

**Policy & Procedure: EC1.001**

**Subject: Ethics and Business Conduct**

Initial Issue Date: August 1, 2018

Revision Date: April 16, 2019

Revision: 1

Responsible Department: Ethics and Compliance

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1. **APPLICABILITY:**

This Policy & Procedure (P&P) is applicable to all Company locations and facilities.

2. **RESPONSIBILITIES:**

Employees, representatives, agents and consultants engaged by the Company are responsible for compliance with applicable laws and regulations relating to their jobs including adhering to the Company's Code of Ethics and Business Conduct, policies and procedures.

2.1 Company management has responsibility to:

- 2.1.1 Establish and maintain an environment where high ethical conduct is expected and suspected violations are free to surface for open discussion.
- 2.1.2 Ensure each person under supervision receives appropriate ethics and compliance training, and fosters a "speak up" culture and atmosphere that encourages ethical behavior.
- 2.1.3 Assess individual compliance with this policy when conducting performance evaluations of employees at all levels of management.

2.2 Vertex Ethics Officers

- 2.2.1 Perform an annual audit of the Vertex Ethics and Business Conduct Program to ensure compliance with this policy. This audit may be performed by the Quality Audit function.
- 2.2.2 Respond to inquiries and promptly resolve reports of possible violations of the Code, policies or the laws and regulations governing Vertex.
- 2.2.3 Serve on and meet with the Ethics Steering Committee at least quarterly to provide program status and address issues.

2.2.4 Review annually Vertex's Ethics and Business Conduct Program to ensure compliance.

2.2.5 Review and update, as necessary this P&P on an annual basis as a minimum.

3. **DEFINITIONS:**

N/A

4. **PROCEDURAL ACTIONS:**

4.1 Policy

All dealings with customers, suppliers, competitors and co-workers will be conducted with the highest level of ethical behavior and in compliance with the spirit and letter of applicable laws and regulations. Even the appearance of impropriety can result in serious consequences to Vertex and its employees. No employee shall engage in conduct that violates law or is otherwise inconsistent with the highest levels of honesty and integrity. Adherence to this policy demonstrates an employee's judgment and competence, and will be considered when evaluating assignments and promotions. Disregard for the principles within this policy is grounds for disciplinary action, including dismissal. Vertex will foster a free and open atmosphere that encourages employees to make inquiries and report possible violations of law, regulations, policies, procedures, or ethical business conduct without fear of retaliation.

4.2 Code of Ethics and Business Conduct

4.2.1 The Vertex Code of Ethics and Business Conduct ("The Code") describes our core values and summarizes the policies that maintain Vertex's commitment to ethical business practices. The Code applies, and is available, to all employees. Vertex also expects all others acting on its behalf to adhere to the principles outlined in the Code.

4.2.2 The Code and Corporate policies are available on the Vertex intranet site and through the Ethics Office.

4.2.3 The Code will be reviewed and updated, as necessary, on an annual basis as a minimum, by the Ethics Officer(s).

4.3 Ethics Steering Committee

4.3.1 In coordination with the President/CEO, Ethics will chair a steering committee comprised of senior corporate leaders of Legal, Human Resources, Finance, and other departments as deemed necessary, to manage the ethics and business conduct program.

4.3.2 The Ethics Steering Committee will meet at least quarterly.

Notice: A printed or downloaded electronic copy of this document is considered as a reference copy only.  
The current revision is maintained on the company portal. (Intranet portal: Company Policies and Procedures)

## 4.4 Ethics and Business Conduct Inquiries and Reporting

- 4.4.1 Employees are required to report all violations of Vertex's Code and the laws and regulations governing its business. Such reports, as well as employee concerns related to possible violations, should be directed to their supervisor, other local management or the Ethics Officer.

Alternatively, employees may report via any of the following:

- Vertex Ethics toll-free Helpline – 844-601-1867
- Vertex Ethics website - [www.Vertex.Ethicspoint.com](http://www.Vertex.Ethicspoint.com)
- E-mail: [Ethics2@vtxaero.com](mailto:Ethics2@vtxaero.com)
- Contact Alternate Corporate Resources:
  - Human Resources, Rick Mendoza, [Richard.Mendoza@vtxaero.com](mailto:Richard.Mendoza@vtxaero.com), 601-607-6022
  - Ethics Officer, Pete Vozzo, [Peter.Vozza@vtxaero.com](mailto:Peter.Vozza@vtxaero.com), 601-607-6216
  - Security, Robert Hayes, [Robert.Hayes@vtxaero.com](mailto:Robert.Hayes@vtxaero.com), 601-607-6342

- 4.4.2 Supervisors, or other local management, must notify the appropriate Ethics Officer of any violation of the Code brought to their attention.

- 4.4.3 The Company will not tolerate retaliation against anyone who reports a concern in good faith. Employees will be held accountable for their actions in violation of the Code even if they are the ones who report the violation.

- 4.4.4 Reports will be handled in confidence to the extent possible.

## 4.5 Mandatory Reporting to the U.S. Government

- 4.5.1 Vertex will comply with mandatory reporting requirements within the Federal Acquisition Regulation which obligate disclosure of "credible evidence" to the Office of the Inspector General of a:

- Violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity found in Title 18 of the United States Code;
- Violation of the civil False Claims Act (31 U.S.C. 3729-3733);
- Significant overpayment(s) on the contract, other than those resulting from contract financing payments as defined in 32.001.

This reporting requirement continues for three years after final payment on a government contract. Failure to comply with this requirement could result in substantial penalties, including suspension and debarment. All employees must comply with the reporting obligations set forth in Section 4.4

4.5.2 Any reported violation that meets the 4.5.1 criteria must be brought immediately to the attention of the Vertex General Counsel for a final determination and timely disclosure, if required. Any disclosure to the U.S. Government must first be approved by the Vertex General Counsel or authorized designee.

#### 4.6 Ethics and Business Conduct Training

4.6.1 All employees are required to complete 100% of any required Code of Ethics and Business Conduct training as required and published by the Ethics Officer.

4.6.2 Within 30 days of their employment, new employees will receive a copy of the Code and acknowledge they read, understood, and will abide by it.

4.6.3 Managers and employees share the responsibility to utilize the Ethics Training Library to identify additional training needs relating to their roles.

#### 5. **RELATED DOCUMENTATION:**

N/A

(Signature on File)

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Peter M. Vozzo  
Ethics Officer

#### Record of Changes

Revision Number	Revised Date	Revised By	Pages Affected	Description
Initial Issue	8/1/2018	N. Baxter	All	
1	4/16/19	S. Szabo	All	Updated Vertex policy to include elements from L3 Policy