
Anti-Corruption Policy

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1. PURPOSE

The purpose of the Anti-Corruption Policy is to reiterate MDA Ltd.'s commitment to conducting its business with honesty and integrity and in full compliance with all applicable anti-bribery or anti-corruption laws.

2. SCOPE

The Anti-Corruption Policy ("the Policy") applies to all Board members, directors, officers, employees, contractors, agents, and consultants ("Company Personnel") of MDA Ltd. and its subsidiaries, affiliates, partnerships and ventures (the "Company").

3. POLICY

The Company is committed to the highest levels of ethics and integrity in the way that we do business. We understand that this is crucial to our continued success and reputation.

3.1 Bribery and Corruption are Strictly Prohibited

Company Personnel, and anyone acting on behalf of the Company, are prohibited from engaging in bribery or corruption in any form whatsoever.

A "bribe" is anything of value that is offered, promised, given or received by any party to influence a decision or to gain or reward an improper or unfair advantage for the benefit of the Company or any other party. "Corruption" is the abuse of power or position for private gain.

Bribery and corruption can take many forms. A non-exhaustive list of examples include:

- Cash payments;
- Kickbacks;
- Loans, whether or not repaid;
- Extra commissions or extra discounts;
- In-kind help and services;
- Phony jobs or consulting relationships;
- Jobs for relatives of public officials or potential customers;
- Expensive gifts, free travel and lavish entertainment; and
- Political or charitable contributions.

3.2 Facilitation Payments Prohibited

Facilitation payments are occasional small payments made to facilitate or expedite the performance of routine non-discretionary government action, such as processing a visa, scheduling an inspection or releasing goods held in customs. Note that official, legally required statutory or administrative fees formally imposed and codified by government agencies for expedited services are not facilitation payments.

Facilitation payments are a form of bribery and corruption and, accordingly, Company Personnel are strictly prohibited from making facilitation payments.

There may be situations in which a payment which would otherwise be considered a facilitation payment may be made in response to an imminent threat to a person's physical health or safety. Examples of such a situation

could include being detained by persons claiming to be police or military personnel who demand payment as a condition of release, or being threatened with imprisonment for a routine traffic or visa violation unless a payment is made.

Company Personnel who believe that a facilitation payment is necessary due to an imminent threat to their physical health or safety must obtain prior approval from a member of the Executive Management Team (CEO, CFO, Vice President of a business unit or function, etc.), unless the circumstances make this impossible, in which case the payment must be reported to a member of the Executive Management Team as soon as reasonably possible thereafter.

3.3 Public Officials

While the Company prohibits bribes or corrupt payments to anyone, dealings with government and public officials require special care and an enhanced level of scrutiny.

The *Corruption of Foreign Public Officials Act* of Canada, the *Foreign Corrupt Practices Act* of the United States, the *Bribery Act* of the United Kingdom, and similar legislation in other countries prohibit giving, promising, offering or authorizing the provision of money or anything of value to any foreign “public official” for the purpose of influencing a decision or obtaining business.

A “public official” is any person who is employed by or is acting in an official capacity for a government, a department, agency or instrumentality of a government, regulator, or a public international organization. This includes elected or appointed persons who hold legislative, administrative or judicial positions such as politicians, bureaucrats, civil servants, members of the military, and judges. It also includes candidates for political office, political party officials and persons who perform public functions such as professionals working for public health agencies, public utilities, planning officials and agents of public international organizations such as the United Nations. A “public official” also includes employees of government-owned or controlled agencies and businesses such as people who work at a government-owned telecommunications company.

There is increased sensitivity and investigation of dealings with public officials given that corruption amongst government officials has traditionally been an area of concern amongst regulatory and law enforcement agencies. Company Personnel must be cognizant of these risks in dealings and interactions with public officials and consider how their actions may be viewed.

As interactions with public officials carry special risks under applicable anti-bribery and anti-corruption laws, any and all contracts and payments to public officials must be reviewed in accordance with the policies and processes from time to time implemented by the Company, and Company Personnel are required to consult with a member of the Legal, Contracts & Compliance team prior to contracting with, or offering or making payments, to any public official.

3.4 Third Parties

Under relevant anti-bribery and anti-corruption laws, including those in respect of public officials, the Company can be held liable for the conduct of third parties acting on its behalf. Third parties can include customers, suppliers, vendors, sales representatives, distributors, resellers, advisors, teaming partners, contractors, subcontractors, consortium partners, and joint venture partners of the Company.

This Policy prohibits bribery or corruption through any third parties, directly or indirectly, for or on behalf of, or in connection with, any business or activities of the Company.

Company Personnel shall take reasonable precautions to ensure that third parties who interact with or are engaged to act on behalf of the Company are reputable, honest and qualified to perform the roles or deliver the goods or services for which they have been contracted. Prior to entering into any arrangements with any third party, Company Personnel will ensure that appropriate “know your customer” and anti-corruption due diligence

has been conducted in accordance with the policies and processes implemented by the Company. Company Personnel should contact a member of the Legal, Contracts & Compliance team to confirm the policies and processes which may be applicable to their particular arrangement with a third party.

