



Supplier Code of Conduct

ethics &
compliance

SHAPING THE CULTURE



GENERAL DISCLAIMER

This Supplier Code of Conduct is in no way intended to conflict with or modify the terms and conditions of any existing contract. In the event of a conflict, suppliers must first adhere to applicable laws and regulations, then the contract terms, followed by this Supplier Code of Conduct.

SUPPLIER ENGAGEMENT PLAN

As valuable partners to HII, we expect all suppliers to be ethical and compliant in all aspects of doing business with HII. The Supplier Engagement Plan provides a clear roadmap for maintaining high standards in ethics, security, sustainability, and business integrity.

COMPLIANCE WITH LAWS

HII has embraced a set of values and established high ethical standards for the conduct of our business. HII considers adherence to our Company Values and Code of Ethics and Business Conduct, as well as strict observance of all U.S. and foreign laws and regulations, to be not only a legal requirement but an ethical obligation for all.

Everyone associated with HII is expected to make this commitment his/her own. This includes non-employees, such as vendors, consultants, agents, contract labor, employees of limited liability companies, joint ventures, and anyone who represents HII in any capacity – regardless of their position (collectively, herein, our “Suppliers”). Individuals are responsible for the integrity and consequences of any actions that are taken on behalf of, or for the benefit of, HII.

We expect our Suppliers to maintain full compliance with all laws and regulations applicable to their business. When conducting international business, or if their primary place of business is outside the United States, Suppliers must comply with local laws and regulations, in addition to U.S. laws and regulations.

ACCURATE RECORDS

We expect Suppliers to create accurate records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, records should still be retained based on the applicable retention requirements. Suppliers performing as U.S. Government contractors (whether direct or indirect) must comply with the requirements in FAR 4.703. Suppliers that are performing or fulfilling a U.S. Government role in their prescribed work must comply with the records requirements of the affected agency and any relevant National Archives and Records Administration (NARA) requirements that apply to that agency.

HUMAN RIGHTS

Suppliers must treat people with respect and dignity, promote equal opportunity for all, and foster an ethical culture. Suppliers must refrain from violating the rights of others and address any adverse human rights impacts of their operations.

HUMAN TRAFFICKING

Suppliers must adhere to regulations prohibiting human trafficking, including applicable U.S. laws, and comply with all applicable local laws in the country or countries in which they operate. Suppliers must educate employees on prohibited trafficking activities, discipline employees found to have violated the law or rules, and notify the contracting officer of violations and action taken against employees. Specifically, Suppliers are prohibited from the following in all contracts:

- Using forced, bonded or indentured labor, slavery, or trafficking of persons;
- Destroying, concealing, or confiscating identity or immigration documents;
- Using misleading or fraudulent tactics in recruiting;
- Charging employee recruitment fees or providing inadequate housing based on local standards, laws and directives;
- Failing to provide employment contracts and other documentation in the employee's native language;
- Failing to provide return transportation upon the end of employment for employees brought to the country for the purpose of working on a U.S. government contract or subcontract;
- Failing to interview and protect employees suspected of being trafficking victims; and
- Hiring prostitutes or other sex workers or engaging in any other activity that contributes to trafficking in persons.



EMPLOYMENT PRACTICES

HARASSMENT

Suppliers must ensure that their employees are afforded an employment environment that is free from physical, psychological, and verbal harassment, or other abusive conduct.

NON-DISCRIMINATION

Suppliers must provide equal employment opportunity to employees and applicants for employment.

SUBSTANCE ABUSE

Suppliers must maintain a workplace free from illegal use, possession, sale, or distribution of controlled substances.

ANTI-CORRUPTION

Suppliers must comply with all anti-corruption laws, directives and/or regulations applicable to their operations and activities, such as the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act or other similar laws and regulations.

IMPROPER PAYMENTS

Suppliers shall not offer, make, or accept, directly or indirectly, any improper payments of money or anything of value to or from government officials, political parties, candidates for public office, or any other individuals or entities, in order to obtain or retain business, or to award or maintain business. This includes a prohibition on facilitating payments intended to expedite or secure performance of a routine governmental action like obtaining a visa or customs clearance, even in locations where such activity may not violate local law. Personal safety payments may be permitted in circumstances where there is an imminent threat to health or safety.

DUE DILIGENCE

We expect our Suppliers to exert due diligence to prevent and detect corruption in all business arrangements, including partnerships, joint ventures, offset agreements, and the hiring of consultants.

GIFTS/BUSINESS COURTESIES

Suppliers must compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage. In any business relationship, our Suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, and that these exchanges do not violate the rules and standards of the recipient's organization, and are consistent with reasonable marketplace customs and practices.

INSIDER TRADING

Suppliers and their personnel must not use material non-publicly disclosed information obtained in the course of their business relationship with us as the basis for trading or for enabling others to trade in the securities of HII or those of any other company.

