Corporation bases its relationships with suppliers on lawful, efficient and fair practices. The Corporation will treat its suppliers with fairness and integrity and without discrimination. We also expect our suppliers to adhere to applicable legal requirements in their business relationships, including those with their employees, their local community and the Corporation. 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**

- Comply with government acquisition regulations when purchasing materials and services for use in fulfilling government contracts.
- Request supplier support to ensure that the Corporation consistently meets and exceeds customer expectations of quality, cost and delivery.
- Do business only with suppliers who comply with local and other applicable legal requirements and Héroux-Devtek Supplier Code of Conduct.

→ **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 items of value except in strict compliance with business guidelines.
- Directing business to a supplier owned or managed by a relative or close friend.
- Unsafe condition in supplier facilities, or workers who appear to be underage or subject to coercion.
- Apparent disregard of environmental standards in supplier facilities.

## 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 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. All questions and requests must be reported to the Manager, Legal Affairs.

### → **Requirements**

- Understand the nature of trade compliance.
- Understand the scope of what is considered an export.
- Recognize that trade controls might limit where certain goods or information can be shipped or transferred.
- Understand that certain laws and regulations such as the Canadian Export and Import Permit Act (EIPA), the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR) may impose conditions on the export or transfer of certain items.

### → **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 or Compliance department.
- Transferring military technical data (via electronic means or else) to a foreign customer or supplier without prior authorization from the Legal or Compliance department.
- Travelling with military technical data (stored on an electronic device such a laptop, or else) to a foreign country or supplier without prior authorization from the Legal or Compliance department.

## GOVERNMENT BUSINESS

The Corporation conducts business with many government organizations, ministries, officials, as well as government-funded enterprises and public international agencies. We need to understand and comply with many special rules for companies that do business with governments or otherwise interact with them.

### → **Overview**

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.

### → **Requirements**

- Abide by applicable laws and regulations, 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”).
- Be truthful and accurate when dealing with government officials and agencies.
- Adopt effective processes to ensure that:
  - reports, certifications, statements and proposals are current, accurate and complete; and
  - contract requirements are adequately identified and communicated to personnel who have responsibility for contract performance.
- Do not make any unauthorized substitutions for contracted goods and services or deviate from contract requirements without the written approval of the authorized government official.

→ **What to watch out for**

- Incorrect or unauthorized cost-charging on government contracts.
- Deviations from contract requirements or unauthorized contract substitutions, including the failure to perform required tests and inspections.
- Submission of inaccurate or incomplete cost or pricing data when such data are required by the government.
- Violation of national, regional or local government regulations that establish gratuity restrictions, entertainment rules, recruiting prohibitions, non-commercial contract requirements or certification procedures.
- Acceptance of information related to the government's competitive selection of a supplier, or a competitor's bid or proposal, unless the contracting officer or head of the agency has specifically and lawfully authorized release of such information.

## EMPLOYEES AND COMMUNITIES WHERE WE OPERATE

→ **Overview**

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 our employees and the communities where we operate. We will treat employees fairly and with dignity and respect. It is our commitment to 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.

The Corporation is committed to maintaining challenging workspace in which ability and performance are recognized, free from any form of discrimination or harassment, whether directed against an individual or group. Heroux-Devtek is also committed to providing a drug-free and alcohol-free workplace.

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.

The Corporation is committed to achieving environmental, health and safety (EHS) excellence. This is a responsibility of management and employees in all functions. The Corporation will strive to provide a safe and healthy workspace and to avoid adverse impact and injury to the environment and the communities where we operate. Our programs combine clear leadership by management, the participation of all employees and functions, and the use of appropriate technology in developing and distributing our products and services.

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

→ **Requirements**

- Treat each other with decency and respect.
- Comply with all applicable EHS laws and regulations.
- Create and maintain a safe workplace and prevent injuries.
- Strive to reduce waste, emissions and the use of hazardous materials.
- Appropriately assess and manage our EHS risks and eliminate unreasonable risks from our products, activities and services.
- Address site contamination in a cost-effective and appropriate manner.
- Respect the environment and the communities where we operate.

