The following pages contain the detailed scoring for your company based on public information.

The following table represents a summary of your scores:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Number of questions</th>
<th>% score based on public information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership, Governance and Organisation</td>
<td>10</td>
<td>25%</td>
</tr>
<tr>
<td>Risk Management</td>
<td>5</td>
<td>0%</td>
</tr>
<tr>
<td>Company Policy and Codes</td>
<td>12</td>
<td>41.7%</td>
</tr>
<tr>
<td>Training</td>
<td>5</td>
<td>0%</td>
</tr>
<tr>
<td>Personnel and Helplines</td>
<td>7</td>
<td>78.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>39</strong></td>
<td><strong>33.3%</strong></td>
</tr>
</tbody>
</table>

TI has found no evidence that the company is involved in offsets and has therefore removed the two relevant questions (A13a and A13b).
A1:
Does the company publish a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has published a statement from the Chief Executive Officer or the Chair of the Board supporting the ethics and anti-corruption agenda of the company. TI notes one minor statement from CEO Jeffrey D. Frisby which is insufficiently strong.

References:
Public:
TI notes:
Annual Report (2013), p.5:
‘Triumph is “One Name” with “Many Solutions”, offering customers a full range of services that they can access as needed backed by our reputation for innovative collaboration, technological leadership and uncompromising ethics.
Jeffrey Frisby, President & CEO’
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9MTkwMDE4fENoaWxkSUQ9LTF8VHlwZT0z&t=1
A2:
Does the company’s Chief Executive Officer or the Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company’s Chief Executive Officer or Chair of the Board demonstrate a strong personal, external facing commitment to the ethics and anti-corruption agenda of the company.

References:
Public:
NA
A3:
Does the company’s Chief Executive Officer demonstrate a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the Chief Executive Officer demonstrates a strong personal, internal-facing commitment to the ethics and anti-corruption agenda of the company, actively promoting the ethics and anti-corruption agenda at all levels of the company structure.

References:
Public: NA
A4:
Does the company publish a statement of values or principles representing high standards of business conduct, including honesty, trust, transparency, openness, integrity and accountability?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company publishes a statement of values or principles representing high standards of business conduct. While the company does list integrity as one of its core values, it is not used in reference to ethical business conduct, but rather meeting customer demands. Only one sentence on the company website references integrity with character and ethical values. To score higher the company should provide a detailed explanation of its values that represent high standards of business conduct, and demonstrate why they matter to the organisation.

References:
Public:
TI notes:
Company website: Culture / Mission
‘Triumph’s Values
All companies share the Triumph name and a common dedication to the core values of Integrity, Innovation, Quality and Service, Flawless Execution, and Commitment. In fiscal 2011, we implemented “Striving for Excellence,” a company-wide program to communicate and reinforce these values among all employees. These values serve as guiding principles as we fulfill our commitment to our customers, employees, investors, suppliers and the communities in which we operate.’
http://www.triumphgroup.com/about/culture-mission

Annual Report (2014), p.0:
‘All companies share the Triumph name and a common dedication to the core values of Integrity, Innovation, Quality and Service, Flawless Execution and Commitment.’

(p.3): ‘Triumph’s Core Values
Triumph always leads with our core values, which guide everything we do. We have five core values: Integrity, Innovation, Quality and Service, Flawless Execution, and Commitment.

Integrity

Integrity throughout the Triumph organization is absolute. Integrity means we always deliver what we promise. No exceptions. This does not mean we live in a challenge-free world, as our experience in fiscal 2014 demonstrates. However, when problems occur, we accept responsibility and move quickly to address and resolve them.

To support this effort, we’ve assembled a Global Rapid Response Team comprised of experts from throughout the Triumph companies – experts in technology, quality, supply chain, logistics, finance, and all the disciplines required to assure that we always meet and exceed our customers’ demands.

Triumph’s ability to access and focus the talent of our entire network to provide solutions for our customers is unsurpassed in our industry.’

Company website: Corporate Governance Highlights

‘The Triumph Group is committed to earning and maintaining the trust of our shareholders, employees, customers and communities by adhering to the highest ethical and business standards. As a company listed on the New York Stock Exchange, Triumph complies with stringent standards of corporate governance required by the NYSE. In so doing, we reaffirm our belief that the integrity, character and ethical values of our senior executives and our directors remain our most important safeguards of corporate governance.’
A5:
Does the company belong to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company belongs to one or more national or international initiatives that promote anti-corruption or business ethics with a significant focus on anti-corruption.