As the Company may also face liability for the prior bribery or corruption violations of the entities it acquires or invests in, appropriate “know your customer” and anti-corruption due diligence shall be conducted in connection with any potential acquisition by the Company of a controlling interest in any third party. Such due diligence shall be conducted to discover and assess any potential or historic violations, to evaluate the anti-corruption policies and internal controls in place, and to ensure the acquisition or investment agreement contains the appropriate provisions to protect the Company. Following the acquisition of a controlling interest in a third party, the Company must take all reasonable measures to ensure the target entity adopts, implements or maintains an anti-corruption compliance program that is consistent with this Policy.

Company Personnel will ensure that all agreements with third parties are in writing, are approved and executed in accordance with the Company’s internal approval and authorization processes and, where applicable, contain appropriate anti-corruption provisions.

3.5 Gifts & Hospitality

Exchanging gifts and hospitality creates goodwill and establishes trust in business relationships. However, offering gifts and hospitality in order to improperly influence an action or decision in favour of the Company may be considered a bribe and result in a violation of applicable anti-corruption laws.

“Gifts” include promotional gifts, gratuities, favours, benefits and other tangible or intangible items having monetary value for which fair market value is not paid by the recipient. “Hospitality” includes meals, drinks, entertainment and recreation (e.g. tickets and passes), transportation or lodging expenses for which fair market value is not paid by the recipient.

The following standards are to be followed when considering giving or receiving Gifts & Hospitality:

- The giving and receiving of Gifts & Hospitality must be permitted under local laws and regulations.
- Gifts & Hospitality must never be capable of improperly influencing business decisions, or cause others to perceive an influence or intention to improperly influence, and must not place, or be perceived to place the Company, Company Personnel or the recipient under an obligation.
- Do not offer or receive Gifts or Hospitality that could damage the Company’s reputation or image.
- Company Personnel must ensure that the Company’s rules on the giving and receiving of Gifts & Hospitality are followed. Likewise, Company Personnel shall abide by the policies on giving and receiving of Gifts & Hospitality of the Company’s customers, suppliers, subcontractors, business partners and other stakeholders, when applicable.
- Prior to giving any Gifts & Hospitality, Company Personnel should confirm with the recipient thereof whether the receipt of such Gifts & Hospitality is permitted by any applicable policies of the recipient.
- Gifts offered must be reasonable and of appropriate value and customary for the local jurisdiction and the type of business. Expenses for meals and refreshments should only be made in accordance with relevant expense policies and in no circumstance should exceed CDN \$250 per recipient per day. No unreasonable side trips should be planned or paid for by the Company. No friends or family members of the recipient are permitted to travel at the Company’s expense.
- Always use sensible judgment in deciding what is reasonable and appropriate in respect of value, frequency, and timing. Also, in determining reasonableness or appropriateness, due consideration must be given to the customary practices in the particular industry involved, and whether or not such Gifts or

Hospitality is likely to improperly influence the recipient.

- Receiving and/or offering cash or cash vouchers that are not related to normal per diem expenses (e.g. meals), loans or similar financial arrangements is not permitted.
- Gifts & Hospitality must be occasional (modest expenses frequently incurred can, when aggregated, amount to lavish and potentially improper payments).
- Gifts & Hospitality should successfully pass the “Challenge Test” set out in Schedule A to this Policy.

In addition, the following standards are to be followed when considering giving or receiving Gifts & Hospitality and dealing with public officials:

- Company Personnel shall familiarize themselves with the public official’s applicable laws, regulations and policies on the giving and receiving of Gifts & Hospitality.
- It is prohibited to offer Gifts to public officials, their spouses, family or friends except for Company branded promotional items of nominal value (i.e., pens, mugs, notepads, water bottles, caps, t-shirts, etc.). Hospitality offered to public officials is strongly discouraged, and where offered must be modest and reasonable.
- Gifts & Hospitality from public officials to Company Personnel, their spouses or family should always be declined with exception of ‘official gifts’ given openly as a courtesy or as a token of appreciation, and Company Personnel should thereafter report any official gifts to their immediate supervisor.

3.6 Donations

In some case, political or charitable donations can, or can be perceived as attempts to, influence a business decision, and therefore may violate applicable anti-corruption laws.

To ensure that the Company remains in compliance with applicable laws regarding political donations, all political donations, regardless of the amount, made on behalf of the Company (directly or indirectly), or otherwise relating to the business of the Company, must be approved in advance by the Chief Executive Officer.

The Company seeks to address social needs through strategic charitable donations that support communities, build brand equity and align with the Company’s business priorities. A charitable donation can be cash contributions or in-kind support, such as the supply of Company Personnel volunteering during work hours or the loan of the Company’s equipment or facilities. All charitable donations by the Company (whether cash or in-kind support) require the prior approval of the Vice President, Corporate Communications, and shall be in accordance with the guidelines set out in Schedule B to this Policy.

3.7 Books and Records

Company Personnel must accurately and fairly report all expenditures incurred in connection with the Company’s business. Each expense statement, request for reimbursement, and record entry must include, at minimum: (i) the amount; (ii) the date of the transaction; (iii) the recipients or beneficiaries; and (iv) the purpose of the transaction. In addition, no undisclosed or unrecorded fund or asset may be established or maintained.

