

SUPPLIER STANDARDS OF BUSINESS CONDUCT



OVERVIEW

High Point Aerotechnologies, Inc. (“HPA”) is committed to achieving the highest standards of ethics, integrity and performance to provide the products and solutions necessary for our customers. These Supplier Standards of Business Conduct set forth the fundamental requirements that we expect our suppliers (and those who work for them, including employees and subcontract labor) to comply with at all tiers. These Supplier Standards of Business Conduct (the “Code”) also apply to our third-party resellers, contract laborers and any other third parties performing or providing services on our behalf.

A Supplier Must Maintain the Highest Standards of Ethics and Integrity and Comply with Laws, Regulations, its Contractual Obligations with us and this Code.

Our suppliers must act ethically at all times and ensure the integrity of their operations. Acting with integrity means being accountable for the highest standards of behavior. In addition, our suppliers must comply fully with all applicable laws and regulations, their contractual obligations with us and this Code.

This Code sets forth our expectations for each of our product and service suppliers, and aligns with the expectations we maintain for our own officers, employees and representatives. HPA understands and expects that our product and service suppliers will have their own internal codes of ethics and conduct. This Code is not intended to be an exhaustive list of all ethical and business conduct requirements to be followed by suppliers.

You are responsible for ensuring that your directors, officers, employees, representatives, and business partners understand and comply with the expectations set forth in this Code.

General Disclaimer: The expectations set forth in this Code are not intended to conflict with or modify the terms and conditions of your contracts with HPA. If a contract requirement is more restrictive than this Code, you must comply with the more restrictive contract requirement. By way of example only, for suppliers supporting U.S. Government contracts, the requirements of FAR 52.203-13, Contractor Code of Business Ethics and Conduct, also shall apply.

COMPLIANCE WITH LAWS

At a minimum, you must maintain full compliance with all laws and regulations applicable to the operation of your business and your relationship with HPA. When conducting international business, or if their primary place of business

is outside the United States, suppliers must comply with local laws and regulations.

QUALITY & ENVIRONMENTAL HEALTH AND SAFETY

Quality

A Supplier must take responsibility for quality. Suppliers must take due care to ensure their work product meets our company’s quality standards. We expect our suppliers to have in place quality assurance processes to identify defects and implement corrective actions and to facilitate the delivery of a product whose quality meets or exceeds the contract requirements.

Counterfeit Parts

We expect our suppliers to develop, implement, and maintain methods and processes appropriate to their products to prevent the introduction of counterfeit parts and materials into deliverable products. Suppliers must ensure that effective processes are in place to detect counterfeit parts and materials, as applicable, and exclude them from the delivered product.

Environmental Health and Safety

Your products and services must be designed, produced, and delivered with the paramount consideration being the safety and health of your employees and consumers. You must have in place quality assurance processes to detect, communicate to HPA and correct defects to ensure delivery of products and services that meet or exceed contractual quality and legal and regulatory requirements. All required inspection and testing operations must be completed properly by appropriately authorized and qualified individuals, and any required certifications must be completed accurately.

You must not only comply with all applicable environmental, health and safety laws, regulations and directives, but also conduct your operations in a manner that safeguards the environment, minimizes waste, emissions, energy consumption, and the use of materials of concern. Suppliers should protect the health, safety, and welfare of their people, visitors, and others who may be affected by their activities.

COMPETITION ON THE MERITS AND FAIR PLAY

You must compete strictly on the basis of the merits of your products and services. Our suppliers must not seek to gain advantages through unfair, unethical or illegal business practices.

Anti-Corruption Laws

Our suppliers must comply with all applicable anti-corruption laws, directives and regulations, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

We require our suppliers to refrain from offering or making any improper payments of money (or anything of value) to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on facilitating payments intended to expedite or secure performance of a routine governmental action that the government official is already obligated to perform like obtaining a visa or customs clearance, even in locations where such activity may not violate local law.

Payments made to protect personal safety are permitted where there is an imminent threat to health or safety but must be properly recorded and reported to the buyer representative as promptly as possible under the circumstances.

We require our suppliers to use due diligence to prevent and detect corruption in all business arrangements, including:

- Partnerships
- Subcontracts
- Joint Ventures
- Offset agreements
- The hiring of intermediaries such as agents or consultants

Illegal Payments

Our suppliers must not offer any illegal payments to, or receive any illegal payments from, any customer, supplier, their agents, representatives or others. The receipt, payment, and/or promise of monies or anything of value, directly or indirectly, intended to exert undue influence or improper advantage is prohibited. This prohibition applies even in locations where such activity may not violate local law.