References:
Public:
NA
A6:
Has the company appointed a Board committee or individual Board member with overall corporate responsibility for its ethics and anti-corruption agenda?

Score:

2

Comments:
Based on public information, there is evidence that the Audit Committee has overall corporate responsibility for the company’s ethics and anti-corruption agenda. The Committee’s responsibilities include reviewing policies and procedures designed to promote compliance.

References:
Public:
Audit Committee Charter (July 2013), p.1:
‘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.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.6): ‘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.’

http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTN8Q2hpbGRJRD0tMXxUeXBlPTM=&t=1
Corporate Governance Guidelines (July 2013), p.1:
‘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.’

http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTZ8Q2hpbGRJRD0tMXxUeXBlPTM=&t=1

Nominating and Corporate Governance Committee Charter (July 2013), p.3:
‘The Committee shall develop, review and assess the Company’s Code of Business Conduct annually. The Committee shall advise the Board of any request for waiver from such Code of Business Conduct and recommend a disposition of any such request to the Board for its consideration.’

http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNjB8Q2hpbGRJRD0tMXxUeXBlPTM=&t=1
A7:
Has the company appointed a person at a senior level within the company to have responsibility for implementing the company’s ethics and anti-corruption agenda, and who has a direct reporting line to the Board?

Score:

1

Comments:
Based on public information, there is some evidence that the company has appointed a person at a senior level within the company to have responsibility for implementing the company’s ethics and anti-corruption agenda. While General Counsel John B. Wright, II reports to the Board on the Company’s compliance with the terms of its Code of Business Conduct, it is unclear if this responsibility involves implementing the entire ethics and anti-corruption agenda. The company therefore scores 1. To score higher, the company would need to provide evidence that clearly states which individual has responsibility for implementing its ethics and anti-corruption agenda.

References:
Public:
Corporate Governance Guidelines (July 2013), p.1:
‘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.’

Company website: About – Executive Officers and Directors
‘John B. Wright, II
Vice President, General Counsel & Secretary’
Is there regular Board level monitoring and review of the performance of the company’s ethics and anti-corruption agenda?

Score:

2

Comments:

Based on public information, there is evidence that the company’s Audit Committee regularly reports to the Board on the implementation and effectiveness of the company’s ethics and compliance programs. In addition, the Nominating and Corporate Governance Committee Charter reviews and assesses the Company’s Code of Business Conduct annually.

References:

Public:
Audit Committee Charter (July 2013), p.1:
‘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.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.6): ‘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.’

Corporate Governance Guidelines (July 2013), p.1:
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.

Nominating and Corporate Governance Committee Charter (July 2013), p.3:
‘The Committee shall develop, review and assess the Company’s Code of Business Conduct annually. The Committee shall advise the Board of any request for waiver from such Code of Business Conduct and recommend a disposition of any such request to the Board for its consideration.’
A8(a):
Is there a formal, clear, written plan in place on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, and evidence of improvement plans being implemented when issues are identified?

Score:
0

Comments:
Based on public information, there is no readily available evidence of a formal, clear, written plan on which the review of the ethics and anti-corruption agenda by the Board or senior management is based, nor evidence of improvement plans being implemented when issues are identified.

References:
Public:
NA
A9:
Does the company have a formal process for review and where appropriate update its policies and practices in response to actual or alleged instances of corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a formal process for review and where appropriate updates its policies and practices in response to actual or alleged instances of corruption.

References:
Public:
NA
A9(a):
Does the company have a formal anti-corruption risk assessment procedure implemented enterprise-wide?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure implemented enterprise-wide.

References:
Public:
NA
A10:

Does the company have a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has a formal anti-corruption risk assessment procedure for assessing proposed business decisions, with clear requirements on the circumstances under which such a procedure should be applied.

References:

Public:
NA
A11:
Does the company conduct due diligence that minimises corruption risk when selecting or reappointing its agents?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company conducts due diligence that minimises corruption risk when selecting or reappointing agents.

References:
Public: NA
A12:
Does the company have contractual rights and processes for the behaviour, monitoring, control, and audit of agents with respect to countering corruption?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has contractual rights and processes for the behaviour, monitoring, control and audit of agents, with respect to countering corruption.

