



# **DOING BUSINESS WITH AVIATION PARTS EXECUTIVE, INC.**



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## I. OVERVIEW

Welcome to the Doing Business With Aviation Parts Executive Program (“DBWAPEP”). One of Aviation Parts Executive, Inc.’s (“APE”) core principles is the development of lasting partnerships with our customers, suppliers, and industry collaborators. We are dedicated to fostering strong relationships built on trust, transparency, and open communication. Aviation Parts Executive, Inc. is committed to maintaining a work environment rooted in integrity and ethical business practices.

The guidelines and expectations outlined in this document apply to all of APE’s partners, suppliers, subcontractors, and agents, as well as the employees and leadership teams of those organizations (collectively referred to as our “Business Partners”). These provisions also apply equally to the employees and management of Aviation Parts Executive, Inc.

This Program serves as a resource for information, guidelines, and expectations. To ensure compliance, Aviation Parts Executive, Inc. may request that Business Partners provide supporting documentation or information. We expect that such requests will be fulfilled within a reasonable timeframe, typically no more than five (5) business days or one week.

Successful business relationships are built on mutual respect. We expect all APE employees to engage with Business Partners, and their respective teams, in a manner that demonstrates professionalism, fairness, and respect. Likewise, we expect the same level of respect and professionalism from our Business Partners.

Aviation Parts Executive, Inc. adopts the Code of Conduct (Section II) as a standard for all commercial dealings, whether domestic or international. Our goal is to create a collaborative, ethical, and growth-oriented environment for all stakeholders.

Welcome to the Aviation Parts Executive Family. We look forward to a prosperous and mutually beneficial relationship with you, our valued Business Partner.

*Kevin Paredes*

Director of Operations

*Brandon Paredes*

Director of Sales & Marketing



## II. STANDARDS OF CONDUCT

Aviation Parts Executive, Inc. (“APE”) has adopted a Comprehensive Code of Conduct to ensure the highest level of trust and confidence with our Customers and Business Partners. Our business practices are rooted in integrity, transparency, and accountability in every transaction. We expect our Business Partners to adhere to a similar Code of Conduct that upholds these core values and aligns with the highest standards of ethical business conduct.

### a. Ethical Integrity

One of Aviation Parts Executive, Inc.’s core principles is to establish and maintain long-term, meaningful relationships with our Business Partners. We work diligently to foster an environment of trust, communication, and mutual respect. Our commitment to integrity is unwavering, and we hold our Business Partners to the same ethical standards that we uphold internally. By working together, we ensure that our shared goals are achieved with professionalism and transparency.

### b. Government Interactions

Aviation Parts Executive, Inc. is dedicated to maintaining full compliance with all legal, regulatory, and contractual obligations that apply to our government-related activities, whether as a Prime Contractor or a Subcontractor. APE follows the Federal Acquisition Regulation (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), agency-specific requirements, and all applicable public laws. Our procedures are tailored to meet the specific needs of government contracts. As part of this commitment, APE ensures that all relevant legal, regulatory, and contractual obligations are flowed down to its Business Partners, requiring their full compliance to meet all applicable standards.

## III. LEGAL COMPLIANCE

Aviation Parts Executive, Inc. and its representatives, including employees, agents, and Business Partners, are strictly prohibited from violating or circumventing the laws and regulations of any country in which APE conducts business. No employee, agent, or Business Partner may engage in, support, or condone any action that violates international, domestic, or industry-specific laws and regulations. The claim that an unlawful action is a “customary business practice” in any given country is never an acceptable defense for non-compliance.



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APE and its Business Partners are expected to remain compliant with all applicable local, national, and international laws that pertain to their business operations. This includes adherence to U.S. laws and regulations, in addition to any applicable international trade laws. Our shared responsibility for compliance ensures that we maintain the highest ethical standards, protecting the reputation and sustainability of our collective operations.

#### **IV. SAFEGUARDING ASSETS**

Aviation Parts Executive, Inc. (“APE”) and its Business Partners are expected to protect company-owned, customer-owned, and government-owned assets from loss, damage, theft, misuse, and waste. All property must be used responsibly and solely for authorized business purposes. Safeguarding these assets is essential to maintaining operational efficiency, customer trust, and regulatory compliance.

#### **V. INFORMATION SECURITY AND PROTECTION**

##### **a. Confidential and Proprietary Data**

Aviation Parts Executive, Inc. and its Business Partners are required to handle confidential and proprietary information with the utmost care. This includes, but is not limited to, Personally Identifiable Information (PII), Controlled Unclassified Information (CUI/FUI), and any export-controlled data. Such information must only be used for its intended business purpose, and any other use requires prior written authorization from the information owner. Business Partners are expected to implement appropriate safeguards to prevent unauthorized access or misuse of this information.

##### **b. Intellectual Property Rights**

Aviation Parts Executive, Inc. and its Business Partners are required to comply with all intellectual property (IP) laws. This includes the protection of patents, copyrights, trademarks, and proprietary business information. Disclosure or unauthorized use of intellectual property is strictly prohibited. APE and its partners are committed to respecting the intellectual property rights of others and ensuring compliance with all applicable IP-related regulations.

