

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

FINAL ASSESSMENT

MOOG 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	1/12
3. Support to Employees	7	2/14
4. Conflict of Interest	4	2/8
5. Customer Engagement	7	1/14
6. Supply Chain Management	5	1/10
7. Agents, Intermediaries and Joint Ventures	10	0/20
8. Offsets	4	0/8
9. High Risk Markets	4	3/8
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>There is evidence that the company’s CEO makes a commitment to integrity and high ethical standards in business conduct. The CEO also endorses the company’s Statement of Business Ethics, which prohibits bribery and corruption and makes a commitment to comply with anti-bribery laws.</p> <p>However, the company’s senior leadership does not specifically mention corruption and bribery.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html To All Moog Employees and Representatives:</p> <p>Since the founding of our Company, we have worked to create an environment of mutual trust and confidence that relies on individual integrity, fosters individual responsibility, and promotes individual excellence in performance.</p> <p>We are presenting this Statement of Business Ethics to clarify our basic guidelines for business conduct. We expect that all Moog employees and representatives will use sound judgment and common sense in applying these guidelines to specific situations. When difficult circumstances arise, we expect our employees and representatives to bring the facts to the attention of a management representative who will determine an appropriate response by the Company. Moog has always enjoyed an excellent reputation for business integrity.</p> <p>It’s consistent with our reputation for delivering products of the highest quality. Applying the spirit of this policy statement in our business dealings throughout the world will preserve that reputation. In this day and age, a reputation for unwavering integrity can be the basis for corporate differentiation and a significant competitive advantage.</p> <p>John Scannell Chairman and Chief Executive Officer</p> <p>[...]</p> <p>Unlawful Payments, Gifts, and Entertainment Affecting Moog’s Global Operations</p> <p>All Moog’s employees in every facility around the world must be aware of and comply with U.S. laws and the laws of other countries that prohibit payments, gifts, and entertainment that could be considered a bribe to obtain favorable business treatment or the award of contracts and subcontracts. Violation of these laws can result in millions of dollars in fines to companies and individuals and imprisonment for individuals for up to 5 to 10 years.</p> <p>1) The U.S. Foreign Corrupt Practices Act(“FCPA”)</p> <p>All Moog employees in every facility around the world, and their representatives, are subject to the FCPA. This is because Moog is a U.S. company. The FCPA makes it unlawful to:</p>

a) offer or make any payment or give any thing of value to a Foreign Government Official to obtain favorable business treatment in a foreign country or obtain contracts from that country. A “thing of value” can include expensive gifts or expensive entertainment.

b) fail to have accurate books and records of corporate assets, which would identify the potential corrupt use of Company assets for this purpose.

Moog, including all of our employees and representatives, must comply with the FCPA..

2) The U.K. Bribery Act (“UKBA”)

The UKBA applies to any company incorporated in England, Scotland, Wales and Northern Ireland and its employees and representatives. The UKBA applies to all Moog employees and representatives from every Moog facility around the world whenever we are working with customers or vendors located in these U.K. countries. The UKBA also applies whenever any Moog employee or representative from any facility around the world is working with customers or vendors that are incorporated in these U.K. countries, regardless of where in the world we are conducting business. All persons defined as citizens, subjects or protected persons of these countries are subject to the UKBA wherever they do business in the world.

The UKBA makes it unlawful to:

a) offer or make any payment or other advantage, ask for or receive any payment or other advantage, to or from any Government Official or any other person for the purposes of inducing a person to perform im- properly one of their functions in their position of trust and responsibility, or as a reward for improper performance. “Other advantage” can include expensive gifts or expensive entertainment. If the UKBA applies to a company or to an individual, they must comply with the UKBA regardless of where they do business in the world.

b) fail to have adequate measures in place for the Company to prevent or detect bribery being undertaken on its behalf by employees or outside representatives or failing to enforce those measures.

Moog and all of our employees and representatives around the world must comply with the UKBA whenever it applies to the business we are conducting.

Question
<p>1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:</p> <p>a) All employees, including staff and leadership of subsidiaries and other controlled entities;</p> <p>b) All board members, including non-executive directors.</p>
Score
1
Comments
<p>The company publishes outlines of its anti-bribery and corruption policies, contained in its Statement of Business Ethics. This policy, which prohibits bribery, commercial bribery and payments to public officials, explicitly applies to all employees and board members.</p> <p>However, the policy does not extend beyond a general commitment to comply with anti-bribery laws and regulations, and does not specifically prohibit facilitation payments. Additionally, the company does not specify whether the policy also applies to employees and the leadership of subsidiaries and other controlled entities.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html</p> <p>We are presenting this Statement of Business Ethics to clarify our basic guidelines for business conduct. We expect that all Moog employees and representatives will use sound judgment and common sense in applying these guidelines to specific situations. When difficult circumstances arise, we expect our employees and representatives to bring the facts to the attention of a management representative who will determine an appropriate response by the Company. Moog has always enjoyed an excellent reputation for business integrity.</p> <p>[...]</p> <p>Unlawful Payments, Gifts, and Entertainment Affecting Moog’s Global Operations</p> <p>All Moog employees in every facility around the world must be aware of and comply with U.S. laws and the laws of other countries that prohibit payments, gifts, and entertainment that could be considered a bribe to obtain favorable business treatment or the award of contracts and subcontracts. Violation of these laws can result in millions of dollars in fines to companies and individuals and imprisonment for individuals for up to 5 to 10 years.</p> <p>1) The U.S. Foreign Corrupt Practices Act (“FCPA”)</p> <p>All Moog employees in every facility around the world, and their representatives, are subject to the FCPA. This is because Moog is a U.S. company. The FCPA makes it unlawful to:</p> <p>a) offer or make any payment or give anything of value to a Foreign Government Official to obtain favorable business treatment in a foreign country or obtain contracts from that country. A “thing of value” can include expensive gifts or expensive entertainment.</p> <p>b) fail to have accurate books and records of corporate assets, which would identify the potential corrupt use of Company assets for this purpose.</p> <p>Moog, including all of our employees and representatives, must comply with the FCPA.</p> <p>2) The U.K. Bribery Act (“UKBA”) The UKBA applies to any company incorporated in England, Scotland, Wales and Northern Ireland and its employees and representatives. The UKBA applies to all Moog employees and representatives from every Moog facility around the world whenever we are working with customers or vendors located in these U.K. countries. The UKBA also applies whenever any Moog employee or representative from any facility around the world is working with customers or vendors that are incorporated in these U.K. countries, regardless of where in the world we are conducting business. All persons defined as citizens, subjects or protected persons of these countries are subject to the UKBA wherever they do business in the world.</p>

The UKBA makes it unlawful to:

a) offer or make any payment or other advantage, ask for or receive any payment or other advantage, to or from any Government Official or any other person for the purposes of inducing a person to perform improperly one of their functions in their position of trust and responsibility, or as a reward for improper performance. "Other advantage" can include expensive gifts or expensive entertainment. If the UKBA applies to a company or to an individual, they must comply with the UKBA regardless of where they do business in the world.

b) fail to have adequate measures in place for the Company to prevent or detect bribery being undertaken on its behalf by employees or outside representatives or failing to enforce those measures. Moog and all of our employees and representatives around the world must comply with the UKBA whenever it applies to the business we are conducting.

