

DEFENCE COMPANIES INDEX (DCI) ON ANTI-CORRUPTION AND CORPORATE TRANSPARENCY 2020

FINAL ASSESSMENT

TRIUMPH GROUP INC

The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company's scores per section:

Section	Number of Questions*	Score Based on Publicly Available Information
1. Leadership and Organisational Culture	4	3/8
2. Internal Controls	6	2/12
3. Support to Employees	7	1/14
4. Conflict of Interest	4	2/8
5. Customer Engagement	7	1/14
6. Supply Chain Management	5	2/10
7. Agents, Intermediaries and Joint Ventures	10	0/20
8. Offsets	4	0/8
9. High Risk Markets	4	2/8
10. State-Owned Enterprises	0	N/A
TOTAL		13/102
BAND		F

*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.

1. Leadership and Organisational Culture

Question
1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?
Score
1
Comments
<p>The company publishes a Code of Business Conduct which details the company's stance against bribery and corruption. There is evidence that the Code of Business Conduct was authorised and endorsed by the company's leadership in the form of an introductory message from the President and Chief Executive Officer. However, this message does not specifically mention anti-bribery and corruption and therefore a score of '1' applies.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf [p.2] Triumph Group, Inc. To All Employees:</p> <p>At Triumph Group, we are fortunate to work for a Company where our record for solid performance is matched by our excellent reputation for integrity in all of the communities we serve.</p> <p>Triumph's Code of Business Conduct is reflective of our culture and contains the business and ethical principles upon which we have built our reputation for integrity.</p> <p>It is the responsibility of each of us to maintain and enhance our reputation every day — conducting our worldwide business operations with honesty, integrity, accountability and respect. Triumph's Code of Business Conduct is designed to assist each one of us in that effort. At the heart of the Code is the belief that each of us bears personal responsibility for honest and ethical conduct in the performance of our job duties.</p> <p>The Code cannot address every situation that may arise as our businesses continue to grow. Accordingly, the Code provides specific ways in which Triumph employees may contact Triumph senior management for guidance or to report actual or potential violations of the Code or of any law, regulation or Company policy. Specifically, with respect to concerns over possible business accounting or financial reporting issues, employees and others with an interest in the business affairs of the Triumph Group may communicate those concerns to the Chairman of the Audit Committee of our Board of Directors as well as using the other reporting mechanisms set forth in the Code.</p> <p>This Code of Business Conduct applies to all of us who represent the Company in the performance of job duties to our customers, vendors, investors and public. We all, individually, hold the good name and reputation of the Company in our hands and we must each commit to taking that responsibility seriously, and personally, in performing our job duties.</p> <p>I know I can count on each of you to safeguard and sustain our fine reputation as we work as One Triumph Team. Your commitment to the ethical principles embodied in this Code of Business Conduct is deeply appreciated.</p> <p>Sincerely, Dan Crowley President and CEO</p> <p>[p.5] Anti-Corruption Laws. The Company's employees, officers and directors who conduct business or reside and work outside of the United States should strictly comply with laws that govern our operations in such locations, including the Foreign Corrupt Practices Act (the "FCPA") and similar anti-corruption laws enacted by other countries, for example, under the Organization of Economic Cooperation and Development Convention on Combating Bribery of Foreign Official and other international, anti-bribery conventions. Anti-corruption laws, in</p>

general, prohibit offering or paying anything of value — including cash, gifts, travel, lavish meals and entertainment — to any government official to influence the performance of official functions and to retain or obtain business. Government officers or employees at any level — including employees of international organizations and political parties and state-owned or state-controlled enterprises, as well as candidates for public office — may be considered “government officials.”

Specifically, the FCPA prohibits a United States citizen from engaging in certain types of activities while conducting business outside the United States. In accordance with the provisions of the FCPA, no director, officer, employee or agent of the Company shall give or offer to give, directly or indirectly, anything of value to any foreign official (including an official of any political party or candidate for any political office) for the purpose of: (a) influencing any act or decision of the recipient in his or her official capacity; (b) inducing the recipient to use his or her influence to affect any act or decision of any foreign government; or (c) inducing the recipient to do or omit to do any act in violation of

[p.6] the lawful duty of such person. The FCPA provides that an individual may be fined up to \$250,000 and imprisoned for up to five years for violating the law’s anti-bribery provisions and up to \$5 million and imprisonment for up to 20 years for violating of the accounting provisions. In addition, the Company could be subject to substantial monetary penalties for violations of the FCPA by its employees or agents and is prohibited from, directly or indirectly, paying the monetary fines imposed on individual violators of the law. Thus, we must ensure that our suppliers, distributors, and other business partners refrain from engaging in corrupt practices on our behalf. We cannot make any payment to a business partner, or any third party, if it will be used for a prohibited payment. As a reminder, Triumph prohibits all forms of bribery, not just bribery involving government officials. As a reminder, Triumph prohibits all forms of bribery, not just bribery involving government officials.

[16] Our Ethics Statement (Webpage)

Accessed 30/07/2019

<https://www.triumphsupplysource.com/suppliers/ethics.php>

Our Ethics Statement

[...]

General Conduct

Triumph is committed to the highest standards of ethical conduct in every business relationship. In all circumstances and in all situations, Triumph expects its employees and business partners to do what is right, respect others, and strive to achieve a standard of excellence in all aspects of the relationship

[...]

Summary

The integrity of every Triumph employee and each Triumph supplier and the commitment to the highest standards of professional conduct underpin the ethical principles of the Triumph Aerospace Systems Group companies. Triumph is determined to succeed and is proud of the reputation it has built amongst its customers, suppliers, and peers and encourages all employees and business partners to do their part to uphold a standard of excellence unparalleled in our industry.

Question
1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories: a) All employees, including staff and leadership of subsidiaries and other controlled entities; b) All board members, including non-executive directors.
Score
1
Comments
<p>There is evidence that the company publishes a Code of Business Conduct, which makes specific reference to the prohibition of bribery, payments to public officials and commercial bribery. The policy states that it applies to all directors and all employees, including staff and leadership of subsidiaries.</p> <p>However, the company scores '1' as there is no evidence it prohibits facilitation payments.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.3] I. Purpose The Code of Business Conduct (the "Code") is intended as a central reference to guide employees, officers and directors of Triumph Group, Inc. and its subsidiaries ("Triumph" or the "Company") in day-to-day decision making. This Code will help Triumph employees, officers and directors recognize and approach ethical issues in performing their job duties and carrying out the Company's business. The Code defines business procedures and practices that are consistent with our corporate values. It does not cover every situation that could arise; instead it provides guiding principles that apply to all employees, officers and directors. These guiding principles hold all of us at Triumph to the highest standards of business conduct.</p> <p>Each Triumph employee, officer and director is expected to conduct the Company's business with integrity and to comply with all applicable laws. This includes:</p> <ul style="list-style-type: none"> • Avoiding situations where personal interests are, or appear to be, in conflict with Company interests. • Protecting and properly using Company assets, including preserving the confidentiality of non-public business information and not acting on such information for personal benefit. • Dealing fairly and honestly with all customers, suppliers, competitors, and colleagues when performing your job duties. • Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations. • Being honest, accurate, full, fair and understandable in all business reports, Company records and communications created as part of your job duties, including, reports and documents filed with or submitted to the Securities and Exchange Commission. <p>We must all strive to cultivate a Company culture of honesty and accountability in performing job duties and carrying out the Company's business. We are all responsible for ensuring prompt and consistent action against violations of the Code. To that end, every Triumph employee, officer and director is expected to report what he or she believes, in good faith, are violations of any law, rule or regulation, the Code or any other Company policy, whether unintentional or deliberate, by any Company employee, officer or director.</p> <p>[p.4] II. Compliance with Laws, Rules and Regulations</p> <p>Triumph intends to operate its business lawfully in every respect. All employees, officers and directors must respect and obey all applicable laws, rules and regulations. All employees, officers and directors must observe the laws of the cities, states and countries in which we operate. You are not expected to know the details of the law, but you are expected to know enough to determine when to seek assistance from supervisors, managers or other appropriate personnel, including Triumph's General Counsel.</p>

For the Company employees, officers and directors who reside and work outside of the United States, it is important to note that the references to U.S. laws, rules and regulations are intended to serve as examples. All employees, officers and directors are required to comply with laws applicable to them and are required to comply with U.S. laws, rules and regulations to the extent mandated by this Code.

[p.5] Anti-Corruption Laws. The Company's employees, officers and directors who conduct business or reside and work outside of the United States should strictly comply with laws that govern our operations in such locations, including the Foreign Corrupt Practices Act (the "FCPA") and similar anti-corruption laws enacted by other countries, for example, under the Organization of Economic Cooperation and Development Convention on Combating Bribery of Foreign Official and other international, anti-bribery conventions. Anti-corruption laws, in general, prohibit offering or paying anything of value — including cash, gifts, travel, lavish meals and entertainment — to any government official to influence the performance of official functions and to retain or obtain business. Government officers or employees at any level — including employees of international organizations and political parties and state-owned or state-controlled enterprises, as well as candidates for public office — may be considered "government officials."

Specifically, the FCPA prohibits a United States citizen from engaging in certain types of activities while conducting business outside the United States. In accordance with the provisions of the FCPA, no director, officer, employee or agent of the Company shall give or offer to give, directly or indirectly, anything of value to any foreign official (including an official of any political party or candidate for any political office) for the purpose of: (a) influencing any act or decision of the recipient in his or her official capacity; (b) inducing the recipient to use his or her influence to affect any act or decision of any foreign government; or (c) inducing the recipient to do or omit to do any act in violation of

[p.6] the lawful duty of such person. The FCPA provides that an individual may be fined up to \$250,000 and imprisoned for up to five years for violating the law's anti-bribery provisions and up to \$5 million and imprisonment for up to 20 years for violating of the accounting provisions. In addition, the Company could be subject to substantial monetary penalties for violations of the FCPA by its employees or agents and is prohibited from, directly or indirectly, paying the monetary fines imposed on individual violators of the law. Thus, we must ensure that our suppliers, distributors, and other business partners refrain from engaging in corrupt practices on our behalf. We cannot make any payment to a business partner, or any third party, if it will be used for a prohibited payment. As a reminder, Triumph prohibits all forms of bribery, not just bribery involving government officials. As a reminder, Triumph prohibits all forms of bribery, not just bribery involving government officials.