##### **c. Data Security**

Aviation Parts Executive, Inc. and its Business Partners are expected to protect the confidential, proprietary, and personal information of customers, employees, and third parties. This protection extends to Personally Identifiable Information (PII) and any



sensitive business information. Safeguards should include physical, electronic, and procedural security measures to prevent unauthorized access, modification, destruction, or disclosure of information. Compliance with applicable data privacy laws and regulations is required for both APE and its Business Partners, including subcontractors.

## **VI. CYBERSECURITY**

A robust, risk-based cybersecurity program is essential to safeguarding information systems, products, services, and supply chains. Aviation Parts Executive, Inc. and its Business Partners are responsible for maintaining cybersecurity controls that protect information and systems from unauthorized access, modification, destruction, or disclosure.

Both APE and its Business Partners are required to meet all applicable regulatory cybersecurity requirements, which may include compliance with:

- NIST 800-171A Rev. 2 or 3
- Cybersecurity Maturity Model Certification (CMMC)

Business Partners are also required to take proactive measures to prevent the introduction of viruses, malware, or security breaches into APE's IT systems. This includes taking extra care when transmitting emails, documents, or other digital content to APE. By upholding these standards, Aviation Parts Executive, Inc. ensures the protection of its systems, data, and relationships with its customers and industry partners.

## **VII. RECORDS MANAGEMENT**

Aviation Parts Executive, Inc. ("APE") and its Business Partners are required to create, maintain, and safeguard accurate records. All documentation must truthfully reflect the transactions or events they represent, including purchase orders, customer orders, and related business documents. Under no circumstances should any entry be altered to misrepresent or conceal the underlying details of a transaction.

All traceability records must be maintained for a minimum of 10 years, regardless of their immediate relevance to ongoing business activities. These records serve as critical evidence of business transactions and ensure full transparency and accountability in operations.

Aviation Parts Executive, Inc. reserves the right to audit any records maintained by its Business Partners that pertain to APE-related business activities. Business Partners are





expected to fully cooperate with internal investigations or audits conducted by APE, and timely responses are required to ensure smooth operations and compliance.

## **VIII. HUMAN RIGHTS STANDARDS**

Aviation Parts Executive, Inc. is committed to promoting respect, dignity, and inclusivity for all individuals. APE values diversity, equal opportunity, and ethical business practices. As such, both APE and its Business Partners are expected to create and maintain an inclusive work environment that adheres to human rights principles and all applicable local, national, and international human rights laws.

### **a. Fair Workplace Practices**

APE and its Business Partners are responsible for maintaining a safe, respectful, and productive work environment. Disrespectful, hostile, or inappropriate behavior—whether directed at an APE employee, Business Partner, or any other stakeholder—will not be tolerated. If such behavior occurs, it should be reported immediately to the Aviation Parts Executive Management Team to ensure timely resolution.

### **b. Prevention of Child Labor**

Aviation Parts Executive, Inc. is committed to preventing the use of illegal child labor in any form of work, production, or manufacturing. APE supports the use of legitimate learning or apprenticeship programs that provide educational benefits to young individuals and fully comply with applicable labor laws and regulations.

APE will not engage with any Business Partner that exploits child labor or violates labor rights. In cases where local law does not set a specific wage rate for workers, interns, or apprentices, the wage rate must be equal to or greater than the wage rate of entry-level workers performing similar tasks. If any use of child labor is identified, remediation measures will be required to address and resolve the violation.

By upholding these principles, Aviation Parts Executive, Inc. ensures that its business practices promote human rights, ethical treatment, and respect for all individuals within its organization and its extended network of Business Partners.

### **c. Combatting Human Trafficking**

At Aviation Parts Executive, Inc. (“APE”), combating modern slavery and human trafficking within our supply chain is a fundamental aspect of maintaining an ethical business. APE expects itself and its Business Partners to comply with all local, national, and international laws that prohibit human trafficking, forced labor, and compulsory labor in every country



where they operate or conduct business. This requirement extends to all subcontractors and third-party suppliers to ensure the entire supply chain remains free from such unethical practices.

Aviation Parts Executive, Inc. is dedicated to ensuring that every individual involved in the production of its products or the delivery of its services is treated with dignity, respect, and fairness. Any identified instance of human rights abuse by APE or its Business Partners must be immediately reported and disclosed to the appropriate authorities and stakeholders.

### **Employee Education and Awareness**

Employees and Business Partners are required to undergo training on prohibited trafficking activities as well as how to recognize the signs of human trafficking. This education ensures that everyone is equipped to identify and address potential risks in the supply chain.

### **Zero-Tolerance Policy**

APE maintains a zero-tolerance policy for any employee, Business Partner, or subcontractor found to be in violation of anti-trafficking laws. This includes actions that either directly or indirectly contribute to modern slavery or forced labor. Violations of this policy will result in disciplinary action, contract termination, and potential legal consequences.

### **Prohibited Activities**

The following activities are strictly prohibited in all business transactions with Aviation Parts Executive, Inc. and its Business Partners:

- Destroying, concealing, or confiscating identity or immigration documents from employees or workers.
- Using fraudulent or misleading recruitment practices to attract employees.
- Charging recruitment fees to employees or workers.
- Providing inadequate housing that fails to meet local standards, laws, or directives.
- Failing to provide employment contracts or required documentation in the employee's native language.