3) Similar Laws in Other Countries

Many other countries, including Germany, Italy, Japan and China, have similar laws to the FCPA and UKBA. Moog employees who are located outside the U.S. and U.K. or who regularly do business in other countries should discuss these laws with in-country Moog Management.

Implementation of Our Policy

Our commitment to ethical business conduct requires the cooperation of every employee and representative of the Company. We must hold ourselves to the highest standards with the realization that the Company's best interests are our own best interests. We must avoid any violation of these standards or any appearance of a violation. Our business is governed by complex and frequently changing laws, rules, and regulations. The proper application of these laws, rules, and regulations can create, in certain circumstances, uncertainty and confusion.

[10] Corporate Governance Guidelines (Webpage)

Accessed 09/04/2020

<https://www.moog.com/investors/corporate-governance-guidelines.html>

Introduction

The business and affairs of Moog Inc. are subject to the general oversight and authority of the Moog Inc. Board of Directors. The Board has adopted a set of Corporate Governance Guidelines. Together with its Certificate of Incorporation, Bylaws and Charters of Board Committees, these guidelines provide the authority and practices for governance of Moog Inc.

Recognizing that ethical behavior is essential to our success, the Board also has enhanced its Code of Ethics for all employees and Directors. The Code incorporates our statement of principles and provides the framework for maintaining the highest standards of professional conduct for our Company. By adhering to the Corporate Governance Guidelines and the Code of Ethics, we ensure that the long-term interests of our shareholders are best served.

[...]

Directors will perform their duties in good faith and with that degree of care, which an ordinary prudent person in a like position would use under similar circumstances.

Directors must comply with the Code of Ethics of the Company.

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 the board and its Audit Committee is ultimately responsible for the oversight of the company's anti-bribery and corruption programme.</p> <p>However, the company receives a score of ,1' because there is insufficient evidence to suggest that the board or its committees engage in formal oversight functions of the anti-corruption programme, such as reviewing reports from management and ensuring that required changes are implemented.</p>
Evidence
<p>[9] Audit Committee Charter (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/charter-of-the-audit-committee-of-the-board-of-directors.html Charter of the Audit Committee of the Board of Directors</p> <p>The Audit Committee of the Board of Directors (the "Board") of Moog Inc. (the "Company") is organized for the purposes of assisting the Board in oversight of (1) the integrity of the financial statements of the Company, (2) the compliance by the Company with legal and regulatory requirements</p> <p>[...]</p> <p>The Audit Committee shall make regular reports to the full Board. The Audit Committee should review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.</p> <p>[...]</p> <p>Compliance Oversight Responsibilities</p> <p>1. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with applicable Company codes of conduct.</p> <p>[2] Proxy Statement 2019 (Document) Accessed 09/04/2020 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/Proxy_Statements/Moog%20Proxy%20-%20FY2018.pdf [p.10] BOARD ROLE IN RISK OVERSIGHT</p> <p>The Board is responsible for consideration and oversight of the risks facing the Company, managing this both directly and through standing committees of the Board. The Board is kept informed by various reports provided to it on a regular basis, including reports made by management at the Board and committee meetings. The Audit Committee performs a central oversight role with respect to financial and compliance risks and regularly reviews these risks with the full Board. The Executive Compensation Committee reviews and discusses with management the impact of the Company's compensation policies and practices on risk taking within the Company.</p> <p>[p.12] AUDIT COMMITTEE</p> <p>The Audit Committee is responsible for assisting the Board of Directors in monitoring the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the Independent</p>

Registered Public Accounting Firm's qualifications and independence, and the performance of the Company's internal audit function and the Independent Registered Public Accounting Firm.

[10] Corporate Governance Guidelines (Webpage)

Accessed 09/04/2020

<https://www.moog.com/investors/corporate-governance-guidelines.html>

Director's duties and responsibilities include, through their oversight and direction of management of the Company:

[...]

- Ensuring processes are in place for promoting integrity in the conduct of management and other employees;
- Ensuring processes are in place for mandating integrity in financial reporting;
- Ensuring processes are in place for compliance with all applicable laws and regulations; and
- Ensuring processes are in place for protecting the assets of the Company, including its property and its reputation.

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
There is no evidence that the company has a specific managerial-level employee who holds ultimate responsibility for implementing and managing the company’s anti-bribery and corruption programme.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Moog Inc. has a Code of Business Conduct and Ethics applicable to all employees of Moog. The CEO/President, CFO and the Controller are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest and compliance with the law. In addition to the Code of Business Conduct and Ethics, the CEO/President, CFO and Controller are subject to the following additional specific policies:</p> <p>[...]</p> <p>In the event that any one of these individuals has reason to believe that any of them may have violated this code of conduct, it is their obligation to take such matter to the Chairman of the Audit Committee of the Board of Directors. It is then the responsibility of the Audit Committee Chairman to fully investigate and deal with the ultimate disposition of such confidential matter, keeping the rest of the Audit Committee informed. If it is determined that such individual materially breached their responsibilities under this Code of Ethics, then dismissal from their present positions or complete termination of employment may be appropriate.</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 evidence that the company has a formal risk assessment procedure that 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
There is no clear evidence that the company’s anti-bribery and corruption programme is subject to audit or review.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Worldwide application</p> <p>This Statement of Moog’s Business Ethics contains principles that apply to all of Moog’s facilities, in the U.S. and around the world. We also address in this statement some specific issues that apply to U.S. Government Programs. In particular, the Company will ensure its compliance with applicable U.S. Government regulations against fraud, waste and abuse, including provisions for an employee awareness program and internal control system. Such compliance is aimed at facilitating timely discovery and disclosure of improper conduct and en-suring that corrective measures are instituted promptly.</p> <p>[10] Corporate Governance Guidelines (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines.html Director’s duties and responsibilities include, through their oversight and direction of management of the Company:</p> <p>[...]</p> <ul style="list-style-type: none"> • Ensuring processes are in place for promoting integrity in the conduct of management and other employees; • Ensuring processes are in place for mandating integrity in financial reporting; • Ensuring processes are in place for compliance with all applicable laws and regulations; and • Ensuring processes are in place for protecting the assets of the Company, including its property and its reputation.