[3] Corporate Governance Guidelines (Document)

Accessed 14/04/2020

https://s23.q4cdn.com/323685665/files/doc_governance/Corporate-Governance-Guidelines.pdf

[p.1] A. Responsibility of the Board of Directors

The primary mission of the Board of Directors is to advance the interests of our stockholders by creating a valuable long-term business. The Board believes that this mission is best served by establishing a corporate culture of accountability and ethical responsibility through the careful selection and evaluation of directors and senior management and carrying out the Board's responsibilities with integrity and honesty. All directors are expected to comply with the Company's Code of Business Conduct. At least annually, the General Counsel will report to the Board on the Company's compliance with the terms of its Code of Business Conduct.

Question
1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?
Score
1
Comments
<p>There is evidence that a designated board committee, the Audit Committee, oversees the company's ethics and compliance programme, and that this includes reviewing reports from management on the programme's performance.</p> <p>However, the company scores '1' as there is insufficient publicly available evidence that the Audit Committee reviews audits of the company's ethics and compliance programme specifically. The Audit Committee Charter also does not refer to anti-bribery and corruption directly.</p>
Evidence
<p>[2] Audit Committee Charter (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Audit-Committee.pdf [p.1] 1. Purpose</p> <p>This Charter governs the operation of the Audit Committee (the "Committee") of the board of directors (the "Board") of Triumph Group, Inc. (the "Company"). The Committee is established by the Board for the primary purpose of assisting the Board in fulfilling its oversight responsibilities to the stockholders, potential stockholders, the investment community, and others relating to: (1) the integrity of the Company's financial statements and the financial reporting process; (2) the Company's compliance with legal and regulatory requirements, including ethics programs as may be established by management and the Board; (3) the Company's independent auditor's qualifications and independence; and (4) the performance of the Company's internal audit function and independent auditor.</p> <p>[p.5] The Committee shall review the Company's compliance with applicable laws and regulations and to review and oversee any policies and procedures designed to promote compliance.</p> <p>[p.6] The Committee shall review and approve the functions of the Company's internal audit department, including its purpose, organization, responsibilities, budget and performance, and to review the scope, performance and results of such department's internal audit plans, including any reports to management and management's response to such reports.</p> <p>[...]</p> <p>The Committee shall review the Company's ethics and compliance programs, including legal and regulatory requirements, and review with management its periodic evaluation of the effectiveness of such programs. The Committee shall report to the Board, no less often than annually, with respect to the implementation and effectiveness of the Company's ethics and compliance programs to support the Board's oversight and responsibility.</p>

Question
1.4. Is responsibility for implementing and managing the company's anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company's programme?
Score
0
Comments
<p>There is some evidence that the General Counsel has been assigned responsibility for reporting to the board on the company's compliance with the Code of Business Conduct. However, there is insufficient evidence that the General Counsel, or an alternative managerial-level employee, has ultimate responsibility for implementing and managing the company's anti-bribery and corruption programme.</p>
Evidence
<p>[3] Corporate Governance Guidelines (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Corporate-Governance-Guidelines.pdf [p.1] A. Responsibility of the Board of Directors</p> <p>The primary mission of the Board of Directors is to advance the interests of our stockholders by creating a valuable long-term business. The Board believes that this mission is best served by establishing a corporate culture of accountability and ethical responsibility through the careful selection and evaluation of directors and senior management and carrying out the Board's responsibilities with integrity and honesty. All directors are expected to comply with the Company's Code of Business Conduct. At least annually, the General Counsel will report to the Board on the Company's compliance with the terms of its Code of Business Conduct.</p> <p>[4] People- Jennifer Allen (Webpage) Accessed 28/07/2019 http://www.triumphgroup.com/people/jennifer-h-allen/ Jennifer Allen Senior Vice President, General Counsel & Secretary</p> <p>Jennifer Allen has served as Senior Vice President, General Counsel & Secretary of Triumph Group since September of 2018. In this role, she leads Triumph Group's law department and oversees the company's legal matters.</p> <p>Jenn joined Triumph Group from CIRCOR International, Inc. where she was Senior Vice President, General Counsel & Secretary. Previously, she was Vice President & Associate General Counsel – Corporate for BAE Systems, Inc., a member of the mergers and acquisition group in the New York office of Jones Day, and a member of the business and finance group in the Philadelphia office of Morgan, Lewis & Bockius LLP.</p> <p>Jenn is a graduate of the University of Pennsylvania Law School, where she was an associate editor of the Law Review and a legal writing instructor. Previously, she received a bachelor's degree in English and political science from the University of Delaware.</p>

2. Internal Controls

Question
2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?
Score
0
Comments
There is no publicly available evidence to indicate that the company has a formal risk assessment procedure which is used to inform the company's anti-bribery and corruption programme.
Evidence
No evidence found.

Question
2.2. Is the company's anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?
Score
0
Comments
<p>There is evidence that the Audit Committee reviews the company's ethics and compliance programmes on at least an annual basis. However, there is no clear publicly available evidence that the company conducts internal or external audits of these programmes, including audits of the company's anti-bribery and corruption programme specifically.</p>
Evidence
<p>[2] Audit Committee Charter (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Audit-Committee.pdf</p> <p>[p.3] The Committee shall, at least annually, obtain and review a report prepared by the independent auditor describing: (i) the auditing firm's internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditor, and any steps taken to deal with any such issues; and (iii) all relationships between the auditor and the Company for purposes of assessing the auditor's independence.</p> <p>[p.5] The Committee shall review and discuss with management and the internal audit department policies and guidelines that govern the process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such risks.</p> <p>[p.6] The Committee shall review and approve the functions of the Company's internal audit department, including its purpose, organization, responsibilities, budget and performance, and to review the scope, performance and results of such department's internal audit plans, including any reports to management and management's response to such reports.</p> <p>[...]</p> <p>The Committee shall review the Company's ethics and compliance programs, including legal and regulatory requirements, and review with management its periodic evaluation of the effectiveness of such programs. The Committee shall report to the Board, no less often than annually, with respect to the implementation and effectiveness of the Company's ethics and compliance programs to support the Board's oversight and responsibility.</p>

Question
2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company commits to investigating incidents and takes steps to ensure the independence of its investigations. There is evidence of a specific procedure in place to deal with whistleblowing cases, which stipulates documentation and actions to be taken at each step of the case, from receipt to final outcome. There is evidence to show that details about each investigation are documented and that a listing of complaints is periodically submitted to the Chair of the Audit Committee.</p> <p>However, the company scores '1' as there is no evidence that the company commits to providing whistleblowers with updates on the outcome of investigations. It is also not clear whether the Chair of the Audit Committee receives summary information on investigations on at least an annual basis.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.2] The Code cannot address every situation that may arise as our businesses continue to grow. Accordingly, the Code provides specific ways in which Triumph employees may contact Triumph senior management for guidance or to report actual or potential violations of the Code or of any law, regulation or Company policy. Specifically, with respect to concerns over possible business accounting or financial reporting issues, employees and others with an interest in the business affairs of the Triumph Group may communicate those concerns to the Chairman of the Audit Committee of our Board of Directors as well as using the other reporting mechanisms set forth in the Code.</p> <p>[p.8] Our open door policy allows employees to approach any level of management with their concerns. If you are aware of or witness an actual or potential violation, you should reach out to your manager or another member of management, any member of the Legal or Human Resources Department, or the Triumph Hotline, which is described below.</p> <p>[p.9] Any employee who wishes to report an actual or potential violation anonymously may do so by calling the Triumph Hotline which is available on the Company's website, www.triumphgroup.com. All calls to the Hotline are handled in a strictly confidential manner and all callers who wish to remain anonymous shall remain anonymous. Calls to the Hotline that relate to an accounting or financial reporting irregularity are referred directly as submitted to the Chair of the Audit Committee via the General Counsel.</p> <p>The Hotline functions as follows:</p> <ol style="list-style-type: none"> Any employee wishing to report what they believe to be an actual or potential violation of any law, rule, regulation, Company policy or this Code, including any accounting or financial reporting irregularity or problem, may call the dedicated toll-free Triumph Hotline number identified on the Company's website which is available 24 hours per day, 7 days per week. The Hotline is administered by a third party vendor with expertise in this area. The employee will be asked to record their complaint through a series of prompts and will have the opportunity to do so anonymously if desired. The Company's third party vendor prepares a record of the complaint and promptly transmits the complaint to the General Counsel. Each complaint is individually evaluated and the General Counsel makes a determination of action needed on each case. If the complaint deals with questionable accounting, auditing or financial reporting issues, the General Counsel shall promptly refer such complaint directly to the Chair of the Audit Committee of the Company's Board of Directors. For all other matters, the General Counsel may refer the complaint to such additional parties as may have expertise in the subject matter of the complaint. A report of each complaint and any action taken is maintained in the Company's records and a listing of complaints received will be submitted periodically, regardless of the nature of the complaint, to the Chair of the Audit Committee.

In addition to using the Hotline identified on Triumph's website, employees and others wishing to report any issue to the General Counsel may do so by calling 610-251-1000 or by writing to the following address:

Regular Mail:

Triumph Group, Inc. Attention: General Counsel 899 Cassatt Road, Suite 210 Berwyn, PA 19312

You may also contact the General Counsel via e-mail at: generalcounsel@triumphgroup.com.