Anti-Trust

Our suppliers must not engage in anti-competitive practices in violation of applicable law, regulation or contractual requirements.

Gifts/Business Courtesies

We believe our suppliers should compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage or exercise improper influence. In any business relationship, our suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation and complies with any contractual obligations, and that any exchanges do not violate the rules and standards of the recipient's organization and are consistent with reasonable marketplace customs and practices.

Conflict of Interest

Our suppliers must avoid conflicts of interest or situations giving the appearance of a potential conflict of interest in their dealings with us. We require our suppliers to provide notification to affected parties if an actual or potential

conflict of interest arises, including conflicts between the interests of our company and the personal interests of a supplier's employees or those of close relatives, friends or business associates of a supplier or its employees.

Insider Trading

Our suppliers and their personnel must not use material, non-publicly disclosed information obtained in the course of their business relationship with us as the basis for trading or for enabling others to trade in the stock or securities of our company or those of any other company.

Procurement Integrity

Our suppliers must maintain the integrity of our procurement and acquisition processes. Suppliers may not improperly use competitors' confidential or proprietary information for their own benefit. If a supplier becomes aware of any such confidential or proprietary information, they should promptly take steps to avoid its improper use and inform our Company as appropriate.

A SUPPLIER MUST EXHIBIT GOOD TRADE PRACTICES

Import

Our suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the import of parts, components, and technical data. We require our suppliers to provide truthful and accurate information and obtain appropriate licenses and/or consents where necessary.

Export

Our suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the export of parts, components, and technical data. We require our suppliers to provide truthful and accurate information and obtain appropriate licenses and/or consents where necessary.

Anti-Boycott

Our suppliers must not participate in, cooperate with, or further the cause of any unsanctioned foreign economic boycott, in accordance with the U.S. 1977 Export Administration Act and the U.S. 1976 Tax Reform Act, or similar legislation or regulations.

Responsible Sourcing of Minerals

Suppliers must comply with any applicable laws and regulations regarding conflict minerals and assist us in meeting our obligations under law and regulation when requested to provide annually reports to Customers or the United States Securities and Exchange Commission on our use of conflict minerals (tantalum, tin, tungsten and gold) originating in the Democratic Republic of Congo (DRC) or any of the DRC's adjoining countries in products manufactured or contracted to be manufactured by the company and are required to conduct due diligence on the use of conflict minerals in our supply chain. Our suppliers must support our efforts to conduct due diligence on the use

of conflict minerals in our supply chain, including the identification of products in their supply chain that contain conflict minerals and validating the country of origin of these minerals.

GOVERNMENT PROCUREMENT

You must take special care to comply with the unique and special rules that apply to contracting with the U.S. Government. If you support a HPA contract with the U.S. Government, you must at all times follow the U.S. Government's rules for competing fairly, honor restrictions applying to U.S. Government employees (e.g., receipt of gifts and employment), deliver products and services that conform to specifications, laws and regulations, adhere to government accounting and pricing requirements, claim only allowable costs, ensure the accuracy of data submitted and comply with all other applicable U.S. Government requirements.

PROTECT INFORMATION, INTELLECTUAL PROPERTY AND THE SUPPLY CHAIN

You must respect the legitimate proprietary rights and intellectual property rights of HPA and others. You must take proper care to protect sensitive information, including confidential, proprietary and personal information. You should not use such information for any purpose other than the business purpose for which it was provided, unless the owner of the information provided prior authorization.

Confidentiality of Sensitive Information

Suppliers must maintain the confidentiality of all information entrusted to them by us, our customers or other third parties, except where disclosure is authorized or legally required (and then only after notice). We require our suppliers to properly handle and protect from improper disclosure any sensitive information, including classified, controlled, proprietary and personal information; competition sensitive information and intellectual property. Information should not be used for any purpose (e.g., advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorization from the owner. Suppliers must comply with all contractual obligations and applicable laws, including data privacy laws.