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
0
Comments
<p>There is evidence that the company commits to investigate incidents raised through its ethics hotline. However, the company does not provide information specific procedures in place to deal with whistleblowing cases, which stipulates documentation and actions to be taken at each step.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html b) Confidential Ethics Hotline:</p> <p>In cases where employees suspect a violation of Moog’s Ethics Policy that has not been adequately addressed by managers, supervisors, or Human Resource Representatives, they are encouraged to call a confidential hotline number. Ethics Hotline posters indicating this number and describing its intended use are displayed on bulletin boards throughout Company facilities. Internal Company Counsel has been designated as Moog’s Ethics Advocate for these situations.</p> <p>To the fullest extent feasible within legal mandates, the source of all communications reporting irregularities in business ethics, accounting, or auditing to the Company’s Ethics Advocate or Corporate Secretary will be held in strictest confidence with an assurance that the matter will receive an appropriate investigation. Retaliation against anyone who has reported an ethics, accounting, or auditing concern is strictly prohibited and will be grounds for appropriate and immediate disciplinary action, including dismissal.</p> <p>For further information, please refer to Employee Complaint Procedures for the Ethics Hotline and Accounting and Auditing Matters posted on the Company’s bulletin boards.</p> <p>[...]</p> <p>Code of Ethics for the Chief Executive Officer/President and Senior Financial Officers</p> <p>Moog Inc. has a Code of Business Conduct and Ethics applicable to all employees of Moog. The CEO/President, CFO and the Controller are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest and compliance with the law. In addition to the Code of Business Conduct and Ethics, the CEO/President, CFO and Controller are subject to the following additional specific policies:</p> <p>1. They must act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships. Any matters involving conflicts of interest should be reviewed on a timely basis with the Audit Committee and necessary corrective action taken immediately.</p> <p>[...]</p> <p>In the event that any one of these individuals has reason to believe that any of them may have violated this code of conduct, it is their obligation to take such matter to the Chairman of the Audit Committee of the Board of Directors. It is then the responsibility of the Audit Committee Chairman to fully investigate and deal with the ultimate disposition of such confidential matter, keeping the rest of the Audit Committee informed. If it is determined that such individual materially breached their responsibilities under this Code of Ethics, then dismissal from their present positions or complete termination of employment may be appropriate.</p> <p>[3] Employee Complaint Procedures (Webpage) Accessed 19/07/2019 https://www.moog.com/investors/corporate-governance-guidelines/employee-complaint-procedures-for-accounting-and-auditing-matter.html</p>

THE ABOVE PROCEDURES ARE INTENDED ONLY FOR REPORTING OF COMPLAINTS REGARDING ACCOUNTING OR AUDITING MATTERS.

Complaints regarding non-accounting or non-auditing matters should follow procedures for Moog's Confidential Ethics Hotline: first the employee should speak to their supervisor or Human Resources Representative. If the matter is not adequately addressed at either of those levels, the employee should then call the Company's Confidential Ethics Hotline which is prominently displayed on company bulletin boards.

Question
2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?
Score
1
Comments
<p>There is some evidence that the company assures itself of the quality of its investigations by specifying that where employees feel their complaint was mishandled, they may contact a confidential hotline.</p> <p>However, there is no evidence that the company assures itself of the quality of both incident investigations and whistleblowing cases, there is no evidence that staff conducting investigations are properly trained, and it is unclear who is responsible for handling complaints about the investigation process itself. There is also no evidence that the company reviews its investigations procedure at least every three years or in response to any changes in the regulatory environment.</p>
Evidence
<p>[1] Statement of Business Ethics (Document) Accessed on 19/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/ethics_policy_by_language_2018/Ethics_Book_ENGLISH_ONLY_Jan_2017.pdf</p> <p>b) Confidential Ethics Hotline: In cases where employees suspect a violation of Moog's Ethics Policy that has not been adequately addressed by managers, supervisors, or Human Resource Representatives, they are encouraged to call a confidential hotline number. Ethics Hotline posters indicating this number and describing its intended use are displayed on bulletin boards throughout Company facilities. Internal Company Counsel has been designated as Moog's Ethics Advocate for these situations.</p> <p>[3] Employee Complaint Procedures (Webpage) Accessed 19/07/2019 https://www.moog.com/investors/corporate-governance-guidelines/employee-complaint-procedures-for-accounting-and-auditing-matter.html</p> <p>Complaints regarding non-accounting or non-auditing matters should follow procedures for Moog's Confidential Ethics Hotline: first the employee should speak to their supervisor or Human Resources Representative. If the matter is not adequately addressed at either of those levels, the employee should then call the Company's Confidential Ethics Hotline which is prominently displayed on company bulletin boards.</p>

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
0
Comments
There is no evidence that the company has an investigative procedure which includes a commitment to report material findings to the board.
Evidence
<p>[10] Corporate Governance Guidelines (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines.html Directors will consider concerns raised to them by shareholders, employees and interested parties. Shareholders, employees or interested parties who have a concern about the Company's conduct or about the Company's accounting, internal accounting controls, or auditing matters, may communicate that concern by telephoning or writing to the Secretary of the Company at the number or address noted on the Company's website.</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
1
Comments
<p>There is evidence that the company provides training to all employees on its Statement Of Business Ethics, which outlines the basic principles of its ethics and anti-corruption programme, including whistleblowing options available to employees. The company states that training is provided for all new hires and is repeated bi-annually.</p> <p>However, the company receives a score of '1' because there is no evidence that training is systematically provided to all employees across all divisions, all countries of operation and in all relevant languages.</p>
Evidence
<p>[12] Anti-Human Trafficking Statement (Webpage) Accessed 10/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/policy-statement---anti-human-trafficking-disclosure-statement.html</p> <p>We have a Modern Slavery Compliance Plan. Key elements of this Plan include:</p> <ol style="list-style-type: none"> 1. Statement of Business Ethics: our Statement of Business Ethics reflects the above policy statement. 2. Training / Internal Accountability: our employees are trained in Modern Slavery Laws to promote awareness and provided with resources to escalate concerns if such prohibited activity becomes known to them. In 2017, Moog added training on Modern Slavery Laws to its bi-annual training on its Statement of Business Ethics and gave more in depth Modern Slavery Training to its supply chain personnel. In addition, upon hire, all new Moog Group associates receive this same training as part of our new associate orientation process. All such training reinforces that the consequences for employee violations of our Modern Slavery policy will result in disciplinary action up to, and including, termination. In a further attempt to increase employee awareness, each Moog Group location worldwide is posting employee awareness communications and hotline information for reporting of modern slavery concerns. <p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html</p> <p>the Company will ensure its compliance with applicable U.S. Government regulations against fraud, waste and abuse, including provisions for an employee awareness program and internal control system. Such compliance is aimed at facilitating timely discovery and disclosure of improper conduct and ensuring that corrective measures are instituted promptly.</p>

Question
<p>3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees:</p> <ul style="list-style-type: none"> a) Employees in high risk positions, b) Middle management, c) Board members.
Score
0
Comments
<p>There is no evidence that the company tailors its anti-bribery and corruption training to employees based on an assessment of their role and exposure to corruption risk.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Worldwide application</p> <p>This Statement of Moog’s Business Ethics contains principles that apply to all of Moog’s facilities, in the U.S. and around the world. We also address in this statement some specific issues that apply to U.S. Government Programs. In particular, the Company will ensure its compliance with applicable U.S. Government regulations against fraud, waste and abuse, including provisions for an employee awareness program and internal control system. Such compliance is aimed at facilitating timely discovery and disclosure of improper conduct and ensuring that corrective measures are instituted promptly.</p>

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 evidence 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
There is no evidence that the company's incentive schemes incorporate ethical or anti-bribery and corruption principles.
Evidence
No evidence found.