All reports will be investigated promptly and thoroughly, consistent with applicable law and, upon the advice and approval of the Legal Department, may be

[p.10] reported to the appropriate authorities. Appropriate corrective or disciplinary action for Code or other Company policy violations will be taken whenever necessary.

You should feel free to report any suspected violation of the law, the Code, or other Company policies without fear of your employment being affected. Acts of retaliation against anyone who raises a concern in good faith will not be tolerated. Any person who takes any action in retaliation against you for making a good faith report will be subject to disciplinary action, up to and including termination.

[p.16] Any employee, officer or director having information or knowledge as to a possible violation of any of the above provisions or any similar instances of non-compliance with the Code or concerns regarding questionable accounting or auditing matters shall promptly report such matter as soon as possible to the General Counsel using the contact information listed in Section IV of this Code.

[2] Audit Committee Charter (Document)

Accessed 14/04/2020

https://s23.q4cdn.com/323685665/files/doc_governance/Audit-Committee.pdf

[p.1] In discharging its oversight role, the Committee is empowered to investigate, make inquiries of management and obtain information regarding any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company. The members of the Committee shall not be employees of the Company and are not responsible for conducting the audit or performing other accounting reviews or procedures. As such, the Committee shall be entitled to rely on (i) the judgment of those persons and organizations within and outside the Company from which it receives information and (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations.

[p.5] The Committee shall establish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Question
2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?
Score
0
Comments
There is no publicly available evidence to indicate that the company assures itself of the quality of its internal investigations.
Evidence
No evidence found.

Question
2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?
Score
1
Comments
Based on publicly available information, there is evidence that the company commits to report material findings of bribery and corruption from investigations to the Audit Committee. However, although the company states that it may report incidents to the appropriate authorities, there is no evidence that an appropriate senior individual is responsible for ensuring that the disclosure of criminal offences to the relevant authorities is evaluated and acted upon if necessary.
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.9] 3. Each complaint is individually evaluated and the General Counsel makes a determination of action needed on each case. If the complaint deals with questionable accounting, auditing or financial reporting issues, the General Counsel shall promptly refer such complaint directly to the Chair of the Audit Committee of the Company's Board of Directors. For all other matters, the General Counsel may refer the complaint to such additional parties as may have expertise in the subject matter of the complaint. A report of each complaint and any action taken is maintained in the Company's records and a listing of complaints received will be submitted periodically, regardless of the nature of the complaint, to the Chair of the Audit Committee.</p> <p>[...]</p> <p>All reports will be investigated promptly and thoroughly, consistent with applicable law and, upon the advice and approval of the Legal Department, may be</p> <p>[p.10] reported to the appropriate authorities. Appropriate corrective or disciplinary action for Code or other Company policy violations will be taken whenever necessary.</p>

Question
2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?
Score
0
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption investigations or disciplinary actions involving its employees.
Evidence
No evidence found.

3. Support to Employees

Question
3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?
Score
0
Comments
Based on publicly available information, there is some evidence that indicates that the company provides training on laws relating to improper payments to government officials. However, there is no evidence that the company publishes any further information on its training programme and there is no clear evidence that the company provides anti-bribery and corruption training to all employees.
Evidence
<p>[8] Form 10-K (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf</p> <p>[p.17] Our reputation; our ability to do business; and our financial position, results of operations and/or cash flows may be impacted by the improper conduct of employees, agents, subcontractors, suppliers, business partners or joint ventures in which we participate. We have implemented policies, procedures, training and other compliance controls, and have negotiated terms designed to prevent misconduct by employees, agents or others working on our behalf or with us that would violate the applicable laws of the jurisdictions in which we operate, including laws governing improper payments to government officials, the protection of export controlled or classified information, cost accounting and billing, competition and data privacy.</p>

Question
3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees: a) Employees in high risk positions, b) Middle management, c) Board members.
Score
0
Comments
There is no evidence that the company tailors any anti-bribery and corruption training to employees based on an assessment of their role and exposure to corruption risk.
Evidence
No evidence found.

Question
3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?
Score
0
Comments
There is no publicly available evidence to indicate that the company measures or reviews the efficacy of its anti-bribery and corruption communications or training programme.
Evidence
No evidence found.

Question
3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?
Score
0
Comments
Based on publicly available information, there is evidence that the company reviews the incentive elements of its compensation arrangements to determine whether they encourage excessive risk-taking. However, there is no evidence that the company's incentive schemes incorporate ethical or anti-bribery and corruption principles.
Evidence
<p>[5] Compensation and Management Development Committee Charter (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Compensation-and-Management-Development-Committee.pdf</p> <p>[p.2] (c) In determining the incentive component of compensation, the Committee shall review, among other things, such data sources as the Committee shall deem appropriate for purposes of evaluating the Company's compensation competitiveness and establishing the appropriate competitive positioning of the</p> <p>[p.3] levels and mix of compensation elements, and consider whether there is an appropriate balance between risk and reward with respect to such compensation.</p> <p>[...]</p> <p>(e) The Committee shall determine and make awards to employees of incentive and equity-based compensation pursuant to any of the Company's plans, and exercise such other power and authority as permitted or required under such plans.</p> <p>[...]</p> <p>(j) The Committee shall review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking and review and discuss at least annually the relationship between risk management</p> <p>[p.4] policies and practices and compensation, and evaluate compensation policies and practices that could mitigate any such risk.</p>

Question
3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?
Score
0
Comments
There is publicly available evidence to indicate that the company expects employees to act ethically. However, there is no specific evidence that the company commits to support or protect employees who refuse to act unethically, even when this might result in a loss of business.
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.2] It is the responsibility of each of us to maintain and enhance our reputation every day — conducting our worldwide business operations with honesty, integrity, accountability and respect. Triumph's Code of Business Conduct is designed to assist each one of us in that effort. At the heart of the Code is the belief that each of us bears personal responsibility for honest and ethical conduct in the performance of our job duties.</p>

Question
3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?
Score
0
Comments
<p>Based on publicly available information, there is evidence that the company has a policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents.</p> <p>However, the company scores '0' as there is no clear evidence that this policy applies to those employed by the group as third parties, suppliers and joint venture partners.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 29/07/2019 http://ir.triumphgroup.com/Cache/1001250550.PDF?O=PDF&T=Y=&D=&FID=1001250550&iid=4286786</p> <p>[p.2] I. Purpose The Code of Business Conduct (the "Code") is intended as a central reference to guide employees, officers and directors of Triumph Group, Inc. and its subsidiaries ("Triumph" or the "Company") in day-to-day decision making. This Code will help Triumph employees, officers and directors recognize and approach ethical issues in performing their job duties and carrying out the Company's business. The Code defines business procedures and practices that are consistent with our corporate values. It does not cover every situation that could arise; instead it provides guiding principles that apply to all employees, officers and directors. These guiding principles hold all of us at Triumph to the highest standards of business conduct.</p> <p>[p. 3] Ethical business conduct is not always clear-cut. You should always consult with managers, supervisors or Triumph's General Counsel when in doubt about the best course of action. Triumph does not permit retaliation for reports made in good faith.</p> <p>Managers, supervisors, officers and directors are responsible for promoting ethical business behavior and should take steps to ensure that they:</p> <ul style="list-style-type: none"> -Encourage employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; <p>[p.4] -Encourage employees to report violations of laws, rules, regulations or the Code to appropriate personnel; and -Inform employees that the Company will not allow retaliation for reports made in good faith.</p> <p>[p.6] The FCPA provides that an individual may be fined up to \$250,000 and imprisoned for up to five years for violating the law's anti-bribery provisions and up to \$5 million and imprisonment for up to 20 years for violating of the accounting provisions. In addition, the Company could be subject to substantial monetary penalties for violations of the FCPA by its employees or agents and is prohibited from, directly or indirectly, paying the monetary fines imposed on individual violators of the law. Thus, we must ensure that our suppliers, distributors, and other business partners refrain from engaging in corrupt practices on our behalf.</p> <p>[p.8] IV. Reporting Violations</p> <p>It is the policy of the Company to comply with and require its employees, officers and directors to comply with all applicable laws, rules and regulations, the Code and any other Company policies. The Company has established procedures that govern the process through which employees, officers, directors and others may openly, confidentially or anonymously report an actual or potential violation by another person acting on behalf of the Company of any law, rule or regulation, the Code or any other Company policy. This includes the report of information relating to accounting, internal accounting controls or auditing matters. Because these reports are essential to the effective operation of the Company, retaliation against reporting individuals is prohibited.</p>

[p.10] You should feel free to report any suspected violation of the law, the Code, or other Company policies without fear of your employment being affected. Acts of retaliation against anyone who raises a concern in good faith will not be tolerated. Any person who takes any action in retaliation against you for making a good faith report will be subject to disciplinary action, up to and including termination.

[p.16] We hold our suppliers to the same standards of integrity to which we hold ourselves.

[p.17] Therefore, all suppliers must comply with our Supplier Code of Conduct as a condition of doing business with us. Our suppliers include any third-party vendor, consultant, contractor, service provider or supplier of raw materials, ingredients or packaging components.