Intellectual Property

We require our suppliers to respect and comply with all applicable laws and other binding obligations governing intellectual property rights, including protection against:

- Disclosure
- Patents

Cybersecurity

Suppliers must take care to safeguard and protect information entrusted to them and information generated or developed by them in support of our programs from unauthorized access, destruction, use, modification or

disclosure. We expect suppliers to have risk-based cybersecurity programs designed to mitigate emerging threats to their information systems, products and services and supply chain and to comply with all applicable contractual and legal requirements.

Security of Supply Chain

In addition to complying with our security requirements, suppliers are encouraged to implement practices and procedures to ensure the security of their people, property and other assets, including their supply chain. Suppliers are encouraged to participate in the Customs-Trade Partnership Against Terrorism initiative of the United States Department of Homeland Security.

ACCURACY OF RECORDS AND SUBMISSIONS

Suppliers must create and maintain accurate records. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, records should still be retained based on the applicable retention requirements. Suppliers must not falsify or provide fraudulent records, billings or other statements to us or our customers.

TREAT PEOPLE WITH DIGNITY AND RESPECT

Non-Discrimination

You must treat your existing and prospective employees and business partners fairly, based only on merit and other factors related to your legitimate business interests, and without regard to race, religion, color, age, gender, gender identity or expression, sexual orientation, national origin, marital status, veteran status or disability.

Child Labor

You must ensure that child labor is not used in the performance of your work, whether or not related to HPA business. The term "child" refers to any person under the minimum legal age for employment where the work is performed.

Human Rights

We expect our suppliers to treat people with respect and dignity, encourage diversity, remain receptive to diverse opinions, promote equal opportunity for all, and foster an inclusive and ethical culture.

Human Trafficking

We fully support the elimination of human trafficking and slavery from the supply chain and do not tolerate any trafficking in persons, both in the U.S. and globally. Suppliers must adhere to regulations prohibiting human trafficking, and comply with all applicable local laws in the country or countries in which they operate.

Wage and Benefits

Our suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime at such premium rate as is legally required.

Harassment

Our suppliers should ensure that their employees are afforded an employment environment that is free from physical, psychological, and verbal harassment, or other abusive conduct.

ETHICS & COMPLIANCE PROGRAM

Compliance

Commensurate with the size and nature of your business, you must have management systems, tools and processes in place that (a) ensure compliance with applicable laws, regulations and the requirements set forth in this Code; (b) promote an awareness of and commitment to ethical business practices, including, without limitation, the expectations set forth in this Code; (c) facilitate the timely discovery, investigation, disclosure (to HPA and others, as appropriate) and implementation of corrective actions for violations of law, regulations or the expectations set forth in this Code; and (d) provide training to your employees on compliance requirements, including the expectations set forth in this Code.

Whistleblower Protection

Our suppliers should provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. Our suppliers should also take action to prevent, detect, and correct any retaliatory actions.

In the event that you become aware of misconduct related to HPA business undertaken by any HPA employee, any of your employees, or any employees of your business partners, we expect you to promptly notify HPA. You may contact HPA's Vice President of Contracts at contracts@highpointaerotech.com.

You must promptly investigate reports of legal or ethical issues or concerns.

Questions or concerns about this Code:

HPA Ethics & Compliance Office at contracts@highpointaerotech.com or contact HPA anonymously via mail addressed to our Vice President of Contracts, HPA Technologies Inc., at address at 960 S. Broadway Ave., Suite 100, Boise, ID 83706.

Consequences for Violating Code

In the event of a violation of this Supplier Standards of Business Conduct, we may pursue corrective action to remedy the situation. In the case of an actual or possible violation of law or regulation, we may be required to report to proper authorities. We reserve the right to terminate our relationship or take any other appropriate action with any supplier under the terms of the existing procurement/purchasing contract.

YOUR BUSINESS PARTNERS

If your contract with HPA prohibits you from assigning, delegating, or subcontracting your obligations, we expect you to strictly comply with this prohibition.

If your contract with HPA 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 HPA 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 Code to these business partners and we will hold you responsible for ensuring compliance by your business partners.

HPA COMPLIANCE OFFICE

For questions or concerns about this Code, including its application to specific circumstances in connection with your organization's performance of work for HPA, or suspected failures by your organization to satisfy these expectations in performing work for HPA, please contact HPA's Ethics & Compliance Office at contracts@highpointaerotech.com or, if you prefer to contact HPA anonymously, you may mail to HPA Vice President of Contracts HPA Technologies Inc., at address at 960 S. Broadway Ave., Suite 100, Boise, ID 83706.