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 evidence that the company states that employees must not engage in unethical practices, even if it results in lost business. However, there is no evidence that the company explicitly commits to protecting or supporting employees in such situations.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Commitment to our stakeholders</p> <p>Our expectation is that every Moog employee and representative will consistently engage in ethical business conduct even if in a given situation it means losing an apparent business opportunity or a reduction in profits.</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
There is evidence that the company promotes a clear non-retaliation policy and states that employees who breach this policy will face disciplinary action. However, the company cannot receive a score of '1' because it does not explicitly state that this policy applies company-wide to include those employed by the group as third parties, suppliers and joint venture partners. There is also no evidence that the company assures itself of its employees' confidence in this commitment through surveys, usage data, or other clearly stated means.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html To the fullest extent feasible within legal mandates, the source of all communications reporting irregularities in business ethics, accounting, or auditing to the Company's Ethics Advocate or Corporate Secretary will be held in strictest confidence with an assurance that the matter will receive an appropriate investigation. Retaliation against anyone who has reported an ethics, accounting, or auditing concern is strictly prohibited and will be grounds for appropriate and immediate disciplinary action, including dismissal. For further information, please refer to Employee Complaint Procedures for the Ethics Hotline and Accounting and Auditing Matters posted on the Company's bulletin boards.</p>

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>There is evidence that the company has both whistleblowing and advice channels.</p> <p>However, the company receives a score of '1' because the company does not state that these channels are available to all employees in any country of operation, or in multiple languages, or to any employees of third parties, suppliers or joint venture partners. The evidence also indicates that the company only operates internal channels.</p>
Evidence
<p>[1] Statement of Business Ethics (Document) Accessed on 19/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/ethics_policy_by_language_2018/Ethics_Book_ENGLISH_ONLY_Jan_2017.pdf When difficult circumstances arise, we expect our employees and representatives to bring the facts to the attention of a management representative who will determine an appropriate response by the Company.</p> <p>[...]</p> <p>Implementation of Our Policy</p> <p>a) Managers: Moog has a strong commitment to an open-door policy. This means that employees are encouraged to take advantage of the availability of any manager, supervisor, or Human Resources Representative for consultation on ethical issues as they arise. All managers will maintain open communication with employees regarding questions of ethics.</p> <p>b) Confidential Ethics Hotline: In cases where employees suspect a violation of Moog's Ethics Policy that has not been adequately addressed by managers, supervisors, or Human Resource Representatives, they are encouraged to call a confidential hotline number. Ethics Hotline posters indicating this number and describing its intended use are displayed on bulletin boards throughout Company facilities. Internal Company Counsel has been designated as Moog's Ethics Advocate for these situations.</p> <p>[9] Audit Committee Charter (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/charter-of-the-audit-committee-of-the-board-of-directors.html Compliance Oversight Responsibilities</p> <ol style="list-style-type: none"> 1. Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with applicable Company codes of conduct. 2. Establish 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 the Company's employees of concerns regarding questionable accounting or auditing matters. <p>[10] Corporate Governance Guidelines (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines.html Directors will consider concerns raised to them by shareholders, employees and interested parties. Shareholders, employees or interested parties who have a concern about the Company's conduct or about the Company's accounting, internal accounting controls, or auditing matters, may communicate that concern by telephoning or writing to the Secretary of the Company at the number or address noted on the Company's website.</p>

[12] Anti-Human Trafficking Statement (Webpage)

Accessed 10/04/2020

<https://www.moog.com/investors/corporate-governance-guidelines/policy-statement---anti-human-trafficking-disclosure-statement.html>

7. Violation Reporting Procedures, Whistleblowing & Investigation Support:

we have procedures in place for reporting prohibited activities identified in the Modern Slavery Laws and will take appropriate remedial and referral actions if such activity is found. We have an “open door” policy which encourages employees to engage in open and candid discussions regarding our policy, or any violations, with their supervisors, managers, legal, human resources and senior management without reprisal. We also require our employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting modern slavery on its confidential company-specific ethics hotline at 1- 866-519-6330 or mooethics@moog.com. All US employees have the right to call the Global Human Trafficking Hotline at 1-844-888-FREE or email help@befree.org; and our UK employees have the right to call the same company-specific ethics hotline, or the Modern Slavery Helpline at 08000 121 700 to report suspected violations to government officials outside of the Moog Group. In addition, we will fully cooperate with any government agency conducting an audit or investigation of potential modern slavery violations, including providing timely responses and reasonable and required access to our employees, records and facilities.

4. Conflict of Interest

Question
<p>4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?</p>
Score
<p>1</p>
Comments
<p>There is evidence that the company has a policy covering actual and perceived conflicts of interest, which applies to all employees and board members. The company makes explicit reference to possible conflicts concerning other employment, and, for its senior executives, personal relationships.</p> <p>However, the company receives a score of ‘1’ because there is no evidence that the policy includes conflicts concerning financial interests, employee relationships, or government relationships for all employees.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Conflict of Interest</p> <p>The proper operation of our business requires that our officers, directors, employees, and representatives are always in a position to act with total objectivity on behalf of the Company. All of our employees should avoid investments or activities that could affect that objectivity. Most conflicts of interest are readily identifiable. It is almost always a conflict of interest for a Moog employee to take on work from a competitor, customer, or supplier. The best policy is to avoid any direct or indirect business connection with our customers, suppliers, or competitors, except on Moog’s behalf.</p> <p>We also recognize the potential for apparent conflicts of interest that may be difficult to evaluate and resolve. Under such circumstances, the matter should be brought to the attention of management so that we can resolve any questionable issues quickly and openly.</p> <p>[...]</p> <p>Code of Ethics for the Chief Executive Officer/President and Senior Financial Officers</p> <p>Moog Inc. has a Code of Business Conduct and Ethics applicable to all employees of Moog. The CEO/President, CFO and the Controller are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest and compliance with the law. In addition to the Code of Business Conduct and Ethics, the CEO/President, CFO and Controller are subject to the following additional specific policies:</p> <p>1. They must act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships. Any matters involving conflicts of interest should be reviewed on a timely basis with the Audit Committee and necessary corrective action taken immediately.</p>