Question
3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company has multiple channels to report instances of suspected corrupt activity and to seek advice on the company's anti-bribery and corruption programme. There is evidence that channels are sufficiently varied to allow the employee to raise concerns across the management chain and to an external channel operated by an independent third party, and that these channels allow for confidential and, wherever possible, anonymous reporting. There is evidence that they are available and accessible to all employees in all jurisdictions where the company operates and in all relevant languages.</p> <p>However, the company scores '1' as there is no evidence as to whether these channels are available to the employees of third parties, including suppliers or joint venture partners.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.2] The Code cannot address every situation that may arise as our businesses continue to grow. Accordingly, the Code provides specific ways in which Triumph employees may contact Triumph senior management for guidance or to report actual or potential violations of the Code or of any law, regulation or Company policy. Specifically, with respect to concerns over possible business accounting or financial reporting issues, employees and others with an interest in the business affairs of the Triumph Group may communicate those concerns to the Chairman of the Audit Committee of our Board of Directors as well as using the other reporting mechanisms set forth in the Code.</p> <p>[p.8] Our open door policy allows employees to approach any level of management with their concerns. If you are aware of or witness an actual or potential violation, you should reach out to your manager or another member of management, any member of the Legal or Human Resources Department, or the Triumph Hotline, which is described below.</p> <p>[p.9] Any employee who wishes to report an actual or potential violation anonymously may do so by calling the Triumph Hotline which is available on the Company's website, www.triumphgroup.com. All calls to the Hotline are handled in a strictly confidential manner and all callers who wish to remain anonymous shall remain anonymous. Calls to the Hotline that relate to an accounting or financial reporting irregularity are referred directly as submitted to the Chair of the Audit Committee via the General Counsel.</p> <p>The Hotline functions as follows:</p> <ol style="list-style-type: none"> Any employee wishing to report what they believe to be an actual or potential violation of any law, rule, regulation, Company policy or this Code, including any accounting or financial reporting irregularity or problem, may call the dedicated toll-free Triumph Hotline number identified on the Company's website which is available 24 hours per day, 7 days per week. The Hotline is administered by a third party vendor with expertise in this area. The employee will be asked to record their complaint through a series of prompts and will have the opportunity to do so anonymously if desired. The Company's third party vendor prepares a record of the complaint and promptly transmits the complaint to the General Counsel. Each complaint is individually evaluated and the General Counsel makes a determination of action needed on each case. If the complaint deals with questionable accounting, auditing or financial reporting issues, the General Counsel shall promptly refer such complaint directly to the Chair of the Audit Committee of the Company's Board of Directors. For all other matters, the General Counsel may refer the complaint to such additional parties as may have expertise in the subject matter of the complaint. A report of each complaint

and any action taken is maintained in the Company's records and a listing of complaints received will be submitted periodically, regardless of the nature of the complaint, to the Chair of the Audit Committee.

In addition to using the Hotline identified on Triumph's website, employees and others wishing to report any issue to the General Counsel may do so by calling 610-251-1000 or by writing to the following address:

Regular Mail:

Triumph Group, Inc. Attention: General Counsel 899 Cassatt Road, Suite 210 Berwyn, PA 19312

You may also contact the General Counsel via e-mail at: generalcounsel@triumphgroup.com.

All reports will be investigated promptly and thoroughly, consistent with applicable law and, upon the advice and approval of the Legal Department, may be

[p.10] reported to the appropriate authorities. Appropriate corrective or disciplinary action for Code or other Company policy violations will be taken whenever necessary.

[p.16] Any employee, officer or director having information or knowledge as to a possible violation of any of the above provisions or any similar instances of non-compliance with the Code or concerns regarding questionable accounting or auditing matters shall promptly report such matter as soon as possible to the General Counsel using the contact information listed in Section IV of this Code.

[6] Contact us (Webpage)

Accessed 29/07/2019

<http://www.triumphgroup.com/contact-us/>

I am Looking to Submit an Ethics Report

Anyone who has a concern regarding compliance with legal or ethical issues relating to Triumph Group, Inc. or any of its operating companies, may communicate that concern by contacting our **Ethics Hotline** at 1-800-535-5581 or click [here](#) to be taken to our Ethics Portal. These calls will be transcribed and submitted on a confidential, anonymous basis.

[7] EthicsPoint (Webpage)

Accessed 29/07/2019



<https://secure.ethicspoint.com/domain/media/en/gui/59231/index.html>

ATTENTION! This webpage is hosted on EthicsPoint's secure servers and is not part of the Triumph Group, Inc. website or intranet.

Our Commitment

Triumph Group, Inc. is committed to an environment where open, honest communications are the expectation, not the exception. We want you to feel comfortable in approaching your supervisor or management in instances where you believe violations of policies or standards have occurred.

In situations where you prefer to place an anonymous report in confidence, the information you provide will be sent to us by EthicsPoint on a totally confidential and anonymous basis. You have our guarantee that your comments will be heard.

 <p>NAVEX GLOBAL™ The Ethics and Compliance Experts</p>		<div>English ▼</div> <div>Deutsch</div> <div>English</div> <div>Español (European Union)</div> <div>Français (France)</div> <div>汉语[S]</div>
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4. Conflict of Interest

Question
4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company has a policy on conflicts of interest. The policy explicitly covers actual, potential and perceived conflicts and states that it applies to all employees and board members. It also defines employee relationships, financial interests and other employment.</p> <p>However, the company scores '1' as there is no evidence it has a policy on conflicts of interest in government relationships.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.2] I. Purpose The Code of Business Conduct (the "Code") is intended as a central reference to guide employees, officers and directors of Triumph Group, Inc. and its subsidiaries ("Triumph" or the "Company") in day-to-day decision making. This Code will help Triumph employees, officers and directors recognize and approach ethical issues in performing their job duties and carrying out the Company's business. The Code defines business procedures and practices that are consistent with our corporate values. It does not cover every situation that could arise; instead it provides guiding principles that apply to all employees, officers and directors. These guiding principles hold all of us at Triumph to the highest standards of business conduct.</p> <p>[p.10] V. Conflicts of Interest When it comes to business decisions, our actions must be based on the best interests of our Company. We must not allow our personal activities, investments or relationships to interfere with those of Triumph. Such "conflicts of interest" must be actively avoided in order for us to continue to perform our jobs objectively and without bias. A "conflict of interest" occurs when an individual's private interest interferes in any way – or even appears to interfere – with the interests of the Company as identified below. Such conflicts of interest, and the appearance of conflicts, are prohibited.</p> <p>Improper Personal Benefits. Conflicts of interest may arise when an employee, officer, director or a member of his or her family receive improper personal benefits as a result of his or her position in the Company. For example:</p> <ul style="list-style-type: none"> Loans to, or guarantees of the obligations of, any employee, officer, director or a member of his or her family, may not be made without the approval of the board of directors. Gifts or favors from potential vendors that are inconsistent with normal business practices are prohibited. (See Part VIII below for a detailed discussion of gifts and favors.) <p>Ownership of Financial Interest in Other Businesses. The Company respects the rights of its employees, officers and directors to manage their affairs and investments and does not wish to impinge upon their personal lives. At the same time, employees, officers and directors should avoid situations that present a potential conflict between their financial interests and the interests of the Company. Also, they should pay proper attention to the Company's interests. The Company's employees, officers and directors owe the Company their loyalty and should avoid any financial interest, investment or business association that interferes with the independent exercise of sound judgment in the Company's best interests. Also, any activities that create the appearance of such a conflict of interest should be avoided.</p> <p>To attempt to be too specific involves the risk of restricting the application of the Code. However, there are obvious situations which most certainly can result in a conflict of interest: having an undisclosed financial interest in a supplier, competitor or customer by an employee or a member of the employee's family; having an undisclosed</p>

interest in a transaction in which it is known that the Company is, or may be, interested; or the receipt of undisclosed fees, commission or other compensation from a supplier, competitor or customer of the Company.

[p.11] Corporate Opportunities.

Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity so arises. It is improper for employees, officers and directors to take business opportunities discovered through use of corporate property, information or position for themselves personally. It is also improper for employees, officers and directors to take or use corporate property, information or position for personal financial gain.

In certain specific transactions, the improper use of Company confidential business information, property or position may be assumed and, for this reason, these situations should be avoided. For example:

- You may not appropriate, for your own advantage, any business opportunity that you discover in the course of your employment or in your capacity as a director.
- You may not directly or indirectly compete with the Company in the purchase or sale of any property, right or interest.

Outside Employment.

A conflict of interest exists if your outside business or other interests adversely affect your motivation or performance. For example, outside employment may, under certain circumstances such as scheduling conflicts between your employment with the Company and an outside business, result in a conflict of interest, as could employment with or receipt of payments from a supplier, competitor or customer of the Company by employee or by a member of the employee's, officer's or director's family. You should never use any Company property, confidential, or proprietary information, or time for outside employment. To avoid potentially damaging effects on both the Company and the individual, employees, officers and directors must disclose any facts or circumstances that may involve a conflict of interest before taking action.

[3] Corporate Governance Guidelines (Document)

Accessed 14/04/2020

https://s23.q4cdn.com/323685665/files/doc_governance/Corporate-Governance-Guidelines.pdf

[p.3] 3. Transactions with Directors or their Affiliates. Except for employment arrangements with the CEO and any other management directors and for direct compensation below the limit set forth in the New York Stock Exchange's definition of independent director, the Company shall not engage in transactions with directors or their affiliates if a transaction would cast into doubt the independence of a director, present the appearance of a conflict of interest, or is otherwise prohibited by law, rule or regulation. This includes, directly or indirectly, any extension, maintenance or renewal of an extension of credit to any director or member of management of the Company. This prohibition also includes significant business dealings with directors, a significant business relationship between the Company and an entity with which a director is affiliated, charitable contributions to organizations with which a director is affiliated, and consulting contracts with, or other indirect forms of compensation to, a director, any of which would be in excess of the amounts described in the New York Stock Exchange's definition of independent director. Any waiver of this policy may be made only by the Board or a Board committee and must be promptly disclosed to the Company's stockholders.

[16] Our Ethics Statement (Webpage)

Accessed 30/07/2019

<https://www.triumphsupplysource.com/suppliers/ethics.php>

[...] Conflicts of Interest

A conflict of interest occurs when a Triumph employee's private interest interferes (or appears to interfere) in any way with the interest of the Company as a whole. Conflicts of interest are prohibited and Triumph suppliers must not engage in activity that might propagate such a conflict of interest. Such conflicts include, but are not limited to:

- Improper personal benefits such as gifts, services, gratuities, or guarantees of personal obligations.
- Ownership or financial interest in other businesses. A Triumph employee or supplier that has a financial interest in the performance of the other might be an example of a conflict of interest.
- Corporate opportunities that arise in the course of doing business or that are discovered through the use of corporate property should not be used for personal gain.
- Outside employment by a Triumph employee that adversely affects the employee's ability to make sound decisions or motivates the employee contrary to their job performance is prohibited. For example, outside employment with a supplier, competitor, or customer may result in a conflict of interest. Employees and suppliers must refrain from encouraging or engaging in activity that creates such an environment.