- Failing to provide return transportation for employees brought to a country to work on a U.S. Government contract or subcontract.
- Failing to interview and protect employees who are suspected victims of trafficking or witnesses to prohibited activities.

### **Policy Compliance and Legal Cooperation**

Aviation Parts Executive, Inc. is committed to full compliance with all applicable human trafficking and transparency regulations, including any laws similar to the California Transparency in Supply Chains Act. As part of this compliance, APE will disclose its efforts to ensure its supply chain is free from forced labor and human trafficking-related activities.

### **Supply Chain Due Diligence**

APE and its Business Partners are required to implement appropriate measures to ensure that no forced labor or human trafficking exists within their supply chain. This includes conducting risk assessments, monitoring suppliers, and verifying that all subcontractors adhere to anti-trafficking policies.

### **Compliance with U.S. Government Regulations**

For any business activities subject to FAR 52.222-50 (Combating Trafficking in Persons), Aviation Parts Executive, Inc. has established a comprehensive Human Trafficking Policy and Compliance Plan, which is available upon request. This plan outlines the specific measures that APE takes to prevent, detect, and respond to human trafficking risks in its supply chain.

### **Commitment to Transparency**

As part of its commitment to transparency, APE will comply with any regulatory requirements related to policy disclosure and anti-trafficking initiatives. This includes future obligations for companies to publicly disclose the efforts they are making to ensure their supply chains are free from forced labor and human trafficking.

By upholding these standards, Aviation Parts Executive, Inc. strives to build a responsible, ethical, and socially accountable supply chain, ensuring that all employees, partners, and subcontractors adhere to the principles of human dignity, fairness, and respect.

## **IX. EMPLOYMENT POLICIES**

Aviation Parts Executive, Inc. (“APE”) is committed to maintaining an ethical and fair workplace for all employees. APE requires its Business Partners to uphold the same



standards to ensure a safe, inclusive, and respectful working environment. The following employment practices are essential to maintaining an ethical and compliant work environment.

**a. Anti-Harassment Policy**

Aviation Parts Executive, Inc. expects its employees and Business Partners to foster a work environment that is free from harassment or abusive conduct. This includes prohibiting any form of physical, psychological, or verbal harassment. All employees and Business Partners must be treated with dignity and respect, and any complaints of harassment must be addressed promptly.

**b. Commitment to Non-Discrimination**

APE is committed to equal employment opportunities for all individuals, regardless of status or background. APE strictly prohibits discrimination based on race, religion, color, sex (including pregnancy, sexual orientation, and gender identity), national origin, disability, age, genetic information, uniformed service, veteran status, or any other status protected under applicable federal, state, or local laws. Business Partners are required to adhere to similar anti-discrimination policies in their operations, in accordance with local, national, and international laws.

**b. Wages, Benefits, and Working Hours**

Aviation Parts Executive, Inc. and its Business Partners are required to compensate employees fairly and in accordance with local wage laws and labor regulations. This includes paying employees at least the minimum wage as set forth by applicable local law and ensuring timely payment of all wages and benefits. Business Partners must comply with all legal requirements related to wages, working hours, overtime, vacation, and holidays. Full adherence to local labor laws is expected at all times.

**d. Compliance with Immigration Laws**

APE and its Business Partners must comply with all applicable immigration laws and regulations. This includes ensuring that workers are legally authorized to work in the country where business is being conducted. Aviation Parts Executive, Inc. follows the standards set by the Immigration Reform and Control Act of 1986 and the Immigration Act of 1990. Business Partners must implement practices to verify work eligibility for their employees.



#### **e. Substance Abuse Prevention**

Aviation Parts Executive, Inc. is committed to maintaining a drug-free workplace. APE and its Business Partners are required to prevent the use, possession, sale, or distribution of illegal drugs and controlled substances on company premises or during work-related activities. Compliance with federal and local drug laws is non-negotiable, and any violations will result in appropriate disciplinary action, up to and including contract termination.

#### **f. Communications and Training**

APE and its Business Partners must ensure that all employees receive comprehensive training in key compliance areas. This includes, but is not limited to:

- Anti-Corruption Training
- Cybersecurity Awareness and Best Practices
- International Trade Agreement Regulations
- Any additional laws, rules, or regulations specific to their role or location of work

By equipping employees with the necessary knowledge and skills, Aviation Parts Executive, Inc. ensures compliance with key regulatory standards and fosters a culture of ethical business conduct. Business Partners are expected to maintain similar training protocols for their workforce to promote ethical business practices and legal compliance.

Aviation Parts Executive, Inc. holds its Business Partners to these same employment standards. By prioritizing fair treatment, employee welfare, and legal compliance, APE ensures an ethical and sustainable work environment that benefits employees, customers, and business partners alike.