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>There is evidence that the company has procedures to identify, declare and manage conflicts of interest, including actual, potential and perceived conflicts. The company states that for directors, the Audit Committee is responsible for handling declarations of conflicts of interest, and provides criteria for recusals for directors.</p> <p>However, it is not clear whether these same controls apply to all employees, and the company does not state that all 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] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Conflict of Interest</p> <p>We also recognize the potential for apparent conflicts of interest that may be difficult to evaluate and resolve. Under such circumstances, the matter should be brought to the attention of management so that we can resolve any questionable issues quickly and openly.</p> <p>[...]</p> <p>Code of Ethics for the Chief Executive Officer/President and Senior Financial Officers</p> <p>Moog Inc. has a Code of Business Conduct and Ethics applicable to all employees of Moog. The CEO/President, CFO and the Controller are bound by the provisions set forth therein relating to ethical conduct, conflicts of interest and compliance with the law. In addition to the Code of Business Conduct and Ethics, the CEO/President, CFO and Controller are subject to the following additional specific policies:</p> <p>1. They must act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships. Any matters involving conflicts of interest should be reviewed on a timely basis with the Audit Committee and necessary corrective action taken immediately.</p> <p>[2] Proxy Statement 2019 (Document) Accessed 09/04/2020 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/Proxy_Statements/Moog%20Proxy%20-%20FY2018.pdf</p> <p>[p.13] We require that each director and executive officer complete a questionnaire quarterly. The questionnaire requires positive written affirmation regarding related party transactions that may constitute a conflict of interest, including: any transaction or proposed transaction in excess of \$120,000 involving the director or executive officer or an immediate family member and the Company, a subsidiary or any pension or retirement savings plan; any indebtedness to the Company; dealings with competitors, suppliers or customers; any interest in real or personal property in which the Company also has an interest; and the potential sale of any real or personal property or business venture or opportunity that will be presented to the Company for consideration. In addition, we collect quarterly updates to this questionnaire throughout the year.</p> <p>We review each questionnaire to identify any transactions or relationships that may constitute a conflict of interest, require disclosure, or affect an independence determination. Any such transactions with the directors, executive officers, their immediate family members or any 5% shareholder are reviewed by the Audit Committee, and, when necessary, the full Board of Directors. These reviews are intended to ensure any such transactions are conducted</p>

on terms as fair as if they were on an arm's length basis and do not conflict with the director's or executive officer's responsibilities to the Company.

If the Audit Committee or Board of Directors were to determine that a transaction is not on terms as fair as if it were on an arm's length basis, the transaction would be modified such that the transaction were as fair as if it were on an arm's length basis. The Audit Committee and Board of Directors place significant reliance on their collective business judgment, experience and expertise in their review and deliberations.

For situations in which it is either clear that a conflict of interest exists or there is a potential conflict of interest, the related director or executive officer is obligated to recuse himself from any discussion on the business arrangement. That director or executive officer does not participate in approving or not approving the related transaction. The remaining members of the Board of Directors make those determinations.

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 evidence 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 evidence 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 regarding commercial political contributions.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Endorsements: Commercial and Political</p> <p>If an employee engages in any promotional activity that might be interpreted as endorsing a commercial organization, private venture, product, or political group, it must be done on the employee’s own time as a private citizen, not as a representative of Moog.</p> <p>The employee should avoid even the appearance of participating as a representative of Moog. Employees who author articles or publications and plan to be identified as a Moog employee must first get approval from the Chief Financial Officer.</p>

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 details of its political contributions.
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
There is no evidence that the company has a policy or procedure covering both charitable donations and sponsorships.
Evidence
No evidence found.

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 evidence that the company publishes a policy or procedure on lobbying.
Evidence
No evidence found.

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 evidence 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 evidence that the company provides any details about its global 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>There is evidence that the company has a policy and procedure on the giving and receipt of gifts and hospitality, which also addresses the risks associated with gifts and hospitality given to and received from domestic or foreign public officials.</p> <p>The company, however, receives a score of '1' because its policy does not specify financial or proportional limits or different approval procedures for different types of promotional expenses. There is also no evidence that all 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.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Procurement Integrity</p> <p>Moog employees will not accept or provide “kickbacks” including any money, fees, commissions, credit, gift, gratuity, or compensation of any kind, for the purpose of improperly obtaining or rewarding favorable treatment in either the selling or procurement activities of the Company. Examples of favorable treatment include the improper advance notice of a request for bids or the submission of bids after a closing date.</p> <p>Procurement integrity applies to employees and affiliates who participate personally in the procurement process. We are required to ensure that all those who participate on Moog’s behalf are not compromised by giving or receiving anything of value or by previous employment or affiliation. Moog’s stance in this regard is consistent with U.S. Federal Acquisition Regulations.</p> <p>Moog employees should not accept or extend either entertainment or gifts that could materially impair the receiving party’s objectivity in conducting Company business. Public disclosure of any transaction should never be compromising to the Company, the employee involved, or the recipient of any gift or offer. Furthermore, no business courtesies may be extended to employees of the U.S. Departments of Defense or Energy, NASA, or to any other U.S. Government employee who is subject to Standard of Conduct regulations that would be violated.</p> <p>[...]</p> <p>Unlawful Payments, Gifts, and Entertainment Affecting Moog’s Global Operations</p> <p>All Moog employees in every facility around the world must be aware of and comply with U.S. laws and the laws of other countries that prohibit payments, gifts, and entertainment that could be considered a bribe to obtain favorable business treatment or the award of contracts and subcontracts. Violation of these laws can result in millions of dollars in fines to companies and individuals and imprisonment for individuals for up to 5 to 10 years.</p> <p>1) The U.S. Foreign Corrupt Practices Act (“FCPA”)</p> <p>All Moog employees in every facility around the world, and their representatives, are subject to the FCPA. This is because Moog is a U.S. company.</p> <p>The FCPA makes it unlawful to:</p>

Offer or make any payment or give any thing of value to a Foreign Government Official to obtain favorable business treatment in a foreign country or obtain contracts from that country. A “thing of value” can include expensive gifts or expensive entertainment.

Fail to have accurate books and records of corporate assets, which would identify the potential corrupt use of Company assets for this purpose.

Moog, including all of our employees and representatives, must comply with the FCPA.

2) The U.K. Bribery Act (“UKBA”)

The UKBA applies to any company incorporated in England, Scotland, Wales and Northern Ireland and its employees and representatives. The UKBA applies to all Moog employees and representatives from every Moog facility around the world whenever we are working with customers or vendors located in these U.K. countries. The UKBA also applies whenever any Moog employee or representative from any facility around the world is working with customers or vendors that are incorporated in these U.K. countries, regardless of where in the world we are conducting business. All persons defined as citizens, subjects or protected persons of these countries are subject to the UKBA wherever they do business in the world.

The UKBA makes it unlawful to:

Offer or make any payment or other advantage, ask for or receive any payment or other advantage, to or from any Government Official or any other person for the purposes of inducing a person to perform improperly one of their functions in their position of trust and responsibility, or as a reward for improper performance. “Other advantage” can include expensive gifts or expensive entertainment. If the UKBA applies to a company or to an individual, they must comply with the UKBA regardless of where they do business in the world.

Fail to have adequate measures in place for the Company to prevent or detect bribery being undertaken on its behalf by employees or outside representatives or failing to enforce those measures.

Moog and all of our employees and representatives around the world must comply with the UKBA whenever it applies to the business we are conducting.