- Acting as a consultant to a supplier or customer.

Question
4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company has procedures to identify, declare and manage conflicts of interest, including actual, potential and perceived conflicts. There is reference to an individual with oversight and accountability for handling cases, the General Counsel, and the policy mentions sanctions in case of violations of the Code of Business Conduct.</p> <p>However, the company scores '1' as there is no evidence that all employee and board member declarations are held in a dedicated register or central depository that is accessible to those responsible for oversight of the process.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf [p.11] VI. Disclosure and Reporting of Conflicts of Interests If an employee, officer, director or any of his or her family members encounters a situation that involves an actual or potential conflict of interest with the Company as described above, the employee, officer or director must disclose promptly to the General Counsel the facts and circumstances of such actual or potential conflict of interest. Such disclosure can provide assistance in resolving honest doubts as to the propriety of a particular course of conduct. All information disclosed to the General Counsel will be treated on a confidential basis, except to the extent necessary to investigate and/or sanction a violation of the Code or applicable law. The following procedures provide for disclosure of any material interest, affiliation or activity on the part of any employee, officer or director that conflicts with, is likely to conflict with or may appear to conflict with, the official duties of such employee, officer or director, the Code or any other Company policy:</p> <ol style="list-style-type: none"> 1. At his or her own discretion, any employee, officer or director may consult with his or her manager or the General Counsel before entering into transactions, relationships or associations where the potential for conflict of interest exists. <p>[p.12]</p> <ol style="list-style-type: none"> 2. All information disclosed to a manager or the General Counsel shall be treated on a confidential basis, except to the extent necessary for the protection of the Company's interest. 3. The General Counsel may take such action as it deems appropriate to correct any conflict of interest it finds exists. The General Counsel shall annually submit a report of his activities to the Triumph Board of Directors. <p>[2] Audit Committee Charter (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Audit-Committee.pdf [p.6] - The Committee shall review and assess possible conflicts of interest.</p>

Question
4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?
Score
0
Comments
There is no publicly available evidence to indicate that the company has a policy regulating the employment of current or former public officials.
Evidence
No evidence found.

Question
4.4. Does the company report details of the contracted services of serving politicians to the company?
Score
0
Comments
There is no publicly available evidence to indicate that the company reports details of the contracted services of serving politicians.
Evidence
No evidence found.

5. Customer Engagement

5.1 Contributions, Donations and Sponsorships

Question				
5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?				
Score				
0				
Comments				
There is no evidence that the company has a policy on corporate political contributions. Based on publicly available information, there is evidence indicating that the company operates a Political Action Committee ('PAC'). However, there is no evidence that the company has oversight mechanisms in place in relation to the PAC.				
Evidence				
<p>[9] Open Secrets (Webpage) Accessed 29/07/2019 https://www.opensecrets.org/pacs/pac2pac.php?cycle=2018&cmte=C00361949</p> <div><div>Triumph Group</div><div><div>Summary</div><div>Recipients</div><div>Donors</div><div>Expenditures</div><div>PAC to PAC/Party</div></div></div> <p>PAC to PAC/Party, 2018 cycle</p> <p>Select a Cycle: 2018</p> <p>Party Breakdown</p> <div><div>Republican, \$5K</div><div>Republican</div></div> <table><tr><th>Contributions from this PAC</th><th>Total</th></tr><tr><td>Stand Tall America PAC</td><td>\$5,000</td></tr></table> <p>*Based on data released by the FEC on June 10, 2019</p>	Contributions from this PAC	Total	Stand Tall America PAC	\$5,000
Contributions from this PAC	Total			
Stand Tall America PAC	\$5,000			

Question
5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?
Score
0
Comments
There is no evidence that the company discloses on its website details of any political contributions or of disbursements made through the Political Action Committee (PAC) with which it is associated.
Evidence
No evidence found.

Question
5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?
Score
0
Comments
While the company publishes some details on its sponsorship of volunteer projects, there is no publicly available evidence to indicate that the company has a policy or procedure covering both charitable donations and sponsorships.
Evidence
<p>[10] Annual Report 2019 (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/2019-TGI-Annual-Report.pdf [p.7] Our Wings Community Outreach program gives Triumph Group employees around the world an opportunity to uplift their communities by completing meaningful volunteer projects.</p> <p>As part of our celebration of Triumph's 25th anniversary we challenged each of our sites to sponsor volunteer projects and encouraged our employees to volunteer their time to cumulatively reach 25,000 volunteer hours. The One Triumph spirit is proudly displayed as employees and teams partner with local and national organizations including The United Way, The American Red Cross, The Salvation Army, Boys and Girls Club of Middle Tennessee, Ouachita Children's Center, Los Angeles Regional Food Bank, Second Harvest Food Bank and many other partners.</p>

5.2 Lobbying

Question
5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?
Score
0
Comments
There is no publicly available evidence to indicate that the company has a policy or procedure on lobbying.
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf [p.3] Each Triumph employee, officer and director is expected to conduct the Company's business with integrity and to comply with all applicable laws. This includes:</p> <p>[...]</p> <p>Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations.</p>

Question
5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any information on its lobbying aims, topics or activities.
Evidence
No evidence found.

Question
5.2.3 Does the company publish full details of its global lobbying expenditure?
Score
0
Comments
There is no publicly available evidence to indicate that the company provides any details about its lobbying expenditure.
Evidence
No evidence found.

5.3 Gifts and Hospitality

Question
5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company has a policy on the giving and receipt of gifts and hospitality. There is evidence that the policy addresses the risks involved with giving gifts to public officials, although it does not specifically mention public officials when discussing the risks associated with receiving gifts or hospitality.</p> <p>The company scores '1' as there is no evidence that gifts and hospitality above a certain threshold are recorded in a dedicated register or central depository that is accessible to those responsible for oversight of the process. There is also no evidence that the company's policy specifies financial or proportional limits, or different approval procedures, for different types of promotional expenses.</p>
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf</p> <p>[p.5] Anti-corruption laws, in general, prohibit offering or paying anything of value — including cash, gifts, travel, lavish meals and entertainment — to any government official to influence the performance of official functions and to retain or obtain business. Government officers or employees at any level — including employees of international organizations and political parties and state-owned or state-controlled enterprises, as well as candidates for public office — may be considered “government officials.”</p> <p>[p.10] Improper Personal Benefits. Conflicts of interest may arise when an employee, officer, director or a member of his or her family receive improper personal benefits as a result of his or her position in the Company. For example:</p> <p>[...]</p> <ul style="list-style-type: none"> • Gifts or favors from potential vendors that are inconsistent with normal business practices are prohibited. (See Part VIII below for a detailed discussion of gifts and favors.) <p>[p.14] VIII. Acceptance or Giving of Gifts, Entertainment, Loans or Favors.</p> <p>The Company will procure and provide goods and services based on service and quality. Decisions by the Company relating to the procurement and provision of goods and services should always be free from even a perception that favorable treatment was sought, received or given as the result of furnishing or receiving gifts, favors, hospitality, entertainment or other similar gratuity. The giving or receiving of anything of value to induce such decisions is prohibited. Employees, officers and directors should never accept gifts, services, travel or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their job duties. Employees, officers and directors should consult with the General Counsel if they have any questions regarding whether any gift, service, travel or entertainment is inappropriate or inconsistent with the purpose of the Code.</p> <p>Giving Gifts and Favors. You may give gifts and favors to or entertain others at the Company's expense only if you are generally or specifically authorized to do so, and then only if such gifts, favors and entertainment meet all of the following criteria:</p> <ul style="list-style-type: none"> • they are consistent with accepted business practices

- they are of sufficiently limited value, and in a form that will not be construed as a bribe or pay-off, and
- they are not in contravention of applicable law and generally accepted ethical standards.

[15] Gifts to Government Personnel. U.S. law, as well as certain state statutes, prohibit the offer, promise or gift of anything of value to an employee, agent or official of the government, whether domestic or foreign, if made with intent to influence such individual within his or her area of responsibility. The giving of gifts and favors to or the entertainment of such individuals, even when not technically prohibited by law, is strongly discouraged as a matter of Company policy, so that any appearance of impropriety may be avoided.

[16] Our Ethics Statement (Webpage)

Accessed 30/07/2019

<https://www.triumphsupplysource.com/suppliers/ethics.php>

Gifts and Gratuities

The company will procure goods and services based solely on service and quality. Decisions relating to the procurement and provision of goods and services should always be free from even a perception that favorable treatment was sought, received, or given as the result of furnishing or receiving gifts, favors, hospitality, entertainment, or other similar gratuity. The giving or receiving of anything of value to induce such decisions is prohibited. Gifts, services, travel or entertainment that may be reasonably deemed to affect judgment or actions in the performance of one's duties should not be accepted. Suppliers should also refrain from offering any such gift or service that would reasonably be construed as excessive as stated herein.

Although Triumph employees should not utilize their positions to obtain gifts or services, it is permissible to accept unsolicited meals, refreshments, entertainment, and other business courtesies on an occasional basis provided:

- They are consistent with accepted business practices,
- They are of token or nominal value and in a form that will not be construed as a bribe or pay off,
- They are not prohibited by law or contradictory to generally accepted ethical standards, and
- The employee accepting the gift or service would feel comfortable discussing it with his or her manager or co-worker.