References:
Public:
NA
A13:

Does the company make clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company makes clear to contractors, sub-contractors, and suppliers, through policy and contractual terms, its stance on bribery and corruption and the consequences of breaches to this stance.

References:

Public:
NA
A13(a):
Does the company explicitly address the corruption risks associated with offset contracting?

Score:

NA

Comments:
Based on public information, there is no readily available evidence that the company engages in offset contracting.

References:
NA
A13(b):
Does the company conduct due diligence that minimises corruption risk when selecting its offset partners and offset brokers?

Score:

NA

Comments:
Based on public information, there is no readily available evidence that the company engages in offset contracting.

References:

NA
A15:
Does the company have an anti-corruption policy that prohibits corruption in its various forms?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has an anti-corruption policy that prohibits corruption in its various forms. The company only states their compliance with the FCPA, or other laws when operating in different jurisdictions. To score higher the company must have a policy that prohibits the giving and receiving of bribes, and that is explicit on the various forms corruptions can take.

References:
Public:
TI notes:
Annual Report (2014), p.17:
‘In addition, we are subject to the Foreign Corrupt Practices Act which generally bars bribes or unreasonable gifts to foreign governments or officials.’

Code of Business Conduct (July 2013), p.2:
‘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.’

(pp.2-3): ‘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 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.’

http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTR8Q2hpbGRJRD0tMXxUeXBlPTM=&t=1
A16:
Is the anti-corruption policy explicitly one of zero tolerance?

Score:
1

Comments:
Based on public information, there is no readily available evidence that the company's anti-corruption policy is explicitly one of zero tolerance. However, the company has a zero tolerance policy of violations of the Code of Business Ethics and Conduct, as shown by its explicit stance on disciplinary procedures in the event of a violation by any employee or director. The company therefore scores 1.

References:
Public:
Code of Business Conduct (2013), p.1:
‘We must all strive to cultivate a Company culture of honesty and accountability. 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.10): ‘Any infraction of applicable laws, rules, regulations or the ethical standards set forth in this Code will subject an employee, officer or director to disciplinary action. Such action may include warning, reprimand, probation, suspension, reductions in salary, demotion or dismissal.'
A17:
Is the company's anti-corruption policy easily accessible to Board members, employees, contracted staff and any other organisations acting with or on behalf of the company?

Score:

1

Comments:
Based on public information, there is evidence that the company has an anti-corruption policy easily accessible to Board members and employees. The Code of Business Conduct is available on the company website and any changes to it are brought to the attention of all employees, officers and directors. However, the Code of Business Conduct is only available in English and evidence suggests the company operates in multiple countries worldwide. The company therefore scores 1.

References:
Public:
Code of Business Conduct (2013), p.10:
‘Availability of Code. This Code shall be available on the Company website. It shall also be available, in print, to shareholders upon request, and by any other means required by law or stock exchange regulation.’

(p.2): ‘Both this Code and the policies located in the policy manuals may be amended or supplemented from time to time as the Company deems necessary and all employees, officers and directors will be alerted to any such amendment or supplement.
You have received the Company’s employee handbook which sets forth additional guidelines for your conduct.’

Company website: History
‘While most of its companies are based in the United States, Triumph has evolved into a global corporation with a presence in Europe, Asia and Mexico. In 2007 Triumph opened a major new maintenance facility in Thailand, and in 2010 opened a new manufacturing facility in Zacatecas, Mexico. These operations allow Triumph to expand the services of its U.S.-based companies in closer proximity to the rapidly growing markets they serve.’
A17(a):
Is the company’s anti-corruption policy easily understandable and clear to Board members, employees and third parties?

Score:

1

Comments:
Based on public information, there is evidence that the company’s anti-corruption policy is somewhat understandable and clear to Board members and employees. However, the language in some sections of the Code of Business Conduct is assessed to be dense and lacks clarity. The company therefore scores 1. To score higher the company could simplify the Code of Business Conduct by using clearer language.

References:
Public:
Code of Business Conduct (2013), p.1:
‘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. 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.’
A18:

Does the anti-corruption policy explicitly apply to all employees and members of the Board?

Score:

2

Comments:

Based on public information, there is evidence that the Code of Business Conduct explicitly applies to all employees and members of the Board.