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>There is evidence that the company's procurement department is involved, in some capacity, in the establishment and oversight of supplier relationships. Evidence indicates that this department is the main body responsible for oversight of the company's supplier base.</p> <p>However, the company receives a score of '1' because it is unclear if the involvement of the procurement department is required for establishing new suppliers over a certain threshold. There is also no evidence that the company assures itself of the procurement department's involvement at least every three years.</p>
Evidence
<p>[6] Form 10K 2018 (Document) Accessed 23/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/10-K_Filings/FY%2018%20Q4%20-%2009.29.18%20-%20FINAL.pdf [p.9] Contracting on government programs is subject to significant regulation, including rules related to bidding, billing and accounting kickbacks and false claims, and any non-compliance could subject us to fines and penalties or possible debarment. Like all government contractors, we are subject to risks associated with this contracting, including substantial civil and criminal fines and penalties. These fines and penalties could be imposed for failing to follow procurement integrity and bidding rules, employing improper billing practices or otherwise failing to follow cost accounting standards, receiving or paying kickbacks or filing false claims. We have been, and expect to continue to be, subjected to audits and investigations by U.S. and foreign government agencies and authorities. The failure to comply with the terms of our government contracts could harm our business reputation. It could also result in our progress payments being withheld or our suspension or debarment from future government contracts, which could have a material affect on our operational and financial results.</p> <p>[11] Become A Supplier To Moog (Webpage) Accessed 10/04/2020 https://www.moog.com/suppliers/become-a-supplier-to-moog.html Moog is currently developing a limited, high performance supply base that will be able to produce high quality products on-time at a competitive price. Moog is interested in learning about your capabilities and how you will be able to meet our objectives.</p> <p>Please review the information on www.moog.com to determine if your products or services might be applicable to Moog and if your company is capable of supporting our published requirements. If your company offers a new or distinct competitive advantage, please contact us by using the attached link.</p> <p>Your information will be reviewed and where appropriate, forwarded to the responsible Buyer. Due to the volume of inquiries received, we will only be able to reply to those that are seen to have potential benefit to Moog.</p> <p>Your response should include: Company Name and contacts Product or service offerings Company overview, dimensions, capabilities Quality system information / approvals Unique competitive advantage Link to your company web site</p> <p>Please email your information to SupplierInfo@Moog.com</p>

[7] SAP Ariba (Webpage)

Accessed 10/04/2020

<https://www.moog.com/suppliers/ariba.html>

SAP Ariba

Moog is enhancing the way it does business with its indirect suppliers by implementing Ariba, an eProcurement tool, in order to improve and streamline procurement and accounts payable processes. Not all sites/locations will be migrating to Ariba at the same time, so please continue to process Purchase Orders the same way in which you receive them.

WHAT IS ARIBA?

Ariba, an SAP company, is the provider of a best-in-class and highly capable eProcurement solution. It offers solutions and services that enable you to easily share information and business processes with your customers through the Ariba Network, such as:

- Accelerate the sales cycle and lower the cost of sales
- Find new customers who are actively looking for what you sell
- Drive more business with current customers
- There will be no cost for you to do business with Moog through Ariba if you are not already on the Ariba Network OR if you are a Light Account supplier

WHAT ARE THE NEXT STEPS?

Transacting electronically on the Ariba Network is now a standard part of doing business with us, and we're excited to bring you along on this e-commerce journey. Our project team is committed to helping you accomplish this and we look forward to our enhanced relationship during this transition and beyond.

Thank you in advance for supporting this critical initiative and please be on the lookout for more communications from the Moog Procurement Team.

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
The company states that it will only work with suppliers that have equivalent ethical policies. However, there is insufficient evidence indicating that it conducts risk-based anti-corruption due diligence on its supply chain.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Commitments to Our Stakeholders</p> <p>To our suppliers: We are committed to maintaining open and fair business dealings, and to selecting sources of supply on the basis of quality, price, services offered, and ethical policies that match our own high standards.</p> <p>We are also committed, and expect our suppliers to be committed, to the protection of human rights and the prohibition of:</p> <p>(1) the use of child, forced, or bonded labor; and (2) engaging in, or benefiting in any way from, the trafficking of persons or labor or services.</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
0
Comments
<p>The company states that suppliers must meet a certain standard of ethical business conduct. However, it does not refer to any specific anti-bribery and corruption measures that its suppliers must have in place, such as specific policies prohibiting domestic bribery and facilitation payments, or policies covering conflicts of interest, gifts & hospitality.</p>
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Commitments to Our Stakeholders</p> <p>To our suppliers: We are committed to maintaining open and fair business dealings, and to selecting sources of supply on the basis of quality, price, services offered, and ethical policies that match our own high standards.</p> <p>We are also committed, and expect our suppliers to be committed, to the protection of human rights and the prohibition of:</p> <p>(1) the use of child, forced, or bonded labor; and (2) engaging in, or benefiting in any way from, the trafficking of persons or labor or services.</p> <p>[12] Anti-Human Trafficking Statement (Webpage) Accessed 10/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/policy-statement---anti-human-trafficking-disclosure-statement.html Our Supply Chain</p> <p>Moog UK's business serves a wide variety of products, solutions and services. This exposes Moog UK to a large and diverse supply chain. We are nonetheless committed to taking appropriate steps designed to ensure there is no modern slavery in our supply chain. Our expectation is that all of our suppliers will produce products in an ethical and socially responsible manner and that our suppliers should not use, or in any way, benefit from forced labour.</p> <p>[5] Moog Inc. - Standard Terms and Conditions of Purchase (Document) Accessed on 19/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/US-Supply-Chain-Terms-and-Conditions-of-Purchase-Final-03152018.pdf [p.9] 31. Ethical Compliance; Gratuities</p> <p>(a) Supplier agrees that it has reviewed and that it shall comply with applicable provisions of the Moog Statement of Business Ethics, available at: http://www.moog.com/investors/corporate-governance/moog-statement-of-business-ethics/</p> <p>(b) Supplier warrants that neither it nor any of its employees, agents, or representatives have offered or given, or will offer or give, any gratuities to Buyer's employees, agents, or representatives for purposes of securing this Order or securing favorable treatment under this Order. If it is found that gratuities (in the form of entertainment, gifts or otherwise) are offered by Supplier, or any agent or representative of Supplier, to any employee of Buyer or its agents or representatives with a view toward securing favorable treatment with respect to the awarding or performing of any Order issued by Buyer to Supplier, Buyer may, by written notice to Supplier, terminate this Order in accordance with Article 21, Termination for Default, in addition to the exercise of any other rights or remedies provided to Buyer by law.</p> <p>[4] Supplemental Terms and Conditions of Purchase (Document)</p>

Accessed 10/04/2020

<https://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/legal-regulatory/Moog%20Supplemental%20Terms%20and%20Conditions%20of%20Purchase.pdf>

[p.1] The following clauses set forth in the FAR and DFARS as in effect on the date of this purchase order are incorporated herein by reference. Where necessary to make the clauses applicable to this purchase order, "Contractor" shall mean "Seller," "Contracting Officer" shall mean "Buyer," and the "Government" shall mean "Buyer" or the "Government" whenever appearing in the clauses. Seller shall include the following clauses in its lower-tier purchase orders as required. If any of the following FAR or DFARS clauses do not apply to a particular purchase order, such clauses are self-deleting. Section headings for the monetary thresholds are for convenience of reference and do not limit any of the terms of the clauses referenced. FAR Clauses at <https://www.acquisition.gov/browse/index/far> DFARS and NASA FAR Supplement Clauses at <https://www.acquisition.gov/content/supplemental-regulations>

A. Federal Acquisition Regulation and DFARS Clauses

1. All Orders Except as may be expressly set forth in this document with the government contracting officer's express consent, the seller shall not acquire any direct claim or direct course of action against the US Government.