It is the responsibility of Triumph employees and suppliers to ensure that gifts and gratuities could not reasonably be construed in any way as an attempt by the offering party to secure favourable treatment.

6. Supply Chain Management

Question
6.1. Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company requires that its procurement team is involved, in some capacity, in the establishment and oversight of supplier relationships.</p> <p>However, it is not clear from publicly available evidence that this team is the main body responsible for oversight of the company's supplier base. There is also no evidence that the company assures itself of the procurement department's involvement at least every three years.</p>
Evidence
<p>[13] Supplier Quality Assurance Manual Nov 2017 (Document) Accessed 30/07/2019 https://www.triumphsupplysource.com/suppliers/reports/pi2491_2017-11-09_0728.pdf [p.5] 2. Section Two - Triumph Group Supplier Quality Assurance Manual (SQAM001)</p> <p>2.1. Overview</p> <p>2.1.1. It is the responsibility of the Triumph Group Supply Chain Management Team and the Triumph Group Companies to establish and develop aerospace suppliers with demonstrated capabilities, to consistently evaluate the aerospace business climate and protect itself and its customer's by securing reliable material sources. We are also required to ensure our suppliers consistently meet Triumph Group's specified requirements for quality and delivery, maximize the supplier's total value while also aggressively minimizing all associated procurement costs.</p> <p>[...]</p> <p>2.1.5. Any correspondence or data submitted to the Triumph Group in support of the requirements contained herein are to be in English. Documented measurements will be derived using equipment that measures in the original native engineering unit of measure (i.e. engineering dimensions in English must be measured with equipment capable of measuring in inches. Mathematical conversions are not allowed). Requests for deviations to this requirement must be submitted to the Triumph Group Company Procurement Representative. Requests will contain a Measurement Plan detailing the documented process(es) that will identify the affected characteristics, ensure calculations are accurate, no rounding is utilized that could compromise engineering tolerances and individuals are adequately trained.</p> <p>[p.11] 4.2.4. The appropriate Triumph Group Company Procurement Representatives will assist suppliers in gaining the necessary access for the purposes of reviewing: 4.2.4.1. Quality Assurance Requirements, 4.2.4.2. Technical engineering requirements defined on blueprints 4.2.4.3. Specifications, etc. as well as:</p> <p>[p.12]</p> <p>4.2.4.3.1. Requirements for Certificates of Conformance, 4.2.4.3.2. Quantified test results, 4.2.4.3.3. Use of appropriately qualified sources, 4.2.4.3.4. Special part / material identification requirements,</p>

4.2.4.3.5. Any other requirement imposed by Triumph Group Quality Assurance Requirements applied to the subject PO

[11] Supply Chain Management (Webpage)

Accessed 16/09/2019

<https://www.triumphgroup.com/careercarousel/supply-chain-management/>

Supply Chain Management

Our Supply Chain Management team participates at all levels of the aerospace supply chain – from single components, to complex systems, to aerospace structures and their contents. We provide solutions for the entire product life cycle of an aircraft – from raw material to aftermarket service. Help us to strengthen our unique ability to integrate a broad range of products and capabilities to further advance our competitive advantage

Question
6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?
Score
0
Comments
There is no evidence that the company conducts risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers.
Evidence
<p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf [p.17] If you are responsible for selecting a supplier, you should base your decision on merit, quality of service and reputation.</p> <p>[15] General Purchase Order – April 2019 (Document) Accessed 30/07/2019 https://www.triumphsupplysource.com/suppliers/reports/pi2648_2019-03-29_2139.pdf [p.15] B. It is Buyer's policy to enter into supplier and</p> <p>[p.16] subcontractor agreements only with companies that have a demonstrated record of and a commitment to the highest ethical standards. Seller shall conduct itself fairly, impartially and in an ethical manner, and shall adhere to a reasonable code of ethical standards. In the event that Seller has cause to believe that Buyer or any of its representatives has acted improperly or unethically in connection with an Order, then Seller shall promptly report such conduct to Buyer's Authorized Purchasing Representative.</p> <p>[13] Supplier Quality Assurance Manual Nov 2017 (Document) Accessed 30/07/2019 https://www.triumphsupplysource.com/suppliers/reports/pi2491_2017-11-09_0728.pdf [p.6] 3.2.1.1. Supplier shall ensure that all personnel involved and performing work in support of a Triumph Group Purchase Order be made aware of:</p> <p>[...]</p> <p>3.2.1.1.3. the importance of ethical behavior.</p>

Question
6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?
Score
1
Comments
<p>Based on publicly available information, there is evidence that the company requires its suppliers to have adequate anti-bribery and corruption policies and procedures in place, by insisting that they comply with its Supply Chain Management Code of Ethics. This document explicitly refers to the prohibition of bribery, conflicts of interest and gifts and hospitality. There is evidence that the company assures itself of this when onboarding new suppliers but not necessarily when there is a significant change in the business relationship.</p> <p>However, the company scores '1' as there is no evidence that it requires that all suppliers have policies that prohibit facilitation payments nor policies related to whistleblowing.</p>
Evidence
<p>[16] Our Ethics Statement (Webpage) Accessed 30/07/2019 https://www.triumphsupplysource.com/suppliers/ethics.php Our Ethics Statement The Supply Chain Management Code of Ethics is intended as a central reference guide for Triumph Aerospace Systems Group (Triumph) Supply Chain Management personnel and Triumph suppliers. This code is reflective of the larger Code of Business Conduct of the Triumph Group, which can be located on the Triumph Group corporate website at www.triumphgroup.com. Herein, guidelines will be provided for: 1) Triumph employees who are in contact with suppliers, and 2) suppliers that engage or attempt to engage in a business relationship with Triumph and/or interact with Triumph employees. This code addresses many situations that Triumph personnel and suppliers might encounter on a daily or occasional basis and will guide all parties involved in making decisions that align with the highest standards of business conduct.</p> <p>This code will address the following principles and situations:</p> <ul style="list-style-type: none"> • General Conduct • Compliance with Laws, Rules, and Regulations • Conflicts of Interest • Fair Dealing • Confidentiality • Gifts and Gratuities <p>General Conduct Triumph is committed to the highest standards of ethical conduct in every business relationship. In all circumstances and in all situations, Triumph expects its employees and business partners to do what is right, respect others, and strive to achieve a standard of excellence in all aspects of the relationship.</p> <p>Compliance with Laws, Rules, and Regulations Triumph intends to operate its business lawfully in every respect. This includes engaging in business relationships only with suppliers that conduct business in a manner that is lawful and compliant to applicable regulations. All Triumph employees and suppliers must observe the laws of the cities, states and countries in which they conduct business including, but is not limited to, laws and regulations governing export control, the use of insider information, intellectual property rights, labor rights, and environmental protection.</p> <p>Conflicts of Interest A conflict of interest occurs when a Triumph employee's private interest interferes (or appears to interfere) in any way with the interest of the Company as a whole. Conflicts of interest are prohibited and Triumph suppliers must not engage in activity that might propagate such a conflict of interest. Such conflicts include, but are not limited to:</p> <ul style="list-style-type: none"> • Improper personal benefits such as gifts, services, gratuities, or guarantees of personal obligations.

- Ownership or financial interest in other businesses. A Triumph employee or supplier that has a financial interest in the performance of the other might be an example of a conflict of interest.
- Corporate opportunities that arise in the course of doing business or that are discovered through the use of corporate property should not be used for personal gain.
- Outside employment by a Triumph employee that adversely affects the employee's ability to make sound decisions or motivates the employee contrary to their job performance is prohibited. For example, outside employment with a supplier, competitor, or customer may result in a conflict of interest. Employees and suppliers must refrain from encouraging or engaging in activity that creates such an environment.
- Acting as a consultant to a supplier or customer.

[...]

Gifts and Gratuities

The company will procure goods and services based solely on service and quality. Decisions relating to the procurement and provision of goods and services should always be free from even a perception that favorable treatment was sought, received, or given as the result of furnishing or receiving gifts, favors, hospitality, entertainment, or other similar gratuity. The giving or receiving of anything of value to induce such decisions is prohibited. Gifts, services, travel or entertainment that may be reasonably deemed to affect judgment or actions in the performance of one's duties should not be accepted. Suppliers should also refrain from offering any such gift or service that would reasonably be construed as excessive as stated herein.

Although Triumph employees should not utilize their positions to obtain gifts or services, it is permissible to accept unsolicited meals, refreshments, entertainment, and other business courtesies on an occasional basis provided:

- They are consistent with accepted business practices,
- They are of token or nominal value and in a form that will not be construed as a bribe or pay off,
- They are not prohibited by law or contradictory to generally accepted ethical standards, and
- The employee accepting the gift or service would feel comfortable discussing it with his or her manager or co-worker.

It is the responsibility of Triumph employees and suppliers to ensure that gifts and gratuities could not reasonably be construed in any way as an attempt by the offering party to secure favourable treatment.

Summary

The integrity of every Triumph employee and each Triumph supplier and the commitment to the highest standards of professional conduct underpin the ethical principles of the Triumph Aerospace Systems Group companies. Triumph is determined to succeed and is proud of the reputation it has built amongst its customers, suppliers, and peers and encourages all employees and business partners to do their part to uphold a standard of excellence unparalleled in our industry.

[1] Code of Business Conduct (Document)

Accessed 14/04/2020

https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf

[p.6] Thus, we must ensure that our suppliers, distributors, and other business partners refrain from engaging in corrupt practices on our behalf.

[p.16] We hold our suppliers to the same standards of integrity to which we hold ourselves.

[p.17] Therefore, all suppliers must comply with our Supplier Code of Conduct as a condition of doing business with us. Our suppliers include any third-party vendor, consultant, contractor, service provider or supplier of raw materials, ingredients or packaging components.