ANTI-TRUST & FAIR COMPETITION

Suppliers must adhere to all applicable antitrust and competition laws and regulations. In particular, Suppliers must not fix prices or rig bids with their competitors. They must not exchange current, recent, or future pricing information with competitors, must not participate in cartels, and must not engage in any other conduct that unlawfully restrains competition.

CONFLICTS OF INTEREST

Suppliers must avoid all conflicts of interest or situations giving the appearance of a conflict of interest in their dealing with HII. Suppliers must notify all affected parties in the event that an actual or potential conflict of interest arises.





INFORMATION PROTECTION

We expect our suppliers to properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purposes (e.g., advertisement, publicity, and the like) other than the business purposes for which it was provided, unless there is prior authorization from the owner of the information. For sensitive information that is transmitted electronically, suppliers are expected to implement appropriate cybersecurity controls.

We expect our Suppliers to respect and comply with all the laws governing intellectual property rights, assertions, including protection against disclosure, patents, copyrights, and trademarks.

ENVIRONMENT, HEALTH AND SAFETY

Suppliers must operate in a manner that actively manages risk, conserves natural resources, and protects the environment. We expect our Suppliers to apply environmental management system principles in order to establish a systematic approach to the management of risks/hazards and opportunities associated with the environment, including potential risk from regulatory non-compliance, reputational loss, and opportunities for business growth through operational and product stewardship.

Suppliers must comply with all applicable environmental, health and safety laws, regulations, and directives. Suppliers should protect the health, safety, and welfare of their people, visitors, and others who may be affected by their activities.

GLOBAL TRADE COMPLIANCE

SECURITY

When applicable, Suppliers are encouraged to implement practices and procedures to ensure the security of their supply chains in accordance with the Customs-Trade Partnership Against Terrorism initiative of the United States Department of Homeland Security.

IMPORT

Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the import of parts, components, systems, equipment, software, and technical data.

EXPORT

Suppliers must ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the export of parts, components, systems, equipment, software, technical data, and provision of services to foreign persons.

ANTI-BOYCOTT

Suppliers must not participate in, cooperate with, or further the cause of any unsanctioned foreign economic boycott, in accordance with the 1977 Export Administration Act and the 1976 Tax Reform Act.

QUALITY

Suppliers must take due care to ensure their work product meets HII's quality standards. We expect our Suppliers to have in place quality assurance processes to identify defects and implement corrective actions, and to facilitate the delivery of a product whose quality meets or exceeds the contract requirements.

Suppliers must develop, implement, and maintain methods and processes appropriate to their products to minimize the risk of introducing counterfeit parts and materials into deliverable products. Effective processes should be in place to detect counterfeit parts and materials, provide notification to recipients of counterfeit product(s) when warranted, and exclude them from the delivered product.

RESOURCES

HII resources including time, property, information, and services should be used only for authorized business purposes.

- Correct charging of time helps determine how employees are paid, customers are billed, costs are estimated for new work, contract costs are allocated, and performance is reported.
- Time records submitted must be accurate. Misrepresenting time worked is prohibited. Intentionally charging time to the wrong contract or account is mischarging. Expenses must be documented accurately, adequately, and submitted promptly.
- Property, especially electronic media, should never be used for purposes which are disruptive or considered offensive.
- Information is an asset as valuable as money. We do not seek information to which we are not entitled, especially sensitive procurement information, nor will we violate copyrights or licensing agreements. HII information may not be used for personal gain and classified information must be handled and safeguarded in strict compliance with Security procedures.
- Anyone acting on HII's behalf is strictly prohibited from circumventing HII's system of internal controls or providing misleading information on HII documents.

ETHICS PROGRAM EXPECTATIONS

WHISTLE BLOWER PROTECTION

Suppliers must provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. We expect our Suppliers to take action to prevent, detect, and correct any retaliatory actions.

ETHICS POLICIES

Commensurate with the size and nature of their business, we expect our Suppliers to have management systems in place to support compliance with laws, regulations, and the expectations related to or addressed expressly within this Supplier Code of Conduct. We encourage our Suppliers to implement their own written code of conduct and to flow down the principles of any such code of conduct to the entities that furnish them with goods and services.

VIOLATIONS

In the event of a violation of any of the above expectations, we may pursue corrective actions to remedy the situation. In the case of a violation of law or regulation, we may be required to report those violations to proper authorities. We reserve the right to terminate our relationship with any supplier under the terms of the existing procurement/purchasing contract.



Anonymous and confidential,
call toll-free, 24/7:

HII OpenLine
877-631-0020

The HII OpenLine is available to anyone affiliated with HII and is administered by a third party. Individuals can seek guidance or report a suspected violation of our Supplier Code of Conduct.

Anonymous web reporting:
hii-openline.com