References:

Public:
Code of Business Conduct (July 2013), p.1:
'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. 'It does not cover every situation that could arise; instead it provides guiding principles that apply to all employees, officers and directors’.
A20:
Does the company have a policy on potential conflicts of interest, and does it apply to both employees and board members?

Score:

2

Comments:
Based on public information, there is evidence that the company has a detailed policy on potential conflicts of interest. Located in the Code of Business Conduct it applies to all employees and board members. A definition of a conflict of interest is provided, along with several examples.

References:
Public:
Code of Business Conduct (July 2013), p.1:
‘Avoiding situations where personal interests are, or appear to be, in conflict with Company interests.’

(p.5): ‘Conflicts of Interest
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 a whole. Conflicts of interest, and the appearance of conflicts, are prohibited.
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:
• 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.)
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 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 interest, investment or association that interferes with the independent exercise of sound judgment in the Company’s best interests. Also, any activities that create the appearance of a conflict of interest should be avoided.

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 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.

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 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 gain.

(pp.5-6): ‘In certain specific transactions, the improper use of Company 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, result in a conflict of interest, as could employment with a supplier, competitor or customer of the Company by a member of the employee’s, officer’s or director’s family. 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’

(p6): ‘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, 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:

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.

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.’
A21:
Does the company have a policy for the giving and receipt of gifts to ensure that such transactions are bona fide and not a subterfuge for bribery?

Score:

1

Comments:
Based on public information, there is evidence of a company policy for the giving and receipt of gifts. It is minimal in description, restricting gift exchange that aims to induce decisions, may be seen as inappropriate or contravenes applicable laws. Employees and directors are encouraged to consult the General Counsel if they have any questions regarding whether any gift is inappropriate or inconsistent with the Code of Business Conduct. The company therefore scores 1. To score higher the company must set upper limits for gift exchange or senior authorisation and broaden the policy beyond US law.

References:
Public:
Code of Business Conduct (July 2013), p.1:
‘Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations.’

(pp.7-8): ‘Acceptance or Giving of Gifts, Entertainment, Loans or Favors.
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 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.8): ‘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:

- 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.

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.’
A22:
Does the company's anti-corruption policy include a statement on the giving and receipt of hospitality that ensures that such transactions are bona fide and not a subterfuge for bribery?

Score:
1

Comments:
Based on public information, there is evidence of a company policy for the giving and receipt of hospitality. It is minimal in description, restricting hospitality exchange that aims to induce decisions, may be seen as inappropriate or contravenes applicable laws. Employees and directors are encouraged to consult the General Counsel if they have any questions regarding whether any hospitality is inappropriate or inconsistent with the Code of Business Conduct. The company therefore scores 1. To score higher the company must set upper limits for gift exchange or senior authorisation and broaden the policy beyond US law.

References:
Public:
Code of Business Conduct (2013), p.1:
‘Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations.’

(pp.7-8): ‘Acceptance or Giving of Gifts, Entertainment, Loans or Favors.
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 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.’
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:

- 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.

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.”
A23:
Does the company have a policy that explicitly prohibits facilitation payments?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company has a policy that explicitly prohibits facilitation payments.

References:
Public:
NA
A24:

Does the company prohibit political contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent? Does the company record and publicly disclose all political contributions?

Score:

1

Comments:

Based on public information, there is some evidence that the company regulates political contributions, in order to prevent undue influence or other corrupt intent. The company therefore scores 1. However, it is not clear that the company discloses all political contributions.

References:

Public:
Code of Business Conduct (2013), p.2:
‘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: Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations.’
A25:
Does the company have a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, and discloses the issues on which the company lobbies?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a clear policy on engagement in lobbying activities, in order to prevent undue influence or other corrupt intent, or discloses the issues on which the company lobbies. Despite the Code of Business Conduct stating that all employees and directors should conduct relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations, TI feels this is insufficient in this case.

References:
Public:
TI notes:
Code of Business Conduct (2013), p.2:
‘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: Conducting relationships with public officials and political candidates in compliance with all applicable laws, rules and regulations.’
A25(a):
Does the company prohibit charitable contributions, or regulate such contributions in order to prevent undue influence or other corrupt intent?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company prohibits or regulates charitable contributions, in order to prevent undue influence or other corrupt intent.