[15] General Purchase Order – April 2019 (Document)

Accessed 30/07/2019

https://www.triumphsupplysource.com/suppliers/reports/pi2648_2019-03-29_2139.pdf

[15] 34. ETHICS

A. Neither Seller nor any employee, agent, or representative of Seller shall offer or provide any gifts, gratuities or other unauthorized benefits to any employee or representative of Buyer for the purpose of obtaining favorable treatment under the Order. Seller is otherwise prohibited from providing, offering, or attempting to offer kickbacks or

soliciting or accepting kickbacks. Seller shall have and shall follow procedures designed to prevent and detect possible violations of the foregoing.

B. It is Buyer's policy to enter into supplier and

[16] subcontractor agreements only with companies that have a demonstrated record of and a commitment to the highest ethical standards. Seller shall conduct itself fairly, impartially and in an ethical manner, and shall adhere to a reasonable code of ethical standards. In the event that Seller has cause to believe that Buyer or any of its representatives has acted improperly or unethically in connection with an Order, then Seller shall promptly report such conduct to Buyer's Authorized Purchasing Representative.

[13] Supplier Quality Assurance Manual Nov 2017 (Document)

Accessed 30/07/2019

https://www.triumphsupplysource.com/suppliers/reports/pi2491_2017-11-09_0728.pdf

[p.6] 3.2.1.1. Supplier shall ensure that all personnel involved and performing work in support of a Triumph Group Purchase Order be made aware of:

[...]

3.2.1.1.3. the importance of ethical behavior.

Question
6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?
Score
0
Comments
There is no evidence that the company takes steps to ensure that the substance of its anti-bribery and corruption programme and standards are required throughout the supply chain.
Evidence
No evidence found.

Question
6.5 Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any data on ethical or anti-bribery and corruption investigations or associated disciplinary actions relating to its suppliers.
Evidence
No evidence found.

7. Agents, Intermediaries and Joint Ventures

7.1 Agents and Intermediaries

Question
7.1.1 Does the company have a clear policy on the use of agents?
Score
0
Comments
There is some evidence that the company recognises the risks associated with agents. However, based on publicly available information, there is no evidence that the company has a policy covering the use of agents.
Evidence
<p>[8] Form 10-K (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf [p.17] Our reputation; our ability to do business; and our financial position, results of operations and/or cash flows may be impacted by the improper conduct of employees, agents, subcontractors, suppliers, business partners or joint ventures in which we participate.</p> <p>We have implemented policies, procedures, training and other compliance controls, and have negotiated terms designed to prevent misconduct by employees, agents or others working on our behalf or with us that would violate the applicable laws of the jurisdictions in which we operate, including laws governing improper payments to government officials, the protection of export controlled or classified information, cost accounting and billing, competition and data privacy. However, we cannot ensure that we will prevent all such misconduct committed by our employees, agents, subcontractors, suppliers, business partners or others working on our behalf or with us, and this risk of improper conduct may increase as we expand globally. In the ordinary course of our business we form and are members of joint ventures. We may be unable to prevent misconduct or other violations of applicable laws by these joint ventures (including their officers, directors and employees) or our partners. Improper actions by those with whom or through whom we do business (including our employees, agents, subcontractors, suppliers, business partners and joint ventures) could subject us to administrative, civil or criminal investigations and monetary and non-monetary penalties, including suspension and debarment, which could negatively impact our reputation and ability to conduct business and could have a material adverse effect on our financial position, results of operations and/or cash flows.</p> <p>[1] Code of Business Conduct (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf [p.2] I. Purpose The Code of Business Conduct (the "Code") is intended as a central reference to guide employees, officers and directors of Triumph Group, Inc. and its subsidiaries ("Triumph" or the "Company") in day-to-day decision making. This Code will help Triumph employees, officers and directors recognize and approach ethical issues in performing their job duties and carrying out the Company's business. The Code defines business procedures and practices that are consistent with our corporate values. It does not cover every situation that could arise; instead it provides guiding principles that apply to all employees, officers and directors. These guiding principles hold all of us at Triumph to the highest standards of business conduct.</p> <p>[p.6] The FCPA provides that an individual may be fined up to \$250,000 and imprisoned for up to five years for violating the law's anti-bribery provisions and up to \$5 million and imprisonment for up to 20 years for violating of the accounting provisions. In addition, the Company could be subject to substantial monetary penalties for violations of the FCPA by its employees or agents and is prohibited from, directly or indirectly, paying the monetary fines imposed on individual violators of the law. Thus, we must ensure that our suppliers, distributors, and other business partners refrain from engaging in corrupt practices on our behalf.</p>

Question
7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?
Score
0
Comments
There is no publicly available evidence to indicate that the company conducts anti-bribery and corruption due diligence on its agents or intermediaries.
Evidence
No evidence found.

Question
7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?
Score
0
Comments
There is no publicly available evidence to indicate that the company aims to establish the beneficial ownership of its agents.
Evidence
No evidence found.

Question
7.1.4 Does the company's anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?
Score
0
Comments
There is no publicly available evidence to indicate that the company includes anti-bribery and corruption clauses in its contracts with agents and intermediaries.
Evidence
No evidence found.

Question
7.1.5 Does the company ensure that its incentive schemes for agents are designed in such a way that they promote ethical behaviour and discourage corrupt practices?
Score
0
Comments
There is no mention in publicly available evidence of incentive structures as a risk factor in agent behaviour.
Evidence
No evidence found.

Question
7.1.6 Does the company publish details of all agents currently contracted to act with and on behalf of the company?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any details of the agents currently contracted to act for or on behalf of the company.
Evidence
No evidence found.

Question
7.1.7 Does the company publish high-level results from incident investigations and sanctions applied against agents?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any data on ethical or bribery and corruption related investigations, incidents or the associated disciplinary actions involving agents.
Evidence
No evidence found.

7.2 Joint Ventures

Question
7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?
Score
0
Comments
There is no evidence that the company conducts anti-bribery and corruption due diligence on its joint ventures.
Evidence
No evidence found.

Question
7.2.2 Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture partnerships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?
Score
0
Comments
There is no publicly available evidence to indicate that the company commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures. There is also no evidence that it requires anti-bribery and corruption clauses in its contracts with joint venture partners.
Evidence
<p>[8] Form 10-K (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf</p> <p>[p.17] Our reputation; our ability to do business; and our financial position, results of operations and/or cash flows may be impacted by the improper conduct of employees, agents, subcontractors, suppliers, business partners or joint ventures in which we participate.</p> <p>We have implemented policies, procedures, training and other compliance controls, and have negotiated terms designed to prevent misconduct by employees, agents or others working on our behalf or with us that would violate the applicable laws of the jurisdictions in which we operate, including laws governing improper payments to government officials, the protection of export controlled or classified information, cost accounting and billing, competition and data privacy. However, we cannot ensure that we will prevent all such misconduct committed by our employees, agents, subcontractors, suppliers, business partners or others working on our behalf or with us, and this risk of improper conduct may increase as we expand globally. In the ordinary course of our business we form and are members of joint ventures. We may be unable to prevent misconduct or other violations of applicable laws by these joint ventures (including their officers, directors and employees) or our partners. Improper actions by those with whom or through whom we do business (including our employees, agents, subcontractors, suppliers, business partners and joint ventures) could subject us to administrative, civil or criminal investigations and monetary and non-monetary penalties, including suspension and debarment, which could negatively impact our reputation and ability to conduct business and could have a material adverse effect on our financial position, results of operations and/or cash flows.</p>

Question
7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?
Score
0
Comments
There is no publicly available evidence to indicate that the company commits to take an active role in preventing bribery and corruption in all of its joint ventures.
Evidence
No evidence found.

8. Offsets

Question
8.1 Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company's offset activities?
Score
0
Comments
There is no publicly available evidence to indicate that the company addresses the corruption risks associated with offset contracting, or that a dedicated body, department or team is responsible for monitoring of the company's offset activities.
Evidence
No evidence found.

Question
8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?
Score
0
Comments
There is no publicly available evidence to indicate that the company has formal procedures in place to conduct risk based anti-bribery and corruption due diligence on its offset obligations.
Evidence
No evidence found.

Question
8.3 Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any details of the offset agents, brokers or consultancy firms currently contracted to act with and on behalf of the company's offset programme.
Evidence
No evidence found.


Question
8.4 Does the company publish details about the beneficiaries of its indirect offset projects?
Score
0
Comments
There is no publicly available evidence to indicate that the company publishes any details of its offset obligations and/or contracts.
Evidence
No evidence found.

9. High Risk Markets

Question
9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?
Score
0
Comments
There is no clear publicly available evidence that the company acknowledges the corruption risks of operating in different markets.
Evidence
No evidence found.