→ **What to watch out for**

- Unwelcome remarks or jokes about an individual's race, colour, national or ethnic origin, religion, sex (including pregnancy and childbirth), sexual orientation, marital status, family status, mental or physical disability.
- Inappropriate physical contact.
- Threats, intimidation, or verbal abuse.
- Psychological harassment.
- Unsafe activities and conditions.
- Failure to comply with health, safety or environmental regulations and procedures, including failure to obtain all permits and authorizations from environmental agencies before undertaking or modifying an activity, construct a structure or increase the production of any goods or services if it seems likely to result in the emission of contaminants into the environment.
- EHS complaints from employees, customers or neighbours.
- Deficiencies noted by government inspectors.
- Unreported environmental, health or safety hazards or accidents.
- Failing to respond promptly to concerns about possible product safety issues.
- Missed opportunities for reducing waste and hazardous materials.
- Inadequate waste segregation and disposal scheme

## **FAIR DEALING WITH OTHER PEOPLE AND ORGANIZATIONS**

### **→ Overview**

Any business transacted on behalf of the Corporation must be conducted in an honest and straightforward manner so as to protect the integrity and reputation of the Corporation. In addition, it is our policy to avoid misrepresentation, manipulation or concealment or any misuse of confidential information, and to not engage in any unfair practices with shareholders, clients, suppliers, competitors and employees. Our employees must comply with the applicable competition laws such as Canada's *Competition Act* and similar legislation 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.
- Always obtain information about our competitors in a legal and ethical manner.

### **→ What to watch out for**

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

## PROTECTING THE CORPORATION ASSETS

As employees of Héroux-Devtek, each of us has a direct role in helping to maintain the Corporation's financial integrity by keeping records accurate. In addition, we have a fundamental obligation to make sound business decisions that are undistorted by our individual family, financial or other interests. Employees must make appropriate use of the Corporation's property and physical resources, as well as its proprietary and other confidential information. Employees are also responsible for protecting the Corporation's assets, both tangible (material, buildings, personnel, property, information, revenue streams, etc.) and intangible (communication networks, information systems, intellectual property, etc.). All employees must act in a reasonable manner and take appropriate safeguards to prevent losses attributable to the deliberate actions of others, whether these take place inside or outside the Corporation, and to prevent situations that could result in injuries, property damage, theft, loss, abuse or unauthorized access to physical assets or to intellectual property (including data).

## CONFLICTS OF INTEREST

### → **Overview**

The Corporation recognizes and respects that employees may take part in legitimate financial, business and other activities outside their jobs. However, these activities must be lawful and free of conflicts with their responsibilities as employees of Héroux-Devtek. Employees must not misuse the Corporation's resources or influence, or discredit its good name and reputation.

The effectiveness of this Code of Conduct depends in large part on the cooperation of all employees in disclosing any situations that may be contrary to the intent of the Code of Conduct.

To determine if you are in a conflict of interest situation, ask yourself the following questions:

- Am I performing my duties in a completely objective and impartial manner?
- Do my actions or decisions result in a financial or other benefit for me, a relative, a friend or any other person including companies or other entities with whom there is ownership interest?
- Could my actions or decisions give the impression that I am acting in my own personal interest or in the interest of a relative or friend?
- Are my actions and decisions in line with the Corporation's values?
- Would I be embarrassed to discuss this with my supervisor or my colleagues?

### → **Requirements**

- All employees are required to behave in a loyal manner at all times so as to protect the interests of the Corporation. Avoid behaviour that might be prejudicial to the Corporation, its image and its reputation.
- Disclose your outside activities, financial interests or relationships that may present a possible conflict of interest or the appearance of a conflict. Make your disclosures in writing to your manager as well as to the Manager, Internal Audit and Conformity or your business' finance manager.
- Avoid actions or relationships which might conflict or appear to conflict with your job responsibilities or the interest of the Corporation.
- Do not misuse the resources, intellectual property, time or facilities (including office equipment, e-mail, and computer applications) of the Corporation.
- Obtain necessary approvals before accepting any position as an officer or director of an outside business concern.
- Obtain the approval of your manager when accepting a board position with a profit or not-for-profit entity when the Corporation could enter into a business relationship with such entity or when there may be an expectation of financial support from the Corporation.

### → **What to watch out for**

- Holding a financial interest in a company where you could personally affect the Corporation'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 or to use the equipment or materials of the Corporation.
- Receiving gifts of greater than nominal value from suppliers, customers or competitors while you are in a position to influence decisions of the Corporation 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 the Corporation.
- 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 the Corporation's resources, your position or influence to promote or assist an outside business or not-for-profit activity.
- Preferential hiring of, direct supervision of, or making a promotion decision about a spouse, relative or close friend.

## CONTROLLERSHIP

### → Overview

We are required under various securities legislation, tax laws and other laws, regulations of other countries and jurisdictions, and International Financial Reporting Standards (IFRS), to keep books, records, and accounts that accurately reflect our overall operations and to establish for this purpose an appropriate accounting and internal control system. We must therefore ensure that the Corporation's books, records and accounts are valid, complete and accurate, and based on verifiable supporting documentation. Under no circumstances will we keep parallel accounts.

