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	Effective Date: <b>12/17/18</b>	Revision Level <b>C</b>
Title: <b>H and B Tool Supplier Code of Ethics and Conduct</b>		

1.0 PURPOSE

This document provides a set of minimum requirements for ethics and conduct expected of all H & B Tool & Engineering Co., Inc. suppliers and contractors. H & B Tool & Engineering Co., Inc. is committed to the highest standards of ethics and business conduct. H & B Tool & Engineering Co., Inc.; suppliers and contractors must comply with all laws and regulations and hold themselves accountable for proper code of conduct and ethical activity.

- ❖ The requirements in H and B Tool Supplier Code of Ethics and Conduct have been contractually required to be flowed to all H & B Tool & Engineering Co., Inc.; suppliers and contractors from H & B Tool & Engineering Co., Inc.; Prime source customers.
- General Disclaimer: The expectations set forth in this code are not intended to conflict with or modify the terms and conditions of any Prime Source Contract/PO. If a contract/PO requirement is more restrictive than this code, you must comply with the more restrictive contract requirement.

2.0 DEFINITIONS

A] Ethics: Ethics are the guiding principle by which people make decisions and conduct their lives. Because businesses are social constructs and make decisions that affect society, there is an ethical dimension to their conduct. Business ethics involves applying values principles to the activities of business and to the relationships between businesses and various stakeholders. It applies to a wide range of business activity such as relationships with suppliers, employees, and prime sources as well as the overall system by which a company is directed and controlled.

B] Purchase Order = the document(s) that detail the entire purchase agreement. These may include, but is not limited to, procurement documents such as contract work orders, purchase agreements and referenced documents such as drawings, engineering sketches, specifications, and statements of work.

3.0 GENERAL

**Honesty, Safety, Respect for Others, Quality & Accountability** are the core values of H & B Tool’s code of ethics and conduct, and these same values are expected from H & B Tool & Engineering Co., Inc. suppliers and contractors.

4.0 APPLICABILITY

The requirements contained in this document shall apply to all H & B Tool & Engineering Co., Inc. suppliers and contractors; this code is not intended to be an exhaustive list of all ethical and business conduct requirements to be followed.

4.1 The Following are the minimum code of ethics and conduct applicable to all H & B Tool & Engineering Co., Inc. suppliers and contractors.

- A] Legal Compliance  
All of H & B Tool & Engineering Co., Inc. suppliers and contractors shall conduct business in full compliance with all laws and regulations applicable.
- B] Quality Compliance  
H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct business in full compliance with Purchasing Quality Clauses.
- C] Environmental Health and Safety Compliance  
H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct business in full compliance to all federal, state, local and prime source applicable environmental, health and safety laws, regulations and directives. H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct operations in a manner that safeguards the environment, minimizes waste, emissions and the use of materials of concern. H & B Tool & Engineering Co., Inc. suppliers and contractors shall provide training of their employees; to insure that employees are educated in health and safety issues such as but not limited to HAZMAT, MSDS, Lock out/Tag out, fork lift and evacuation.
- D] Prohibition of Corruption and Bribery  
H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct business in full compliance to all federal, state, local and prime source applicable laws, regulations and directives with regards to corruption and bribery and tolerate no form of and

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not to engage in any form of corruption or bribery, including any payment or other form of benefit conferred on any prime source official for the influencing of decision making, or accepting any form of corruption or bribery, including any payment or other form of benefit conferred on any H & B Tool official for the influencing of decision making.

At H & B Tool & Engineering Co., Inc. it is our policy to prohibit employees and their families from accepting gifts, entertainment or other gratuities from any of our business associates (e.g., suppliers, customers, contractors) with the intent of influencing of decision making. Generally, however, it is permissible for employees to accept advertising novelties, provided that the item is of no appreciable value [\$30.00 value limit] to the employee and is widely distributed to others with essentially the same business relationship. Modest meals, refreshments, and transportation may be provided by our business partners as long as the practice is applied to others with essentially the same business relationship.