### **X. ANTI-CORRUPTION POLICIES**

Aviation Parts Executive, Inc. (“APE”) is committed to maintaining the highest standards of integrity, transparency, and ethical business conduct. APE has implemented a robust anti-corruption framework that governs how business is conducted to ensure confidentiality, protect sensitive information, and safeguard the integrity of the company and its clients.

Both Aviation Parts Executive, Inc. and its Business Partners are expected to take proactive steps to prevent and detect corruption in all areas of business activity, including, but not limited to, partnerships, joint ventures, offset agreements, and consultant engagements.



APE's anti-corruption measures include continuous monitoring, auditing, clear communication, training, and the promotion of its whistleblower program.

APE maintains a zero-tolerance policy for bribery, illegal payments, facilitating payments, and kickbacks. Compliance is achieved through internal audits, updated procedures, and ongoing training to ensure alignment with the latest regulatory and ethical standards.

**a. Compliance with Anti-Corruption Laws**

Neither Aviation Parts Executive, Inc., nor anyone acting on its behalf, nor any of its Business Partners, may directly or indirectly offer, solicit, or accept a bribe. All demands for bribes must be explicitly refused. APE and its Business Partners must comply with all applicable anti-corruption laws, directives, and regulations governing their operations, such as:

- U.S. Foreign Corrupt Practices Act (FCPA)
- U.K. Bribery Act

These regulations apply to both domestic and international business dealings. Any violation of anti-bribery laws could result in severe legal, financial, and reputational consequences.

**b. Facilitating Payments**

Facilitating payments are small payments made to expedite routine government actions. Aviation Parts Executive, Inc. and its Business Partners are prohibited from offering or providing such payments to government officials to encourage them to perform tasks they are already obligated to complete.

The only exception to this policy is when there is an imminent threat to health or safety. In such situations, the incident must be reported to the appropriate authorities as soon as possible and properly documented to maintain full transparency and accountability.

**c. Prohibition of Illegal Payments**

Aviation Parts Executive, Inc. and its Business Partners are strictly prohibited from offering, soliciting, or accepting any form of illegal payment from customers, suppliers, agents, or other representatives. This policy is enforced even if such activities are considered "customary business practice" in certain countries. Local laws or customs do not override APE's commitment to ethical business practices.



This policy ensures that all business relationships are built on trust, fairness, and legality. Violations of this policy will result in immediate action, including possible termination of business relationships, legal action, and financial penalties.

By enforcing these anti-corruption policies, Aviation Parts Executive, Inc. upholds its reputation for ethical leadership and business integrity. APE requires its Business Partners to adopt the same zero-tolerance approach to bribery, illegal payments, and corruption. Through education, training, and collaboration, APE ensures that its entire network operates within a framework of fair, transparent, and lawful business conduct.

#### **d. Kickbacks**

Aviation Parts Executive, Inc. (“APE”) and its Business Partners are strictly prohibited from offering, accepting, or facilitating any form of kickback. A kickback refers to the return of a portion of a contract payment to an employee or a third party as a reward for awarding the contract.

Neither APE, its employees, nor its Business Partners may offer or accept kickbacks through mechanisms such as subcontracts, purchase orders, or consulting agreements to transfer funds to government officials, political candidates, employees of other contracting parties, or their relatives or business associates. This policy ensures that all payments and financial transactions remain transparent and legitimate.

APE and its Business Partners must fully comply with the provisions of the Anti-Kickback Act of 1986 and Federal Acquisition Regulation (FAR) 52.203-7, as required. Violations of these regulations will result in immediate corrective action, termination of business relationships, and potential legal consequences.

#### **e. Financial Accountability**

Aviation Parts Executive, Inc. requires itself and its Business Partners to maintain complete, accurate, and transparent financial records. All transactions must be properly documented and recorded in a single, auditable set of books. No off-the-books accounts or unrecorded payments are allowed.

This practice ensures that all business activities remain fully traceable and verifiable, promoting financial accountability and compliance with applicable regulations. Business Partners are expected to maintain the same level of financial discipline and transparency to support fair business practices.

## **XI. FAIR COMPETITION AND ANTITRUST**



### **a. Antitrust Compliance**

Aviation Parts Executive, Inc. strictly prohibits any activity that may be considered an anti-trust violation. This includes, but is not limited to, price-fixing, bid-rigging, and participation in cartels.

APE and its Business Partners must refrain from exchanging pricing information (current, recent, or future) with competitors and avoid participating in any conduct that would limit competition. Compliance with U.S. antitrust laws and other applicable international regulations is required at all times.

Participation in anti-trust activities could result in significant legal and financial penalties, as well as damage to the reputation and credibility of the company. Violations will be addressed with immediate corrective action and, if necessary, legal action.

### **b. Fair Competition**

Aviation Parts Executive, Inc. and its Business Partners are committed to promoting and maintaining a culture of fair and ethical competition. Fair competition ensures that companies compete on the merits of their products and services, rather than through unethical practices.

APE expects its Business Partners to avoid actions that would distort or manipulate the competitive landscape. By promoting fair competition, APE ensures a level playing field for all businesses and maintains the trust and confidence of its customers, suppliers, and industry stakeholders.

