

## **COMPLIANCE AND ETHICS**

### **Compliance with Laws and Regulations**

Suppliers must comply fully with all applicable local, national, and international laws, regulations, and standards relevant to their business activities. This includes obtaining all necessary permits, licenses, and approvals to legally operate.

### **Ethics and Anti-Corruption**

Suppliers are expected to conduct their business ethically, adhering to Axillon Aerospace's standards and values, and strictly prohibiting corruption, bribery, kickbacks, and unethical business practices. Suppliers must adhere to global anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and other applicable anti-bribery and anti-corruption legislation. Suppliers must maintain accurate financial records and implement rigorous controls to prevent improper payments.

### **Fair Competition and Antitrust**

Suppliers are required to strictly adhere to fair competition and antitrust laws applicable to their operations. This includes refraining from price-fixing, market allocation, bid-rigging, or any other practices that could unfairly restrict competition or trade.

### **Conflicts of Interest**

Suppliers must proactively disclose, manage, and avoid conflicts of interest in their business dealings with Axillon Aerospace. A conflict of interest occurs when personal interests interfere or appear to interfere with impartial decision-making and professional obligations. Transparency and impartiality must always be maintained.

### **Fraud**

Suppliers are strictly prohibited from engaging in fraud, theft, embezzlement, or any deceptive business practices. They must ensure that all business records are accurate, complete, and transparent. Misrepresentation of financial statements, invoices, documentation, or any intentional misstatement of facts is considered a serious violation.

### **Gifts, Entertainment, and Travel**

Suppliers must ensure that any gifts, entertainment, or travel arrangements provided to or received from Axillon Aerospace employees are lawful, modest, infrequent, and recorded accurately. Such courtesies must never influence, or appear to influence, business decisions and must be aligned with accepted industry standards and Axillon Aerospace policies.

### **Money Laundering and Criminal Financing**

Suppliers must strictly comply with applicable anti-money laundering laws and regulations designed to prevent money laundering and financing of terrorism or other criminal activities. Suppliers should immediately report any suspicious financial transactions or unusual activity.

### **Insider Trading**

Suppliers must safeguard all confidential information obtained during their relationship with Axillon Aerospace. Insider trading—using non-public information for personal or financial gain—is strictly prohibited. Suppliers must educate their employees to recognize and avoid inappropriate use of sensitive information.

### **Trade Laws**

Suppliers must adhere to international trade compliance laws, including export and import controls, economic sanctions, embargoes, and anti-boycott regulations. Suppliers are expected to establish robust compliance processes to ensure accurate documentation, classification, licensing, and reporting of controlled goods and technologies.

### **Intellectual Property and Confidentiality**

Suppliers must respect and protect Axillon Aerospace's intellectual property, proprietary information, and confidential data. Suppliers must never disclose proprietary information to unauthorized parties and must ensure adequate protection of intellectual property rights throughout their supply chains.

### **Cyber Security**

Suppliers must implement robust cyber security measures and management practices to protect Axillon Aerospace's information systems, intellectual property, and sensitive data from unauthorized access, loss, theft, or cyber-attacks. Suppliers must continuously improve their cyber defenses in alignment with evolving industry standards and threats.

### **Data Privacy**

Suppliers must comply with applicable data privacy laws, including GDPR and other local regulations, to protect the privacy and security of personal data. They must ensure responsible handling, storage, transfer, processing, and deletion of personal data, and promptly address data breaches or privacy incidents.

### **Conflict Minerals**

Suppliers must commit to sourcing minerals ethically and responsibly, avoiding conflict minerals (e.g., tantalum, tin, tungsten, gold) that finance armed conflict, human rights abuses, or other unethical practices. Suppliers must actively verify and transparently report on the origins of minerals used in their products.

## **Labor and Human Rights**

### **Human Rights**

Suppliers must uphold the fundamental human rights of all individuals involved in their operations, treating employees and contractors with dignity, fairness, and respect at all times.

### **Non-Discrimination**

Suppliers must maintain workplaces free from discrimination, promoting equal opportunity based on merit and prohibiting discrimination based on race, gender, ethnicity, sexual orientation, disability, religion, political beliefs, age, marital status, or any other legally protected characteristic.

### **Anti-Harassment**

Suppliers must maintain a respectful work environment free from harassment and abuse, including physical, verbal, psychological, or sexual harassment. Suppliers must actively investigate harassment claims and implement measures to prevent recurrence.

### **Whistleblower Protection**

Suppliers must provide robust channels for anonymous reporting of ethical concerns, workplace misconduct, or violations of law without fear of retaliation. These mechanisms should be clearly communicated and easily accessible to all employees.

### **Labor Standards**

Suppliers must strictly prohibit child labor, forced labor, and human trafficking. Suppliers are required to comply with local and international labor laws concerning working hours, minimum wages, overtime, and employee benefits. Any form of modern slavery, forced labor, or exploitation is strictly prohibited.

### **Recruitment Fees and Worker Documentation**

Suppliers must ensure that workers are never charged recruitment or employment-related fees. Suppliers must not withhold employees' passports, identification documents, or impose unreasonable restrictions on employees' freedom of movement.

## **Environmental, Health, and Safety**

### **Compliance**

Suppliers must comply with environmental, health, and safety regulations and demonstrate commitment to minimizing environmental impact and maintaining safe, healthy working conditions.

### **Occupational Health and Safety**

Suppliers must prioritize worker safety, regularly conducting health and safety training, risk assessments, and adopting proactive measures to eliminate workplace hazards. Proper protective equipment, emergency response, and reporting mechanisms must be consistently provided.

### **Product Safety**

Suppliers must ensure their products comply with relevant safety and quality standards, consistently prioritizing customer and employee safety throughout the product lifecycle—from design to manufacturing and distribution.

### **Emergency Preparedness**

Suppliers must implement effective emergency preparedness and response plans, conducting regular drills, maintaining clear emergency procedures, and ensuring that fire prevention, detection, and suppression systems are functional and compliant with local regulations.

### **Waste and Emissions**

Suppliers must effectively manage, reduce, and responsibly dispose of wastewater, solid waste, hazardous materials, and air emissions, ensuring adherence to environmental standards such as EU RoHS and REACH directives.

### **Management Systems**

Suppliers must establish comprehensive management systems that enforce compliance with this Code, relevant laws, and regulations. Essential elements include clear management accountability, risk assessments, structured training programs, internal audits, timely corrective actions, meticulous recordkeeping, and open communication of compliance expectations and outcomes.