References:
Public:
NA
A26:

Does the company provide written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company provides written guidance to help Board members and employees understand and implement the firm’s ethics and anti-corruption agenda. The Code of Business Conduct is assessed to lack clarity, with few scenarios to assist employees with understanding the rules and regulations. To score higher the company would need to provide written guidance that contains scenarios or case studies, to ensure that any areas of uncertainty are fully explained.

References:

Public:
TI notes:
Code of Business Conduct (2013), p.2:
‘You have received the Company’s employee handbook which sets forth additional guidelines for your conduct.’
A27:
Does the company have a training programme that explicitly covers anti-corruption?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company has a training programme that explicitly covers anti-corruption.

References:
Public:
NA
A28:
Is anti-corruption training provided in all countries where the company operates or has company sites?

Score:

0

Comments:
Based on public information, there is no readily available evidence that anti-corruption training is provided in all countries where the company operates or has company sites.

References:
Public:
NA
A29:
Does the company provide targeted anti-corruption training to members of the Board?

Score:
0

Comments:
Based on public information, there is no readily available evidence that the company provides targeted anti-corruption training to members of the Board.

References:
Public:
NA
A30:
Does the company provide tailored ethics and anti-corruption training for employees in sensitive positions?

Score:

0

Comments:
Based on public information, there is no readily available evidence that the company provides tailored ethics and anti-corruption training for employees in sensitive positions.

References:
Public:
NA
A31:
Does the company have a clear and formal process by which employees declare conflicts of interest?

Score:

2

Comments:
Based on public information, there is evidence that the company has a process by which employees declare conflicts of interest. Employees must disclose promptly to the General Counsel the facts and circumstances of potential or actual conflicts of interest. Alternatively employees can consult with their manager before entering into transactions or associations where the potential for conflict of interest exists.

References:
Public:
Code of Business Conduct (2013), p.1:
‘Avoiding situations where personal interests are, or appear to be, in conflict with Company interests.’

(p.5): ‘Conflicts of Interest
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 a whole. Conflicts of interest, and the appearance of conflicts, are prohibited.
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:
• 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.)
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 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 interest, investment or association that interferes with the independent exercise of sound judgment in the Company’s best interests. Also, any activities that create the appearance of a conflict of interest should be avoided.

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 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.

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 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 gain’

(pp.5-6): ‘In certain specific transactions, the improper use of Company 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, result in a conflict of interest, as could employment with a supplier, competitor or customer of the Company by a member of the employee’s, officer’s or director’s family. 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’

(p6): ‘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, 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:

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.

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.
A32: Is the company explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities?

Score: 2

Comments: Based on public information, there is evidence that the company is explicit in its commitment to apply disciplinary procedures to employees, Directors and Board members found to have engaged in corrupt activities.

References:

Public:
Code of Business Conduct (2013), p.1:
‘We must all strive to cultivate a Company culture of honesty and accountability. 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.10): ‘Any infraction of applicable laws, rules, regulations or the ethical standards set forth in this Code will subject an employee, officer or director to disciplinary action. Such action may include warning, reprimand, probation, suspension, reductions in salary, demotion or dismissal.
In lieu of or in addition to any such disciplinary action, the Company may ask the employee, officer or director to desist from any transaction, or dissolve any relationship or association, which gives rise to the infraction. Failure to make disclosures required by this Code shall also subject an employee, officer or director to disciplinary action up to and including termination.’
A33:
Does the company have multiple, well-publicised channels that are easily accessible and secure, to guarantee confidentiality or anonymity where requested by the employee (e.g. web, phone, in person), to report concerns or instances of suspected corrupt activity?

Score:

2

Comments:
Based on public information, there is evidence that employees can report concerns or instances of suspected corrupt activity using multiple, well-publicised channels. A Corporate Governance Hotline is publicised in the Code of Business Conduct and on the company website, but the number is only displayed on the latter. The hotline is available 24/7, operated by an independent party and allows employees to report concerns anonymously. Alternatively, employees may contact the General Counsel by mail, email or phone, with contact details offered in the Code of Business Conduct.

References:

Public:
Company website: Corporate Governance Highlights
‘Anyone who has a concern regarding compliance with law, company policy or ethical principles relating to Triumph Group, Inc. or any of its operating companies, including concerns about questionable accounting, internal accounting controls or auditing matters, may communicate that concern by contacting our Corporate Governance Hotline at 800-863-1083. When calling from outside the U.S.A., you must first dial the applicable AT&T Direct access code found here[hyperlink]. These calls will be transcribed and submitted on a confidential, anonymous basis.’