## **XII. GIFTS AND BUSINESS COURTESIES**

Aviation Parts Executive, Inc. believes in competing on the merits of its products and services, not through the exchange of gifts, meals, entertainment, or business courtesies. The use of such courtesies to gain an unfair competitive advantage is considered unethical and is strictly prohibited.

Business Courtesies Guidelines:

**1. Prohibited Use:** Business courtesies (including meals, entertainment, hospitality, or expense payments) cannot be used to influence decisions or secure an unfair advantage.





**2. Legal Compliance:** Any gifts or business courtesies offered or received must be legal under the laws and regulations of the recipient’s country.

**3. Recipient’s Organization Rules:** Business courtesies must not violate the internal rules and standards of the recipient’s organization.

**4. Industry Standards:** Any gifts, meals, or entertainment offered should be in line with reasonable industry customs and standards.

If a potential conflict of interest is identified regarding gifts or business courtesies, it must be reported to APE management for review. Violations of this policy may result in disciplinary action, contract termination, or legal action.

By adhering to these standards, Aviation Parts Executive, Inc. ensures a fair, transparent, and ethical approach to business competition and commercial relationships.

The rules governing the offering or giving of gifts to U.S. Government officials are significantly more stringent than those for commercial customers. Aviation Parts Executive, Inc. (“APE”) and its Business Partners are strictly prohibited from offering or giving any form of gift or monetary item to a U.S. government official with whom APE conducts business.

Limited exceptions exist, such as individual gifts valued at less than \$20 (with an annual limit of \$50 per official). These exceptions are carefully regulated and monitored to prevent any perception of improper influence.

APE’s relationship with the U.S. government is based solely on the excellence and quality of its products, materials, and services—not on the exchange of gifts or other incentives. This standard applies equally to local, state, and federal government officials. Business Partners are expected to comply with these rules, and violations may result in serious legal and financial consequences.

### **XIII. INSIDER TRADING**

Aviation Parts Executive, Inc., its Business Partners, and any of their employees are strictly prohibited from using material, non-public information obtained during business dealings to trade securities or to assist others in trading securities.

Information that is not publicly available and is gained through normal business operations cannot be used for personal gain or to assist others in financial transactions. Violations of



this policy are subject to severe regulatory penalties, including fines, loss of employment, and possible criminal charges. APE is committed to ensuring the integrity of all financial markets and requires the same commitment from its Business Partners.

#### **XIV. CONFLICTS OF INTEREST**

Aviation Parts Executive, Inc. and its Business Partners are required to avoid all conflicts of interest or situations that may create the appearance of a conflict. A conflict of interest occurs when personal interests interfere with the interests of the company, customer, or partner.

If an actual or potential conflict of interest arises, it must be disclosed immediately. Examples include but are not limited to:

- Personal relationships with business contacts that could influence decision-making.
- Ownership stakes or investments in competing companies.
- Situations involving close relatives, friends, or business associates that may affect business decisions.

If an employee, Business Partner, or subcontractor becomes aware of a potential conflict, they must notify Aviation Parts Executive, Inc. to seek guidance on appropriate next steps. Transparency and disclosure are essential to maintaining a culture of trust and integrity.

#### **XV. ENVIRONMENTAL, HEALTH, AND SAFETY (EHS) RESPONSIBILITIES**

Aviation Parts Executive, Inc. is committed to maintaining a safe, healthy, and environmentally responsible workplace. Through education, training, and continuous improvement, APE empowers its employees and Business Partners to lead in Environmental, Health, and Safety (EHS) practices.

##### **a. Safe Workplace Initiatives**

APE and its Business Partners are required to maintain safe, clean, and hazard-free workplaces. This includes:

- Adhering to all applicable EHS laws and regulations.
- Following company policies and procedures related to EHS.
- Stopping work immediately if a situation poses potential harm or danger to employees, clients, business partners, or the public.



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### Stop-Work Authority

If an employee or Business Partner identifies a potential EHS violation or a situation posing imminent danger, they have the responsibility to stop work immediately. Reporting the situation to the appropriate authorities or company leaders is required. No employee or Business Partner will face retaliation or retribution for taking action to address an EHS concern.

### Continuous Improvement

APE is committed to continuous improvement in environmental, health, and safety practices. This is achieved through employee education, training, and the identification of best safety practices. Business Partners are expected to align with these principles and adopt similar EHS practices within their operations.

Through this approach, Aviation Parts Executive, Inc. ensures a culture of safety, accountability, and environmental stewardship across its entire supply chain.

## **b. Environmental Responsibility and Sustainability**

Aviation Parts Executive, Inc. (“APE”) is committed to promoting environmental sustainability throughout its operations. APE has implemented a comprehensive Environmental Management Program that focuses on risk management, conservation of natural resources, and environmental protection. APE actively seeks to partner with like-minded Business Partners who prioritize environmental sustainability.

APE and its Business Partners are required to comply with all local, national, and global environmental laws, regulations, and directives. This includes, but is not limited to, compliance with:

- Greenhouse gas emissions control requirements.
- Chemical and hazardous materials usage guidelines.
- Waste management and disposal protocols.
- Recycling and reuse of materials to reduce waste.
- Industrial wastewater treatment and discharge standards.
- Air emissions control measures.