The Company and relevant Company Personnel will keep books, records and accounts and implement controls that accurately and fairly reflect the Company’s transactions, expenses and disposition of assets, and are otherwise in accordance with the applicable expense and accounting policies of the Company.

3.8 Attestations & Training

On an annual basis, Company Personnel shall (i) acknowledge having received, read, understood, and agreed to comply with this Policy and (ii) complete such anti-corruption training modules as may from time to time be assigned to them by the Company. In addition, the Company may from time to time designate specific Company functions and/or Company Personnel for additional anti-corruption training to be provided by the Legal, Contracts & Compliance team where the role or activities of such functions or Company Personnel may expose them to a higher level of corruption and bribery risks. All such training is mandatory and shall be completed by the applicable Company Personnel within a reasonable period of time of being made available.

In addition, as part of the Company's ongoing anti-bribery and anti-corruption compliance program, Company Personnel may from time to time be required to review the questions set out on Schedule C to this Policy and report any affirmative responses to the designated Company function(s).

3.9 Continuing Review

The Company will cause this Policy and the process and procedures set out herein to be reviewed on a periodic basis to assess their suitability, adequacy and effectiveness. Where applicable, such review will also include audits of randomly selected individual files/transactions which are subject to this Policy.

SCHEDULE A

“Challenge Test”

A “Challenge Test” should be conducted by Company Personnel in relation to both the act of giving or receiving Gifts & Hospitality as well as the individuals involved (“Individuals” being defined both as the recipient and the donor):

- Are the Gifts & Hospitality permitted under all applicable laws and regulations?
- Is the value reasonable to the relevant event and seniority of the Individual involved and in accordance with lawful and accepted practice in the jurisdiction in question?
- Does the value of the Gifts & Hospitality fall within the range deemed reasonable and appropriate in the Individual's home jurisdiction?
- Would the Individual involved be comfortable explaining the Gifts & Hospitality to his or her supervisor or colleagues to justify the actions if it became publicly known, or to openly write a 'thank you' note?
- Are the Gifts & Hospitality of an occasional nature and not made or extended between the same Individuals over a period of time to the extent that it becomes excessive?
- Are the Individuals involved in the middle of tender activities or contract negotiations so that offering or accepting Gifts & Hospitality could lead to, or be perceived to lead to, an obligation?
- Have the Individuals involved actively offered information about or inquired about the Gifts & Hospitality policies of their respective organizations to get exact information about respective organizations approval requirements or value limits?

When these questions have been answered satisfactorily, using the good judgment of a prudent business person, the Gifts & Hospitality can generally be proceeded with so long as the other requirements of the Policy are complied with.

SCHEDULE B

Charitable Donations Guidelines

- Donations are made directly to a registered charitable organization and not to an individual.
- Official donation receipts are provided by the charitable organizations.
- At least one of the following must be applicable to the charitable organization:
 - Contributes to medical and health related issues (e.g. Children's Hospital, Diabetes, Heart & Stroke Foundation, Hospitals or Cancer Research);
 - Promotes positive growth, education or support to socially disadvantaged groups (e.g. United Way);
 - Supports emergency disaster relief or other humanitarian aid efforts provided that the donation is channeled through a recognized fundraising organizations (e.g. Red Cross, UNICEF, etc.);
 - Focuses on education of youth (e.g. elementary and secondary schools, junior achievement, etc.);
 - Supports the advancement of science, technology, engineering and mathematics education and careers;
or
 - Supports diversity and inclusion initiatives
- In addition to any approvals required by the Policy, the approval of the Chief Executive Officer and the General Counsel & Vice President, Legal are also required if a donation is:
 - To a charitable organization that is registered or operates in countries other than Canada, the United States or the United Kingdom;
 - To a charitable organization recommended by a public official, customer or prospective customer; or
 - To a charitable organization with close ties to a public official, customer or prospective customer.

SCHEDULE C

Attestation of Compliance

- Have you been convicted within the past five (5) years for any bribery, corruption, money laundering or any other offence under the *Corruption of Foreign Public Officials Act (Canada)*, the *Criminal Code (Canada)*, the *Foreign Corrupt Practices Act* of the United States, the *Bribery Act 2010* of the United Kingdom or any other law dealing with bribery, corruption or money laundering?
- Are you currently subject to any form of settlement or other arrangement (such as a plea agreement, performance bond, deferred prosecution agreement, etc.) with public prosecutors related to the violation of any laws against bribery, corruption or money laundering?
- Are you currently under suspension or barred from contracting with or being otherwise under sanction from any government (including Canada, the U.S. or the U.K.), inter-governmental organization or an international financial institution due to bribery, corruption or money laundering offences?
- Are you aware of any action taken or to be taken by or on behalf of any MDA company which you reasonably believe may be contrary to any law dealing with bribery, corruption or money laundering?
- To your knowledge, are you currently under investigation by, or facing any charges brought by, any public prosecutor and/or any law enforcement agency in connection with any alleged bribery, corruption or money laundering offences?