Code of Business Conduct (2013), p.3:
‘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

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WWW.TRIUMPHGROUP.COM
the Company of any law, rule or regulation, the Code or any other Company policy’
(p.4): ‘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.

The Hotline functions as follows:

1. 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.

2. The Company’s third party vendor prepares a record of the complaint and promptly transmits the complaint to the General Counsel.

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.

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

Anyone not wishing to report an issue anonymously may also contact the General Counsel via e-mail at: generalcounsel@triumphgroup.com.’

Company website: Contact Triumph
‘Contact Us
Anyone who has a concern regarding compliance with legal or ethical issues relating to Triumph Group, Inc. or any of its operating companies, including concerns about questionable accounting, internal accounting controls or auditing matters may
communicate that concern by contacting our Corporate Governance Hotline at 800-863-1083. These calls will be transcribed and submitted on a confidential, anonymous basis.'

http://www.triumphgroup.com/contact-us/solutions
A33(a):
Are the whistleblowing channels available to all employees in all geographies?

Score:
2

Comments:
Based on public information, there is evidence that across geographies, all employees have access to more than one reporting channel. These channels include the General Counsel and the Corporate Governance Hotline.

References:
Public:
Company website: History
‘While most of its companies are based in the United States, Triumph has evolved into a global corporation with a presence in Europe, Asia and Mexico. In 2007 Triumph opened a major new maintenance facility in Thailand, and in 2010 opened a new manufacturing facility in Zacatecas, Mexico. These operations allow Triumph to expand the services of its U.S.-based companies in closer proximity to the rapidly growing markets they serve.’
http://www.triumphgroup.com/about/history

Company website: Locations
http://www.triumphgroup.com/capabilities/locations

Company website: Corporate Governance Highlights
‘Anyone who has a concern regarding compliance with law, company policy or ethical principles relating to Triumph Group, Inc. or any of its operating companies, including concerns about questionable accounting, internal accounting controls or auditing matters, may communicate that concern by contacting our Corporate Governance Hotline at 800-863-1083. When calling from outside the U.S.A., you must first dial the applicable AT&T Direct access code found here [hyperlink]. These calls will be transcribed and submitted on a confidential, anonymous basis.’
A33(b):

Does the company have formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, and that whistleblowers are treated supportively?

Score:

0

Comments:

Based on public information, there is no readily available evidence that the company has formal and comprehensive mechanisms to assure itself that whistleblowing by employees is not deterred, or that whistleblowers are treated supportively.

References:

Public:
NA

NA
A34:
Does the company have well-publicised resources available to all employees where help and advice can be sought on corruption-related issues?

Score:

2

Comments:
Based on public information, there is evidence that the company has well-publicised resources available to all employees where help and advice can be sought on corruption-related issues. This includes consulting with managers, supervisors or the General Counsel, with the contact details of the General Counsel provided in the Code of Business Conduct.

References:
Public:
Code of Business Conduct (2013), p.1: ‘Ethical 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’
A35:
Is there a commitment to non-retaliation for bona fide reporting of corruption?

Score:

1

Comments:
Based on public information, there is evidence that there is a commitment to non-retaliation for bona fide reporting of corruption. However, there is no readily available evidence that disciplinary measures are applied to employees who breach this policy. The company therefore scores 1.

References:
Public:
Code of Business Conduct (2013), p.1:
‘Triumph does not permit retaliation for reports made in good faith.’
Information Sources:

Company website:
http://www.triumphgroup.com/

Annual Report (2013):
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9MTkwMDE4fENoaWxkSUQ9LTF8VHlwZT0z&t=1

http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NTQ2ODc2fENoaWxkSUQ9MjM5MDYzfr5cGU9MQ==&t=1

Audit Committee Charter (July 2013):
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTN8Q2hpbGRJRD0tMXxUeXBIPTM=&t=1

Code of Business Conduct (July 2013):
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTR8Q2hpbGRJRD0tMXxUeXBIPTM=&t=1

Corporate Governance Guidelines (July 2013):
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNTZ8Q2hpbGRJRD0tMXxUeXBIPTM=&t=1

Nominating and Corporate Governance Committee Charter (July 2013):
http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NjUyNjB8Q2hpbGRJRD0tMXxUeXBIPTM=&t=1