- Environmental reporting obligations.

APE expects its Business Partners to implement responsible environmental policies and practices that align with these standards. Companies that fail to meet these expectations may be subject to corrective action or review of the business relationship.

Examples of Environmental Policies adopted by Aviation Parts Executive, Inc. and its Business Partners include:

- Proper waste storage and disposal: All waste must be stored and disposed of according to environmental regulations and best practices.
- Product packaging: Products should be packaged in a way that minimizes waste and promotes sustainability.
- Clear and accurate labeling: Parts and containers must be clearly, legibly, and indelibly labeled to ensure proper handling and tracking.
- Storage of hazardous materials: Hazardous materials must be stored in designated areas with proper containment to prevent environmental contamination.
- Recycling initiatives: APE encourages recycling programs and seeks to reduce packaging waste in its supply chain.

Through these initiatives, Aviation Parts Executive, Inc. promotes a culture of environmental responsibility and sustainable business practices.

## **XVI. INTERNATIONAL TRADE REGULATIONS**

### **a. Security Protocols**

Aviation Parts Executive, Inc. encourages its Business Partners to adopt and maintain supply chain security measures that align with the Customs-Trade Partnership Against Terrorism (C-TPAT) initiative established by the U.S. Department of Homeland Security.

When applicable, Business Partners should also adhere to their local Authorized Economic Operator (AEO) programs to enhance supply chain security and ensure efficient customs processes. By maintaining these security protocols, APE and its Business Partners contribute to a safer, more efficient global trade network.

### **b. Export and Import Regulations**



Aviation Parts Executive, Inc. and its Business Partners must ensure that all import and export activities comply with applicable trade laws, regulations, and directives. This includes compliance with regulations from the U.S. Department of Commerce, Bureau of Industry and Security (BIS), International Traffic in Arms Regulations (ITAR), and the Export Administration Regulations (EAR).

Business Partners are responsible for:

- Accurate classification of parts, components, and technical data to ensure proper export control.
- Screening of customers and partners to avoid dealings with restricted or prohibited entities.
- Securing all necessary licenses or permits required for export and import.
- Following embargoes and trade sanctions as imposed by government authorities.

APE provides specific guidance on its export compliance requirements in its Export Policy Manual (Rev. 2), which offers detailed instructions on how to ensure full compliance with international trade laws. Business Partners are expected to follow these instructions and ensure their import/export operations are aligned with APE's compliance protocols.

Failure to adhere to international trade compliance regulations can result in serious financial penalties, loss of government contracts, and reputational damage.

Aviation Parts Executive, Inc. reserves the right to audit Business Partner compliance with trade laws and to take corrective action if violations are identified.

By upholding these standards, APE promotes a safe, secure, and legally compliant global supply chain that strengthens its relationships with government and industry partners.

### **c. Anti-Boycott Compliance**

Aviation Parts Executive, Inc. ("APE") and its Business Partners are strictly prohibited from participating in, cooperating with, or supporting any unsanctioned foreign economic boycott. This policy ensures compliance with the Export Control Reform Act of 2019 (ECRA) and the 1976 Tax Reform Act.

APE and its Business Partners are expected to reject requests for boycott-related information, refuse to sign boycott-related agreements, and report any boycott-



related requests to Aviation Parts Executive, Inc.'s Compliance Team. Failure to comply with anti-boycott regulations can result in substantial fines, penalties, and reputational harm.

**c. Management of Conflict Minerals**

Aviation Parts Executive, Inc. requires its Business Partners to use due diligence to ensure that all materials and components used in the manufacturing or procurement process are sourced from responsible and ethical suppliers. This policy applies to the use of conflict minerals, Russian steel, and other regulated materials.

Business Partners must exercise due diligence to ensure that products containing conflict minerals (or their derivatives) are sourced responsibly. Conflict minerals include cassiterite, columbite-tantalite, gold, and wolframite, as well as their derivatives such as tantalum, tin, and tungsten.

In accordance with the Securities Exchange Act of 1934, companies that manufacture or contract to manufacture products containing these minerals are required to:

1. Conduct due diligence on the source and chain of custody of these conflict minerals.
2. File an annual report with the SEC by May 31st of each year, as required.

APE requires its Business Partners to follow all U.S. federal laws and regulations related to the sourcing, use, and disclosure of conflict minerals. Business Partners that fail to meet these obligations risk termination of their business relationship with APE.

ii. Russian Steel

Aviation Parts Executive, Inc. and its Business Partners are required to ensure that no Russian steel or iron products or ancillary services (as outlined in Schedule 3B of The Russia (Sanctions) (EU Exit) Regulations 2019) are used in the manufacturing of products, parts, or components.

This policy extends to products processed in third-party countries as defined in Part 1, 2, and 3 of Schedule 3B. Business Partners are expected to certify that no Russian steel, iron, or associated materials are utilized in the production of their goods or in

any components used to manufacture those products. Violations of this policy are subject to sanctions, including fines and termination of contracts.