H & B Tool & Engineering Co., Inc. suppliers and contractors; shall not engage in any anti-competitive conduct for any reason whether on behalf of H & B Tool & Engineering Co., Inc., its suppliers, contractors or prime source customers. H & B Tool & Engineering Co., Inc. suppliers and contractors; shall not engage in any deceptive or unfair market practices, misrepresentations regarding product or denigrate competitors whether on behalf of H & B Tool & Engineering Co., Inc., its suppliers, contractors or prime source customers.

E] Conflict of Interest

H & B Tool & Engineering Co., Inc. suppliers and contractors shall avoid all conflicts of interest or situations giving the appearance of a conflict of interest when dealing with our business associates (e.g., suppliers, customers, contractors). H & B Tool & Engineering Co., Inc. suppliers and contractors shall report any instances involving actual or apparent conflicts of interest to H & B Tool & Engineering Co., Inc. Examples of conflict of interest, but not limited to, are as follows.

- When an H & B Tool & Engineering Co., Inc. supplier or contractor employee or someone close to an employee has a personal relationship with a prime source employee who can make decisions impacting business.
- When an H & B Tool & Engineering Co., Inc. supplier or contractor employee or someone close to an employee has a personal relationship with an H & B Tool & Engineering Co., Inc. employee who can make decisions impacting business.
- When a prime source employee has an ownership or financial interest in an H & B Tool & Engineering Co., Inc. supplier or contractor.
- When an H & B Tool & Engineering Co., Inc. supplier or contractor employee or someone close to an employee has an ownership or financial interest in a competitor of H & B Tool & Engineering Co., Inc.

F] International Trade Compliance

H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct business in strict compliance with all applicable laws and regulations governing the following.

- The export, re-export and retransfer of goods technical data, software and services.
- The import of goods.
- Economic sanctions and embargoes.
- United States anti-boycott requirements.

G] Government Procurement

When applicable, H & B Tool & Engineering Co., Inc. suppliers and contractors; shall conduct business in full compliance to all unique and special rules that apply to U.S. Government contracting requirements.

H] Intellectual Property and Proprietary Information Protection

H & B Tool & Engineering Co., Inc. suppliers and contractors; shall respect the legitimate proprietary information rights and intellectual property rights of H & B Tool & Engineering Co., Inc. and its prime source customers, suppliers and contractors. H & B Tool & Engineering Co., Inc. suppliers and contractors; shall not use such information for any purpose other than the business purpose for which it was provided, unless the owner of the information provides prior authorization.

H & B Tool & Engineering Co., Inc. and its prime source's assets include proprietary information, such as trade secrets and intellectual property, as suppliers and contractors of H & B Tool & Engineering Co., Inc. there is a responsibility to H & B Tool & Engineering Co., Inc. and its Prime source's to protect these assets from theft, damage, lose or misuse. H & B Tool &

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Engineering Co., Inc. suppliers and contractors; shall treat any such property with the same security and attention as their own. The following apply.

- Protecting proprietary information and intellectual property from theft or misappropriation.
- Protecting proprietary information and intellectual property from being exposed to foreign persons in violation of International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR).
- H & B Tool & Engineering Co., Inc. suppliers and contractors shall promptly report any security lapses to H & B Tool & Engineering Co., Inc.
- In the course of regular business activities H & B Tool & Engineering Co., Inc. and its prime source's employees may occasionally reveal proprietary information and intellectual property of their company. H & B Tool & Engineering Co., Inc. suppliers and contractors; shall respect these confidences with the same security and attention as if it was their own.
- H & B Tool & Engineering Co., Inc. suppliers and contractors; shall respect the privacy interests of H & B Tool & Engineering Co., Inc. and its prime source's.

I] Accuracy of Records and Submissions

H & B Tool & Engineering Co., Inc. suppliers and contractors; shall maintain books and records that accurately and completely reflect all transactions related to business with prime source customers, suppliers, contractors and regulatory authorities. Transactions between H & B Tool & Engineering Co., Inc. and its prime source customers, suppliers and contractors need to be promptly and accurately recorded in books and records in accordance with accounting principles and practices.