Question
9.2 Does the company disclose details of all of its fully consolidated subsidiaries and non-fully consolidated holdings (associates, joint ventures and other related entities)?
Score
0
Comments
<p>The company publishes a list of its subsidiaries in its annual 10-K regulatory filing. However, there is no evidence that the company publishes the percentages owned, country of incorporation and countries of operation for each entity. It is also not clear whether the list of subsidiaries published constitutes a full list of the company's holdings.</p>
Evidence
<p>[8] Form 10-K (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf [p.244]</p> <p>G</p> <p>Section 10: EX-21.1 (EXHIBIT 21.1 - SUBSIDIARIES OF TRIUMPH GROUP, INC.)</p> <p style="text-align: center;"> Subsidiaries of Triumph Group, Inc. HT Parts, L.L.C. Nu-Tech Brands, Inc. Placas Termodinamicas, S. de R.L. de C.V. SBP Holdings Limited The Mexmil Holding Company, LLC The Triumph Group Operations, Inc. Triumph Accessory Services - Grand Prairie, Inc. Triumph Actuation Systems - Connecticut, LLC Triumph Actuation Systems - Isle of Man, Ltd. Triumph Actuation Systems - UK, Ltd. Triumph Actuation Systems - Valencia, Inc. Triumph Actuation Systems - Yakima, LLC Triumph Actuation Systems, LLC Triumph Aerospace Operations UK, Ltd. Triumph Aerospace Systems Group - UK LTD Triumph Aerospace Systems Group, LLC Triumph Aerospace Operations Japan, GK Triumph Aerostructures - Tulsa, LLC Triumph Aerostructures Holdings, LLC Triumph Aerostructures Real Estate Investment Co., LLC Triumph Aerostructures Vought Aircraft Technical Services (Chengdu) Co., Ltd. Triumph Aerostructures, LLC Triumph Aftermarket Services Group, LLC Triumph Airborne Structures, LLC Triumph Aviation Services Asia, Ltd. Triumph Aviations Inc. Triumph Brands, Inc. Triumph Composite Systems, Inc. Triumph Controls (Europe) SAS Triumph Controls - Germany GmbH Triumph Controls - UK Ltd. Triumph Controls France SAS Triumph Controls, LLC Triumph Engine Control Holdings, Inc. </p>

Triumph Engine Control Systems, LLC
 Triumph Engineered Solutions, Inc.
 Triumph Engineering Services, Inc.
 Triumph Fabrications - Orangeburg, Inc.
 Triumph Gear Systems - Macomb, Inc.
 Triumph Gear Systems - Toronto ULC
 Triumph Gear Systems, Inc.
 Triumph Group - Mexico Inmobiliaria, S. de R.L. de C.V.
 Triumph Group - Mexico, S. de R.L. de C.V.
 Triumph Group Acquisition Corp.
 Triumph Group Acquisition Financing, LLC
 Triumph Group Acquisition Holdings, Inc.
 Triumph Group Charitable Foundation
 Triumph Group Holdings - Mexico, LLC
 Triumph Group Holdings - UK, Ltd.
 Triumph Group Investment - Mexico, LLC
 Triumph Group Luxembourg Finance S.a.r.l.
 Triumph Group Luxembourg Holding S.a.r.l.
 Triumph Instruments - Burbank, Inc.
 Triumph Instruments, Inc.
 Triumph Insulation Systems - Germany GmbH
 Triumph Insulation Systems, LLC
 Triumph Integrated Aircraft Interiors Inmobiliaria, S. de R.L. de C.V.
 Triumph Integrated Aircraft Interiors, Inc.
 Triumph Investment Holdings, Inc.
 Triumph Metals Company
 Triumph Precision Castings Co.
 Triumph Real Estate - Mexico, LLC
 Triumph Receivables, LLC
 Triumph Structures (Thailand) Ltd.
 Triumph Structures - Everett, Inc.
 Triumph Structures - Kansas City, Inc.
 Triumph Structures - Wichita, Inc.
 Triumph Structures International, Ltd
 Triumph Thermal Systems - Maryland, Inc.
 Triumph Thermal Systems, LLC
 Triumph Turbine Services, Inc.
 VAC Industries, Inc.

Question
9.3 Does the company disclose its beneficial ownership and control structure?
Score
2
Comments
The company is a publicly listed company with shares admitted on the New York Stock Exchange and therefore automatically scores '2'.
Evidence
<p>[17] Stock Exchange (Webpage) Accessed 16/09/2019 https://markets.ft.com/data/equities/tearsheet/summary?s=TGI:NYQ</p>  <p>The screenshot shows the stock page for Triumph Group Inc (TGI:NYQ) on the FT.com website. The page is titled 'Triumph Group Inc' with the ticker 'TGI:NYQ' and a dropdown arrow. Below the title, it categorizes the company as 'Industrials' and 'Aerospace & Defense'. A table of key metrics is displayed: Price (USD) at 25.33, Today's Change at an increase of 1.07 (4.41%), Shares Traded at 1.61m, 1 Year Change at an increase of 13.84%, and Beta at 2.8069. A note at the bottom states 'Data delayed at least 15 minutes, as of Sep 13 2019 23:30 BST.'</p>

Question
9.4 Does the company publish a percentage breakdown of its defence sales by customer?
Score
0
Comments
Based on publicly available information, there is evidence that the company publishes 42% of its defence sales by customer for the most recently reported financial year. The company therefore does not meet the minimum required threshold to receive a score of '1'.
Evidence
<p>[8] Form 10-K (Document) Accessed 14/04/2020 https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf [p.5] Dependence on Significant Customers</p> <p>For the fiscal years ended March 31, 2019, 2018, and 2017, the Boeing Company ("Boeing") represented approximately 31%, 31% and 35%, respectively, of our net sales, covering virtually every Boeing plant and product.</p> <p>For the fiscal years ended March 31, 2019, 2018, and 2017, Gulfstream Aerospace Corporation ("Gulfstream") represented approximately 11%, 13% and 12%, respectively, of our net sales, covering several of Gulfstream's products.</p> <p>A significant reduction in sales to Boeing and/or Gulfstream may have a material adverse impact on our financial position, results of operations and cash flows.</p> <p>[p.95] 19. CUSTOMER CONCENTRATION Trade and other accounts receivable from The Boeing Company ("Boeing") represented approximately 18% and 10% of total accounts receivable as of March 31, 2019 and 2018, respectively. Trade and other accounts receivable from Gulfstream represented approximately 11% and 16% of total accounts receivable as of March 31, 2019 and 2018, respectively. Trade and other accounts receivable from Bombardier represented approximately 13% and 1% of total accounts receivable as of March 31, 2019 and 2018, respectively. The Company had no other significant concentrations of credit risk.</p> <p>Sales to Boeing for fiscal 2019 were \$1,031,107, or 31% of net sales, of which \$229,062, \$788,061, and \$13,984 were from Integrated Systems, Aerospace Structures and Product Support, respectively. Sales to Boeing for fiscal 2018 were \$1,004,274, or 31% of net sales, of which \$206,740, \$788,151, and \$9,383 were from Integrated Systems, Aerospace Structures and Product Support, respectively. Sales to Boeing for fiscal 2017 were \$1,243,981, or 35% of net sales, of which \$209,669, \$1,004,075, and \$30,237 were from Integrated Systems, Aerospace Structures and Product Support, respectively.</p> <p>Sales to Gulfstream for fiscal 2019 were \$361,451, or 11% of net sales, of which \$2,324, \$358,382, and \$745 were from Integrated Systems, Aerospace Structures, and Product Support, respectively. Sales to Gulfstream for fiscal 2018 were \$421,985, or 13% of net sales, of which \$1,313, \$420,204, and \$468 were from Integrated Systems, Aerospace Structures and Product Support, respectively. Sales to Gulfstream for fiscal 2017 were \$440,998, or 12% of net sales, of which \$1,881, \$438,880, and \$237 were from Integrated Systems, Aerospace Structures and Product Support, respectively.</p> <p>No other single customer accounted for more than 10% of the Company's net sales; however, the loss of any significant customer, including Boeing and/or Gulfstream, could have a material adverse effect on the Company and its operating subsidiaries.</p> <p>The Company currently generates a majority of its revenue from clients in the commercial aerospace industry, the business jet industry and the military. The Company's growth and financial results are largely dependent on continued demand for its products and services from clients in these industries. If any of these industries experiences a downturn, clients in these sectors may conduct less business with the Company.</p>

10. State-Owned Enterprises (SOEs)

Question
10.1 Does the SOE publish a breakdown of its shareholder voting rights?
Score
N/A
Comments
N/A
Evidence

Question
10.2 Are the SOE's commercial and public policy objectives publicly available?
Score
N/A
Comments
N/A
Evidence

Question
10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?
Score
N/A
Comments
N/A
Evidence

Question
10.4 Is the SOE's audit committee composed of a majority of independent directors?
Score
N/A
Comments
N/A
Evidence

Question
10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?
Score
N/A
Comments
N/A
Evidence

List of Evidence & Sources

No.	Type (Webpage or Document)	Name	Download Date	Link
01	Document	Code of Business Conduct	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_governance/Code-of-Business-Conduct.pdf
02	Document	Audit Committee Charter	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_governance/Audit-Committee.pdf
03	Document	Corporate Governance Guidelines	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_governance/Corporate-Governance-Guidelines.pdf
04	Webpage	People-Jennifer Allen	28/07/19	http://www.triumphgroup.com/people/jennifer-h-allen/
05	Document	Compensation and Management Development Committee Charter	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_governance/Compensation-and-Management-Development-Committee.pdf
06	Webpage	Contact us	29/07/19	http://www.triumphgroup.com/contact-us/
07	Webpage	EthicsPoint	29/07/19	https://secure.ethicspoint.com/domain/media/en/gui/59231/index.html
08	Webpage	Form 10-K	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/TGI-2019-10-K.pdf
09	Webpage	Open Secrets	29/07/19	https://www.opensecrets.org/pacs/pac2pac.php?cycle=2018&cmte=C00361949
10	Document	Annual Report 2019	14/04/2020	https://s23.q4cdn.com/323685665/files/doc_financials/2019/ar/2019-TGI-Annual-Report.pdf
11	Webpage	Supply Chain Management	16/09/19	https://www.triumphgroup.com/careercarousel/supply-chain-management/
12	Webpage	Supplier Portal	30/07/19	https://www.triumphsupplysource.com/suppliers/index.php
13	Document	Supplier Quality Assurance Manual Nov 2017	30/07/19	https://www.triumphsupplysource.com/suppliers/reports/pi2491_2017-11-09_0728.pdf
14	Webpage	Inspection Delegation	30/07/19	https://www.triumphsupplysource.com/suppliers/pageview.php?menuitemid=48
15	Document	General Purchase Order – April 2019	30/07/19	https://www.triumphsupplysource.com/suppliers/reports/pi2648_2019-03-29_2139.pdf
16	Webpage	Our Ethics Statement	30/07/19	https://www.triumphsupplysource.com/suppliers/ethics.php
17	Webpage	Stock Exchange	16/09/19	https://markets.ft.com/data/equities/tearsheet/summary?s=TGI:NYQ