### iii. Compliance with Russia/Ukraine Sanctions

Aviation Parts Executive, Inc. assumes that both APE and its Business Partners have taken proactive steps to identify and mitigate risks associated with exposure to Russia/Ukraine-related sanctions. Business Partners must ensure the continuity and robustness of their supply chains, avoiding any materials or services that may be subject to sanctions.

Particular attention should be paid to compliance with:

- EU Regulation 833/2014, as amended by EU Regulation 1214/2023 of June 23, 2023.
- Articles 3g1 and 5k of EU Regulation 833/2014, which outline the specific restrictions on the trade, sale, and use of materials associated with Russian supply chains.

Business Partners must ensure full compliance with any applicable export control laws, sanctions, trade restrictions, and embargoes imposed by the United States, the European Union, and other regulatory bodies. APE requires Business Partners to document and maintain evidence of their due diligence efforts and report any potential violations to APE's Compliance Team.

Failure to adhere to these rules may result in severe penalties, reputational damage, and suspension of business partnerships with Aviation Parts Executive, Inc.

By implementing these policies, Aviation Parts Executive, Inc. ensures that its supply chain remains ethical, legally compliant, and socially responsible. Business Partners are expected to align with these commitments to ensure the integrity of the entire supply chain.

### iv. RUSSIA/UKRAINE SANCTIONS REPORTING

To ensure compliance with Russia/Ukraine sanctions laws and to avoid potential supply chain disruptions, Aviation Parts Executive, Inc. ("APE") requires its Business Partners to promptly notify APE of any non-compliance. If a Business Partner or its supply chain is found to be in breach of any applicable trade restrictions, they must report the issue to [quality@aviationpartsinc.com](mailto:quality@aviationpartsinc.com).



This notification should include details of the breach, decisions made, and measures taken by the relevant regulatory authorities to resolve the issue. Timely disclosure ensures the integrity of the supply chain and allows APE to take appropriate measures to mitigate any potential disruptions or legal risks.

## **XVII. QUALITY ASSURANCE**

Aviation Parts Executive, Inc. is committed to achieving and maintaining the highest quality and safety standards. The company's Quality Management System (QMS) is based on the rigorous principles of ASA-100 certification. These standards guide APE's quality assurance processes, ensuring that products meet contractual quality requirements and conform to industry best practices.

APE expects its Business Partners to maintain a Quality Management System (QMS) that is at least equivalent to industry standards. This system should provide the necessary controls to ensure defect-free products, accurate traceability, and timely corrective actions. Business Partners involved in special processing must validate and maintain oversight of these processes within their QMS, ensuring that all special processing activities are performed by qualified personnel.

### **Right of Access**

Aviation Parts Executive, Inc. reserves the right to:

- Review the Business Partner's Quality Management System at any time to verify compliance.
- Access applicable areas of the facility related to the order, at any level of the supply chain.
- Audit applicable records, inspection procedures, and process controls.
- Designate inspection, verification, and audit requirements for specific processes, materials, and products.

By accepting to do business with Aviation Parts Executive, Inc., Business Partners acknowledge APE's right to inspect, verify, and audit any element of their QMS related to materials, processes, or services provided.

### **Calibration Service Requirements**

Business Partners providing calibration services to Aviation Parts Executive, Inc. must adhere to strict quality standards. At a minimum, they must:





1. Maintain Certification to one of the following standards or be otherwise approved by APE:

- ISO17025
- ISO10012-1
- ANSI Z540-1

2. Report “As Found” and “As Left” conditions for any item found to be out of tolerance.

3. Identify Calibration Standards used in the process.

4. Use Calibration Standards traceable to NIST (National Institute of Standards and Technology) to ensure accuracy and compliance with recognized international standards.

#### Notification of Certification Changes

Business Partners registered or certified under industry standards such as:

- ISO9001
- AS9100
- AS9120
- ASA-100
- ISO17025
- FAA Part 145
- EASA Part 145
- FAA Part 21

must notify Aviation Parts Executive, Inc. immediately of any changes to their certification status. This requirement ensures transparency, accountability, and quality assurance within APE’s supply chain network.

#### Business Partner Monitoring

Business Partners are regularly reviewed and monitored for their On-Time Delivery and Quality Performance. Performance reviews are part of APE’s ongoing efforts to ensure supplier reliability and adherence to contractual and quality standards. Business Partners



that fail to meet performance expectations may be subject to corrective action, contract review, or termination of business relationships.

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### **XIX. ETHICS PROGRAM AND REPORTING**

#### **a. Whistleblower Protection**

Aviation Parts Executive, Inc. is committed to maintaining the highest ethical standards. As part of this commitment, APE provides a Whistleblower Protection Policy to encourage employees, suppliers, and Business Partners to raise concerns regarding legal, ethical, or regulatory violations without fear of retaliation.

APE expects its Business Partners to offer similar whistleblower protections within their own organizations. This includes ensuring that employees have the ability to report ethical or legal concerns without experiencing retribution or negative consequences. Business Partners must also provide any legally required notices of whistleblower rights to their employees.