52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act (Jun 2010)

[p.4] 7. Orders over \$150,000 52.203-7 Anti-Kickback Procedures (May 2014)

[p.5] 14. Orders over \$5,500,000 52.203-13 Contractor Code of Business Ethics and Conduct (Oct 2015)

Notwithstanding any alterations to this clause to reflect the relationship between Buyer and Seller, all disclosures of violation of the civil False Claims Act or of federal criminal law shall be directed to the Office of the Inspector General of the agency issuing the prime contract, with a copy to the Contracting Officer of the prime contract.

52.203-14 Display of Hotline Poster(s) (Oct 2015)

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 evidence that the company publishes any data on ethical or anti-bribery and corruption investigations relating to its suppliers, or the associated disciplinary actions.
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 no evidence that the company has a clear policy covering the use of agents.
Evidence
No evidence found.

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 evidence that the company states that it 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 evidence 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 evidence that the company includes anti-bribery and corruption clauses in its contracts with agents and intermediaries.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Moog has always enjoyed an excellent reputation for business integrity. It’s consistent with our reputation for delivering products of the highest quality. Applying the spirit of this policy statement in our business dealings throughout the world will preserve that reputation. In this day and age, a reputation for unwavering integrity can be the basis for corporate differentiation and a significant competitive advantage.</p> <p>John Scannell Chairman and Chief Executive Officer</p>

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 evidence that the company mentions 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 evidence 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 evidence 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 evidence that the company commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures and or that it requires anti-bribery and corruption clauses in its contracts with joint venture partners.
Evidence
No evidence found.

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 evidence 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 evidence that the company addresses the corruption risks associated with offset contracts, and there is no evidence 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 evidence 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 evidence 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 evidence that the company publishes any details of its offset obligations and 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 evidence that the company acknowledges the corruption risks of operating in different markets, or that risk assessment procedures are used to inform the company's operations in high risk markets.
Evidence
<p>[1] Statement of Business Ethics (Webpage) Accessed 09/04/2020 https://www.moog.com/investors/corporate-governance-guidelines/moog-statement-of-business-ethics.html Worldwide Application</p> <p>Moog is committed to complying with the law and regulations of the countries in which we conduct business. This Statement of Moog's Business Ethics contains principles that apply to all of Moog's facilities, in the U.S. and around the world. We also address in this statement some specific issues that apply to U.S. Government Programs. In particular, the Company will ensure its compliance with applicable U.S. Government regulations against fraud, waste and abuse, including provisions for an employee awareness program and internal control system. Such compliance is aimed at facilitating timely discovery and disclosure of improper conduct and ensuring that corrective measures are instituted promptly.</p> <p>Many of the Company's ethical principles apply to all of our operations around the world. We also recognize that several of our facilities are located in countries that have requirements that are not covered in this Statement. The management on site at these facilities will be cognizant of local requirements and should be consulted by Moog employees to ensure adherence to all applicable laws, rules, and regulations.</p>


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																																
1																																
Comments																																
<p>The company publishes a list of all its holdings, including subsidiaries, non-fully consolidated holdings and joint ventures. This data includes an indication of percentage of ownership and country of incorporation, and is updated on an annual basis. The list is accompanied by a statement that it is accurate at the time of publication, to the best of the company's knowledge.</p> <p>However, the company receives a score of '1' because it does not include the country of operation for each entity.</p>																																
Evidence																																
<p>[6] Form 10K 2018 (Document) Accessed 23/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/10-K_Filings/FY%2018%20Q4%20-%2009.29.18%20-%20FINAL.pdf [p.85] (21) Our subsidiaries. (All of which are wholly owned by the Corporation, directly or indirectly, unless otherwise noted). The names of indirectly owned subsidiaries are indented under the names of their respective parent corporations.</p> <table border="1"> <thead> <tr> <th>Name</th> <th>State/Country of Incorporation</th> </tr> </thead> <tbody> <tr> <td>Curlin Medical Inc.</td> <td>Delaware</td> </tr> <tr> <td> Moog MDG SRL</td> <td>Costa Rica</td> </tr> <tr> <td> Viltechmeda UAB</td> <td>Lithuania</td> </tr> <tr> <td> ZEVEX, Inc.</td> <td>Delaware</td> </tr> <tr> <td>Harmonic Linear Drives Ltd.</td> <td>England and Wales</td> </tr> <tr> <td>Moog Asset Management LLC</td> <td>Delaware</td> </tr> <tr> <td>Moog Australia Pty., Ltd.</td> <td>Australia</td> </tr> <tr> <td>Moog do Brasil Controles Ltda.</td> <td>Brazil</td> </tr> <tr> <td>Moog Controls Corp.</td> <td>Ohio</td> </tr> <tr> <td>Moog Controls Hong Kong Ltd.</td> <td>Hong Kong</td> </tr> <tr> <td> Moog Control Systems (Shanghai) Co., Ltd.</td> <td>People's Republic of China</td> </tr> <tr> <td> Moog Industrial Controls (Shanghai) Co., Ltd.</td> <td>People's Republic of China</td> </tr> <tr> <td>Moog Controls (India) Pvt. Ltd. (56% Moog Inc.; 44% Moog Singapore Pte. Ltd.)</td> <td>India</td> </tr> <tr> <td>Moog Controls Ltd.</td> <td>United Kingdom</td> </tr> <tr> <td> Moog Reading Limited</td> <td>United Kingdom</td> </tr> </tbody> </table> <p>[...]</p>	Name	State/Country of Incorporation	Curlin Medical Inc.	Delaware	Moog MDG SRL	Costa Rica	Viltechmeda UAB	Lithuania	ZEVEX, Inc.	Delaware	Harmonic Linear Drives Ltd.	England and Wales	Moog Asset Management LLC	Delaware	Moog Australia Pty., Ltd.	Australia	Moog do Brasil Controles Ltda.	Brazil	Moog Controls Corp.	Ohio	Moog Controls Hong Kong Ltd.	Hong Kong	Moog Control Systems (Shanghai) Co., Ltd.	People's Republic of China	Moog Industrial Controls (Shanghai) Co., Ltd.	People's Republic of China	Moog Controls (India) Pvt. Ltd. (56% Moog Inc.; 44% Moog Singapore Pte. Ltd.)	India	Moog Controls Ltd.	United Kingdom	Moog Reading Limited	United Kingdom
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Obshestvo s Ogranizennoi Otvetstvennostju MOOG	Russia
VSM Antriebstechnik GmbH	Germany
Moog Luxembourg Finance S.A.R.L.	Luxembourg
Focal Technologies Corporation	Nova Scotia
Moog International Financial Services Center S.a.r.l.	Luxembourg
Moog Verwaltungs GmbH	Germany
Moog Ireland Limited	Ireland
Moog Holdings Ltd.	Ireland
Moog Japan Ltd.	Japan
Moog Korea Ltd.	South Korea
Moog Receivables LLC	Delaware
Moog S.A.R.L. (95% Moog Inc.; 5% Moog GmbH)	France
Moog Singapore Pte. Ltd.	Singapore
Moog Aircraft Services Asia PTE LTD. (Joint Venture - 51%)	Singapore
Moog EM Solutions (India) Private Limited	India
Moog India Technology Center Pvt. Ltd.	India
Moog Motion Controls Private Limited	India

