

# SUPPLIER CODE OF CONDUCT

## PURPOSE AND SCOPE

This Supplier Code of Conduct (this “Code”) has been promulgated by Machmeric Systems Inc. (“Machmeric”),\* and sets forth certain standards and principles applicable to each entity or individual that provides goods or services to Machmeric (“Supplier”) with regard to ethical and responsible business practices to be observed by such Supplier.

Machmeric expects Supplier to adopt its own ethics and conduct policy for its employees and sub tier suppliers, which may vary from this Code. This Code is intended only to set forth the minimum expectations for Supplier to do business with Machmeric.

Supplier also is responsible for ensuring that its affiliates, directors, officers, employees, representatives, and business partners (including its suppliers and contractors) (collectively, “Representatives”) understand and comply with the principles and expectations set forth in this Code. Machmeric reserves the right for itself and its customers that purchase products or services from Machmeric that involve Supplier to assess the conformance of Supplier and its Representatives with this Code, including the right to inspect relevant records and facilities.

Note: The provisions of this Code are not intended to conflict with or modify the terms and conditions of your contracts with Machmeric. If a requirement set forth in an applicable contract is more restrictive than, or otherwise different from, this Code, the contract requirement must be observed in place of this Code. This includes with respect to applicable FAR provisions.

## Compliance With Laws

In all of its activities, Supplier must ensure it conducts business in compliance with all laws, rules, and regulations applicable to it and to its business in all applicable jurisdictions. These include, but are not limited to, the following:

Anti-Corruption: Supplier must comply with all laws that prohibit bribes to foreign governments and other officials (such as political candidates, political parties and their officials, employees of Government-owned businesses, United Nations officials, etc.), and in some cases also prohibit bribes to private individuals, such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and similar laws.

International Trade: Supplier must conduct business in strict compliance with all applicable laws and regulations governing (i) the export, re-export, and retransfer of goods, technical data, software, and services; (ii) import of goods; (iii) economic sanctions and embargoes; and (iv) U.S. anti-boycott requirements.

Human Trafficking: Supplier must comply with all applicable laws against any form of human trafficking, including but not limited to use of forced, bonded, or indentured workers; fraudulent hiring practices; withholding identity or immigration documents; sexual exploitation; slavery; or improperly transporting persons.

Child Labour: Supplier must ensure that no work performed by it or on its behalf involves use of workers below the minimum legal age for such work in the jurisdiction where the work is performed.

## **Conflicts of Interest**

Supplier must avoid all conflicts of interest or situations giving the appearance of a conflict of interest in its dealings with Machmeric. Supplier must report to Machmeric any instances involving actual or apparent conflicts between Supplier's interests and those of Machmeric. For example, where an employee of Machmeric or Supplier has a separate personal or financial relationship with the other party or an employee of the other party that could interfere with arms' length business dealings.

## **Gifts and Payment**

Sales and purchases of supplies, materials, and services must be accomplished in a manner based solely on quality, performance, and cost. Transactions between Supplier and Machmeric must be free from any inference or perception that favourable treatment was sought, received, or given due to the furnishing of payments, gifts, favours, entertainment, or other items of value. Supplier shall not offer or provide anything of value to any Machmeric employee or business partner intended to corruptly influence any business dealing, directly or indirectly. The nature of any gifts or entertainment provided must not, by their quality, quantity, or timing, be used by Supplier to gain improper advantage or preferential treatment. We expect that Supplier will maintain appropriate records of exchanges of gifts and entertainment with our employees.

## **U.S. Government**

Supplier must comply with the unique and special rules that apply to contracting with the U.S. Government. If Supplier supports a Machmeric contract with the U.S. Government, it must at all times follow the U.S. Government's rules for competing fairly; honour 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. Supplier Code of Conduct 3

## **Information Security**

Supplier must respect the legitimate proprietary rights and intellectual property right of Machmeric and other parties with whom we do business. Supplier must take proper care to protect sensitive information, including confidential, proprietary, and personal information, including but not limited to observing all legal restrictions on disclosure of protected personal information. Supplier should not use such information for any purpose other than the business purpose for which it was provided, unless the owner of such information provides prior authorization.

## **Product Quality**

Supplier must develop, manufacture and deliver products that meet all obligations set forth in its contracts with Machmeric and Machmeric's quality standards. Specifically, Supplier must ensure that all required tests are properly conducted and test results accurately reported. It must also ensure that no materials or parts are substituted for those specified in the contract.

## **Records and Submissions**

Supplier must maintain books and records, appropriate to the nature of its business, that accurately and completely reflect all transactions related to its dealings with Machmeric. All records, invoices, documents, and other forms of information submitted to Machmeric, its

customers, or regulatory authorities must be accurate and complete. No false or artificial entries shall be made in any books or records, or in any submissions, relating to Supplier's business dealings with Machmeric.

### **Environment, Health & Safety**

Machmeric expects Supplier to be committed to protecting human health and the environment. Supplier's facilities must be operated in a manner that is environmentally responsible and that ensures the protection of the health and safety of its employees and the public. Supplier must comply with all applicable environmental, health, and safety laws and regulations, and also conduct its operations in a manner that safeguards the environment and that seeks to reduce waste, emissions, energy consumption, and use of materials of concern such as Conflict Minerals.

### **Respect and Diversity**

Supplier must maintain a workplace characterized by professionalism and respect for the dignity of every employee and others with whom Supplier's employees interact. Suppliers must treat all employees, business partners, and others with whom they interact fairly and without regard for gender, race, religion, sexual orientation or identity, national origin, marital status, veteran status, or disability.

### **Reporting and Correction**

Supplier must immediately report a violation of any provision of this Code by it or any of its Representatives of which it becomes aware. Supplier must cooperate fully with Machmeric or its customer in investigating and correcting any non-compliance with this Code on the part of it or its Representatives.