The Corporation has adopted internal controls and procedures to meet its accounting requirements and comply with legislation and regulations. Employees are required to implement such controls and procedures in order to ensure that all financial transactions are recorded completely and accurately. All employees in supervisory roles must also implement internal controls relating to the activities for which they are responsible, with a view to safeguarding the assets of the Corporation and ensuring the accuracy of its financial reports and accounts. All employees must comply with the established procedures.

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

## INSIDER TRADING OR DEALING & STOCK TIPPING

### → Overview

The Corporation has established standards of conduct for employees and others who obtain material or price-sensitive non-public information (inside information) through their work for the Corporation. Reference is made, in particular, to the Corporate Discloser and Insider Trading Policy. Insider trading, insider dealing and stock tipping are illegal and we require not only full compliance with applicable laws, but also avoiding even the appearance of insider trading, insider dealing or tipping. This guideline is not meant to restrict the freedom of employees to make appropriate personal investments, or the Corporation's right to legitimately use and disclose inside information in the ordinary conduct of its business.

Insider trading or dealing means personally buying or selling stock or other securities of any company while in possession of inside information about the Corporation. Stock tipping means disclosing inside information about a company – for example, to a relative, colleague or friend – to enable the person to buy or sell stock or other securities of the company on the basis of such information.

### → **Requirements (For more detailed information, see the *Corporate Discloser and Insider Trading Policy*)**

- Never buy or sell the stock or other securities of any 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 any company while you have inside information about such company.
- Never disclose inside information to anyone outside the Corporation (including family members), except when such disclosure is needed to enable the Corporation to carry on its business properly and effectively, and appropriate steps have been taken by the Corporation to prevent the misuse of the information. Employees are urged to consult the Manager, Legal Affairs to determine if such disclosure is needed and is being undertaken in an appropriate manner.
- Only disclose inside information within the Corporation in the ordinary course of business and when you have no reason to believe the information will be misused.

→ **What to watch out for**

- Failing to learn how to identify inside information. It is any non-public information that a reasonable investor is likely to consider important in making an investment decision.
  - Inside information may relate to the Corporation or any other company, including the Corporation's suppliers, customers or other business partners;
  - Inside information may be non-public information about anything that could affect a company's stock price, including a pending merger, acquisition, disposition or joint venture; a substantial contract award or termination; a major lawsuit or claim; an earnings announcement or change in dividend policy; 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 probably is inside information.
- Trading tips probably are also inside information if there is any indication that the information may originally have come from someone with inside information.

## CONFIDENTIAL INFORMATION

→ **Overview**

Héroux-Devtek operates in competitive markets and as in any competitive environment, confidential information and trade secrets must be protected like other 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. It is the Corporation's policy to establish, protect, maintain and defend its rights in all confidential information and to use those rights in responsible ways. All employees must take steps to safeguard the confidential information.

In addition to protecting the Corporation's confidential information, the Corporation respects the confidential information of others. Unauthorized use of the confidential information of others may expose the Corporation to civil lawsuits and damages. In many countries, theft and misappropriation of trade secrets, proprietary information or other intellectual property may result in significant fines and criminal penalties to both the Corporation and to the individual. New products, services (including e-commerce initiatives), processes and software, and any proposed use of the intellectual property of others, should be timely and reasonably reviewed for infringement.

→ **Requirements**

- Identify and protect the Corporation's confidential information and confidential information of others in its possession.
- Identify and protect all intellectual property of the Corporation.
- Respect valid patents, copyrighted materials and other protected intellectual property of others. Consult with the Manager, Legal Affairs concerning necessary licenses or approvals to use such intellectual property.
- Consult with the Manager, Legal Affairs before:

- Soliciting, accepting or using confidential information of outsiders, such as former employers of any employee of the Corporation.
  - Disclosing confidential information belonging to the Corporation to outsiders.
  - Permitting third parties to use the intellectual property of the Corporation.
  - Assert intellectual property rights only in ways consistent with the law.
  - Return to your supervisor all confidential information, whether in physical or electronic support, upon termination of employment.
- ➔ ***What to watch out for***
- Receiving, from an employee, confidential information about his or her prior employer.
  - Accepting confidential information from an outsider, without first consulting with the Manager, Legal Affairs, under circumstances where a confidential relationship exists or may be implied.
  - Discussing confidential information with customers or suppliers.
  - Introducing, or disclosing information about, a new product or service before patent applications have been filed or a decision has been made not to file an application.
  - Developing a new product or service before checking for patent infringement.
  - Threatening anyone suspected of infringing any intellectual property without first consulting with the Manager, Legal Affairs.

I acknowledge that I have read and understand the Code of Conduct of Héroux-Devtek and further understand that every employee is required to comply with it.

When I have a concern about a possible violation of the Code of Conduct, I will raise the concern to a supervisor, a manager or the next level of authority within the organization including the Vice President, Human Resources.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date