[p.90] Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John R. Scannell, certify that:

1. I have reviewed this annual report on Form 10-K of Moog Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

Question										
9.3 Does the company disclose its beneficial ownership and control structure?										
Score										
2										
Comments										
The company is a publicly listed on the New York Stock Exchange and is therefore automatically awarded a score of '2'.										
Evidence										
<p>[8] FT Markets Data (Webpage) Accessed 09/04/2020 https://markets.ft.com/data/equities/tearsheet/summary?s=MOG.A:NYQ</p>  <p>Moog Inc MOG.A:NYQ ▾</p> <p>Industrials > Aerospace & Defense</p> <table border="1"> <thead> <tr> <th>PRICE (USD)</th> <th>TODAY'S CHANGE</th> <th>SHARES TRADED</th> <th>1 YEAR CHANGE</th> <th>BETA</th> </tr> </thead> <tbody> <tr> <td>55.65</td> <td>↑ 2.89 / 5.48%</td> <td>135.94k</td> <td>↓ -38.64%</td> <td>1.8321</td> </tr> </tbody> </table> <p>Data delayed at least 15 minutes, as of Apr 08 2020 21:02 BST.</p>	PRICE (USD)	TODAY'S CHANGE	SHARES TRADED	1 YEAR CHANGE	BETA	55.65	↑ 2.89 / 5.48%	135.94k	↓ -38.64%	1.8321
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55.65	↑ 2.89 / 5.48%	135.94k	↓ -38.64%	1.8321						

Question
9.4 Does the company publish a percentage breakdown of its defence sales by customer?
Score
0
Comments
<p>Although the company discloses that the US government is a major source of its total sales, there is no evidence that the company provides a percentage breakdown of at least 50% of its defence sales by customer.</p>
Evidence
<p>[6] Form 10K 2018 (Document) Accessed 23/07/2019 https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/10-K_Filings/FY%2018%20Q4%20-%2009.29.18%20-%20FINAL.pdf</p> <p>[p.5] Government Contracts. All U.S. Government contracts are subject to termination by the U.S. Government. In 2018, sales under U.S. Government contracts represented 33% of total sales and were primarily within our Aircraft Controls and Space and Defense Controls segments.</p> <p>[p.6] Customers. Our principal customers are Original Equipment Manufacturers, or OEMs, and end users for whom we provide aftermarket support. Aerospace and defense OEM customers collectively represented 53% of 2018 sales. The majority of these sales are to a small number of large companies. Due to the long-term nature of many of the programs, many of our relationships with aerospace and defense OEM customers are based on long-term agreements. Our industrial OEM sales, which represented 34% of 2018 sales, are to a wide range of global customers and are normally based on lead times of 90 days or less. We also provide aftermarket support, consisting of spare and replacement parts and repair and overhaul services, for all of our products. Our major aftermarket customers are the U.S. Government and commercial airlines.</p> <p>In 2018, aftermarket sales accounted for 13% of total sales. Significant customers in our three operating segments include:</p> <ul style="list-style-type: none"> • Aircraft Controls: Boeing, Airbus, Lockheed Martin, Northrup Grumman, Japan Aerospace, General Dynamics, United Technologies, Honeywell, Bombardier, Embraer and the U.S. Government. • Space and Defense Controls: Lockheed Martin, Raytheon, Northrup Grumman, Boeing, General Dynamics, Aerojet Rocketdyne, United Launch Alliance, Rockwell Collins, Airbus, Honeywell and the U.S. Government. • Industrial Systems: McKesson, Phillips Healthcare, CAE, Nutricia, Integrated Medical Systems, TurboChef Technologies, Oceaneering, MacArtney, Flight Safety and Arburg. <p>[p.8] Sales to the U.S. Government and its prime contractors and subcontractors represent a significant portion of our business. In 2018, sales under U.S. Government contracts represented 33% of our total sales, primarily within Aircraft Controls and Space and Defense Controls. Sales to foreign governments represented 5% of our total sales. Funding for government programs can be structured into a series of individual contracts and depend on annual congressional appropriations, which are subject to change.</p> <p>Additionally, the 2011 Budget Control Act reduced the Department of Defense spending (or sequestration) by approximately \$500 billion. The Bipartisan Budget Act of 2013 and the Bipartisan Budget Act of 2015 provided stability and modest growth in the Department of Defense spending through 2017. After operating under continuing resolutions, which restrict new program starts, the U.S. Government signed the 2019 defense appropriations budget in September 2018, with moderate growth in defense spending. However, future budgeted levels of defense spending beyond 2019 are uncertain and subject to debate. As a result of this uncertainty, we expect discretionary government spending levels will face pressure, and potentially lead to procurement reductions. Any reduction in future Department of Defense spending levels could adversely impact our sales, operating profit and our cash flow. We have resources applied to specific government contracts and if any of those contracts are rescheduled or terminated, we may incur substantial costs redeploying those resources.</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	Webpage	Statement of Business Ethics	19/07/2019	https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/ethics_policy_by_language_2018/Ethics_Book_ENGLISH_ONLY_Jan_2017.pdf
02	Document	Proxy Statement 2019	09/04/2020	https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/Proxy_Statements/Moog%20Proxy%20-%20FY2018.pdf
03	Webpage	Employee Complaint Procedures	19/07/2019	https://www.moog.com/investors/corporate-governance-guidelines/employee-complaint-procedures-for-accounting-and-auditing-matter.html
04	Document	Supplemental Terms and Conditions of Purchase	10/04/2020	https://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/legal-regulatory/Moog%20Supplemental%20Terms%20and%20Conditions%20of%20Purchase.pdf
05	Document	Moog Inc - Standard Terms and Conditions of Purchase	19/07/2019	https://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/US-Supply-Chain-Terms-and-Conditions-of-Purchase-Final-03152018.pdf
06	Document	Form 10K 2018	23/07/2019	https://www.moog.com/content/dam/moog/literature/Corporate/Investors/SEC/10-K_Filings/FY%2018%20Q4%20-%2009.29.18%20-%20FINAL.pdf
07	Webpage	SAP Ariba	10/04/2020	https://www.moog.com/suppliers/ariba.html
08	Webpage	FT Markets Data	09/04/2020	https://markets.ft.com/data/equities/tearsheet/summary?s=MOG.A:NYQ
09	Webpage	Audit Committee Charter	09/04/2020	https://www.moog.com/investors/corporate-governance-guidelines/charter-of-the-audit-committee-of-the-board-of-directors.html
10	Webpage	Corporate Governance Guidelines	09/04/2020	https://www.moog.com/investors/corporate-governance-guidelines.html
11	Webpage	Become A Supplier To Moog	10/04/2020	https://www.moog.com/suppliers/become-a-supplier-to-moog.html
12	Webpage	Anti-Human Trafficking Statement	10/04/2020	https://www.moog.com/investors/corporate-governance-guidelines/policy-statement---anti-human-trafficking-disclosure-statement.html