#### **How to Report Concerns**

Business Partners, employees, and third parties are encouraged to raise concerns related to:

- Ethical violations
- Legal violations
- Safety concerns
- Product integrity issues

If a Business Partner identifies a potential issue, they are encouraged to work directly with their primary point of contact at Aviation Parts Executive, Inc.. If this is not possible or appropriate, reports can be made directly to



quality@aviationpartsinc.com. Reports should include as much detail as possible, including the nature of the issue, parties involved, and any supporting evidence.

### **Zero-Retaliation Policy**

APE maintains a zero-tolerance policy for retaliation. Any Business Partner, employee, or subcontractor who raises a concern in good faith is fully protected from any form of retaliatory action, such as termination, demotion, or harassment. Violations of this policy may result in severe disciplinary action for those responsible, up to and including termination of contracts or employment.

By promoting open reporting, ethical behavior, and counterfeit prevention, Aviation Parts Executive, Inc. ensures the integrity, quality, and safety of its operations and supply chain. Business Partners are expected to adhere to these standards to maintain their status as trusted partners within APE's network.

### **b. Consequences for Ethical Breaches**

If a Business Partner or employee violates any of the expectations outlined in APE's Ethics Program, Aviation Parts Executive, Inc. reserves the right to take the following corrective actions:

- Conduct an audit or review to determine the extent of the violation.
- Issue a Corrective Action Report (CAR) to the responsible Business Partner or employee.
- Report violations of law or regulations to the appropriate regulatory authorities, as required by law.
- Terminate the business relationship with any Business Partner that fails to comply with the Ethics Program.

Failure to comply with APE's Business Conduct and Ethics Program could result in termination of contracts, legal consequences, and reputational harm. APE will not hesitate to take action where non-compliance is discovered.

### **c. Ethics Program Policies**

Aviation Parts Executive, Inc. expects its Business Partners to establish and maintain an Ethics and Compliance Management System that supports adherence to all applicable laws, regulations, and contractual obligations. Business Partners must have in place:



- Internal compliance policies that align with APE’s standards.
- Training programs to educate employees on ethical behavior, whistleblower rights, and quality standards.
- Oversight mechanisms to monitor and address compliance issues.

Business Partners are encouraged to flow down these principles to their own suppliers, subcontractors, and service providers. By maintaining a strong ethical framework throughout the supply chain, APE ensures consistency, transparency, and trust at every level.

## **XX. FORCE MAJEURE POLICY**

Aviation Parts Executive, Inc. will not be held liable for failure to fulfill its obligations under an agreement if that failure is caused by circumstances beyond its reasonable control. Force majeure events include, but are not limited to:

- Acts of God (natural disasters like hurricanes, earthquakes, or floods)
- Acts of civil or military authority (government orders, mandates, or directives)
- Buyer-related actions or delays (including supply disruptions)
- Strikes, labor disputes, and work stoppages
- Accidents, fires, and explosions
- Epidemics, pandemics, or public health emergencies
- War, riots, or civil unrest
- Delays in transportation and shipping
- Shortages of raw materials, components, labor, or supplies

If any of these events occur, Aviation Parts Executive, Inc. will make every effort to minimize the impact and resume its obligations as soon as reasonably possible. Business Partners should notify APE immediately if a force majeure event impacts their ability to meet deadlines, so APE can address potential delays with customers and stakeholders.

## **APPENDIX A – DEFINITIONS**

**Bribery:** A bribery occurs when there is an offer, promise, or gift of a monetary or non-monetary advantage made directly or indirectly to a public official, political party, political



candidate, party official, or private sector employee. The purpose of the bribe is to influence the official or employee to act or refrain from acting in relation to their job duties to secure business or a competitive advantage. Aviation Parts Executive, Inc. strictly prohibits bribery in any form.

**Kickback:** A kickback is a specific type of bribe that occurs when an individual entrusted with the responsibility to grant a benefit (like a contract, project, or deal) arranges for part of the value of that transaction to be returned to them personally, without the knowledge or approval of their employer or governing body. Kickbacks are typically associated with fraudulent use of influence over contract awards, vendor selection, or procurement decisions. Aviation Parts Executive, Inc. maintains a zero-tolerance policy for kickbacks within its business dealings and supply chain.

**Illegal Payment:** An illegal payment is any form of monetary payment, gift, promise, or transfer of value made directly or indirectly to influence a decision or secure an improper advantage. Illegal payments are prohibited in all business dealings, regardless of whether such payments are considered a “customary business practice” in a particular country or industry. Aviation Parts Executive, Inc. and its Business Partners are required to avoid illegal payments in all business transactions.

**Child:** A child is defined as any person who is under the minimum legal working age as determined by the laws of the country where the work is being performed. If no such law exists, the default definition of a child is anyone under the age of 18 years old. Aviation Parts Executive, Inc. is committed to ensuring that child labor is never used in any of its supply chain operations or business activities. Business Partners are required to conduct due diligence to ensure that no child labor is utilized in their operations, and to notify Aviation Parts Executive, Inc. if any noncompliance is identified.

These definitions are part of Aviation Parts Executive, Inc.’s Code of Conduct and Business Ethics Policy. Business Partners are required to adhere to these definitions and principles in all aspects of their operations and to ensure that subcontractors, suppliers, and third-party providers also comply. Failure to adhere to these definitions could result in corrective action, contract termination, or legal action.