J] Non-Discrimination

H & B Tool & Engineering Co., Inc. suppliers and contractors; shall treat their existing, prospective employees and business partners fairly, based only on merit and other factors related to legitimate business interests and without regard to, [age, race, religion, political affiliation, color, gender, gender identity, gender expression, sexual orientation, national origin, marital status, veteran status or disability].

- H & B Tool & Engineering Co., Inc. suppliers and contractors; shall respect the personal dignity, privacy and rights of each individual.
- H & B Tool & Engineering Co., Inc. suppliers and contractors; shall not engage in any unacceptable treatment of its existing and prospective employees and business partners, such as mental cruelty, sexual harassment or discrimination.
- H & B Tool & Engineering Co., Inc. prohibits its suppliers and contractors from engaging in behavior including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative.

K] Child Labor

H & B Tool & Engineering Co., Inc. suppliers and contractors shall not hire any person under the minimum legal age for employment.

L] Human Trafficking

H & B Tool & Engineering Co., Inc. suppliers and contractors shall comply with laws and regulations prohibiting human trafficking. H & B Tool & Engineering Co., Inc. suppliers and contractors shall not engage in the use of forced labor, bonded labor, indentured labor, involuntary prison labor, slavery or trafficking in persons.

M] RIGHT OF ACCESS

H & B Tool & Engineering Co., Inc. suppliers and contractors shall provide right of entry / access, to its prime source customers, U.S. government and regulatory agencies personnel, appropriate for the review of requirements to code of ethics and conduct. Access shall allow for inspection and surveillance to verify conformance to requirements.

N] Hours and Wages

H & B Tool & Engineering Co., Inc. suppliers and contractors shall comply with laws and regulations for minimum wage and maximum working hours.

O] Disciplinary Action

If an H & B Tool & Engineering Co., Inc. employee, supplier or contractor has violated the requirements of [H and B Tool Supplier Code of Ethics and Conduct](#) they are subject to disciplinary action up to and including termination. Disciplinary action will be determined by an officer of H & B Tool & Engineering Co., Inc.

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P] Reporting Misconduct & Anonymous Reporting

When an H & B Tool & Engineering Co., Inc. employee, supplier or contractor has concern that there are legal or ethical violations of the code of conduct, they are encouraged to report the potential violation to an officer of H & B Tool & Engineering Co., Inc. The officer of H & B Tool & Engineering Co., Inc.; will then promptly initiate a review for lack of compliance to the supplier code of ethics and conduct. If the review shows the potential for noncompliance or noncompliance the prime source ethics and compliance office shall be notified.

- If an H & B Tool & Engineering Co., Inc. employee, supplier or contractor wishes to report their concerns anonymous this can be achieved by sending a letter explaining the concern that there are legal or ethical violations of the code of conduct to an officer of H & B Tool & Engineering Co., Inc.; without signing the letter.
- Also if an H & B Tool & Engineering Co., Inc. employee, supplier or contractor wishes to report their concerns anonymous this can be achieved by contacting the prime source ethics and compliance office.

Examples:

UTC's global Ethic & Compliance office (Ombudsman Program): <http://www.utc.com/our-company/ethics-and-compliance/pages/ombudsman-dialog.aspx>

Siemens: [www.siemens.com/procurement/cr/code-of-conduct](http://www.siemens.com/procurement/cr/code-of-conduct) or [global-procurement.csp@siemens.com](mailto:global-procurement.csp@siemens.com)

Aerojet Rocketdyne: <http://rocket.com/ethics>

GE: <http://www.ge.com/investor-relations/governance/ombudsperson-process>

H and B Tool Supplier Code of Ethics and Conduct shall be a required attachment to all H & B Tool & Engineering Co., Inc.; purchase orders.

**REVISION HISTORY**

REV	DATE	DESCRIPTION OF CHANGE
B	01-02-18	Removed footer file name rep REMOVE PROCEDURE NO # W610-02 AS 9100 REV D CHANGE
C	12/17/18	Updated Format
D	05/13/19	Replaced Procedure No. W610-02. Adjusted format.