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1 Policy

At Graham Corporation (“Graham”), we are committed to the highest standards of ethics and integrity in all our activities. This Anti-Bribery and Anti-Corruption Policy (this “Policy”) sets forth Graham’s commitment to ensure that Graham, its employees and affiliates, and others acting on Graham’s behalf abide by all international and local Anti-Bribery and Anti-Corruption Laws (as defined below) in countries in which Graham conducts business. Graham prohibits any form of bribery or corruption, whether involving a Public Official (as defined below) or a private sector company or individual, and whether direct or indirect through a Third-Party Representative (as defined below). This means that Graham prohibits giving, offering, promising or receiving Anything of Value (as defined below), directly or indirectly, with the intent to obtain an improper business advantage for Graham. For example, this includes an improper inducement for a procurement representative or buyer representing any customer, directly or indirectly, to approve, reimburse, purchase or recommend a Graham service or product or provide any other business advantage (e.g., influence a decision affecting Graham’s business).

Graham does not distinguish between Public Officials and employees of private sector organizations. However, it is important to recognize that Public Officials are often subject to additional rules and restrictions. For this reason, Graham often requires additional scrutiny of interactions with Public Officials.

This Policy aligns with Graham’s “Code of Business Conduct and Ethics.” The principles explained in this Policy are implemented with associated policies and procedures that can be found on the company’s corporate website and/or Human Resource Information System portal, as well as day-to-day guidance and training from Graham’s HR, Finance and Compliance Departments and legal counsel. Collectively, these documents and guidance constitute this Policy and govern our day-to-day interactions with the individuals and entities with which we do business.

2 Scope

This Policy applies to all employees, officers, directors and contractors of Graham Corporation, its subsidiaries, and affiliates (collectively “**Graham Personnel**”).

In addition, Graham also expects Third Party Representatives to abide by this Policy and the terms and conditions of their engagement.

3 Definitions

“**Anti-Bribery and Anti-Corruption Laws**” refers to international and local laws that collectively prohibit bribery and corruption. Such laws include the U.S. Foreign Corrupt Practices Act (“**FCPA**”), and the U.K. Bribery Act, as well as other, foreign, federal, state, and local laws. These laws commonly require an organization to have an adequate system of internal financial controls, and to keep accurate and detailed books and records. Violation of these laws may give rise to criminal offenses punishable by fines and imprisonment, and individual liability may extend to those planning, carrying out or condoning prohibited acts.

“**Anything of Value**” includes cash, money, goods and services, including consulting agreements, speaker fees, research agreements, travel, hospitality, meals, favors, entertainment, donations, gifts, or anything that confers a personal benefit.

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“**Public Official**” refers to: (a) any elected or appointed official or employee of a government or government department, government agency, or of a company owned or partially owned by a government; (b) any elected or appointed officers or employees of public international organizations (e.g., United Nations, World Health Organization); (c) any person acting in an official capacity for or on behalf of a government or a government department, government agency, government-owned entity, or a public international organization; (d) politicians and candidates for a political office; (e) any member of a royal family or member of the military; or (f) any other person who is considered to be a public official according to applicable laws, regulations and industry codes (e.g., customs officials, border agents).

“**Third Party Representative**” refers to those who are authorized to act for or on behalf of Graham, and may include domestic or foreign sales agents, distributors, subcontractors, regulatory agents, advisors, consultants, market research firms, meeting planners, agents, custom brokers and contract manufacturing organizations.

4 Responsibilities and Consequences of Non-Compliance

All Graham Personnel and Third-Party Representatives are expected to be aware of, and comply with this Policy and immediately report, actual or suspected violations in accordance with Section 6 below.

Managers are expected to oversee their direct reports’ understanding and compliance with this Policy and Anti-Bribery and Anti-Corruption Laws.

Violations of this Policy by any Graham Personnel may result in disciplinary action up to termination of employment as well as the potential for prosecution, fines or imprisonment in accordance with applicable laws. Any Third-Party Representatives who violate this Policy may face termination of contracts and business relations with Graham.

5 Requirements for Graham’s Business Activities and Interactions

5.1 Prohibited Payments

Graham Personnel and Third-Party Representatives are prohibited from giving, offering, promising or receiving Anything of Value, directly or indirectly, with the intent to obtain an improper business advantage for Graham. In some cases, even payments not intended to be improper can appear to be so and expose the individual and company to potential liability. As a result, Graham Personnel and Third-Party Representatives must transparently consult with their supervisors, senior management, and the CFO, and legal counsel as authorized by any of the executive leaders, as required by this Policy.

Below is a non-exhaustive list of activities and interactions where particular care needs to be taken to comply with this Policy.

5.1.1 Consulting Arrangements

Consulting arrangements with third parties present a heightened risk if a third party is engaged – or may reasonably be perceived to be engaged – for the purpose of acquiring an improper business advantage. Accordingly, consulting arrangements, including arrangements with Public Officials (e.g., speaker engagements, advisory engagements), may only be entered into if there is a bona fide and

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legitimate business need for the services, compensation does not exceed fair market value, the arrangement is permitted by applicable laws and the arrangement complies with this Policy.

5.1.2 Gifts, Hospitality and Entertainment

Graham prohibits the offer or attempt to offer any Gift, Hospitality or Entertainment (“GHE”) to a Public Official.

Graham prohibits the offer or attempt to offer any GHE with the intent to influence a decision maker’s objectivity, or to obtain an improper business advantage for Graham.

All GHE provided by Graham must comply with our Gifts, Hospitality and Entertainment Policy.

DEFINITIONS:

“**Gift**” means the offer of or transfer of an item or a benefit to an employee or representative of a customer or prospective customer. Examples include but are not limited to unbranded pens, mugs, backpacks, collectibles, tickets to event, or other benefits that will be used or enjoyed independently by the recipient and/or their families.

“**Hospitality**” means the offer of or provision of meals, beverages, transportation or lodging at events or meetings also attended by at least one Graham employee.

“**Entertainment**” means the offer of or provision of tickets to events, or events sponsored by Graham, that are also attended by at least one Graham employee.

5.1.3 Providing Funding or Other Support to Third Parties (including Sponsorships, Grants and Donations)

Providing funding or other support to third parties, such as through sponsorships, grants and donations, may create a heightened risk if such support is provided – or may reasonably be perceived to be provided – in exchange for an improper business advantage. Accordingly, funding or support to third parties may only be provided if permitted by applicable laws, are of a reasonable value, made in direct support of a legitimate business purpose, and follows this Policy. Some countries’ laws prohibit or strictly limit the nature or value of sponsorships that may be provided to Public Officials.

Funding or support to third parties may not be provided with the intent to obtain an improper business advantage for Graham.

5.1.4 Political Contributions and Lobbying Activities

All political contributions made on Graham’s behalf to Public Officials must be compliant with applicable laws, regulations and industry codes, and comply with Graham’s Political Contribution Policy Statement as then in effect and posted on Graham’s website. Further, political contributions must be fully transparent. For purposes of this Policy, political contributions include both monetary and non-monetary (e.g., resources and facilities) contributions to support Public Officials, political parties or political initiatives.

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Lobbying activities must always be compliant with applicable laws and regulations, and may not be made with the intent to improperly influence the decision of a person or group of people to purchase, use or recommend any Graham product or service, or to improperly provide any other favorable treatment to Graham.

5.1.5 Facilitation Payments

Graham prohibits all Graham Personnel from offering or authorizing the offer of “facilitation payments,” which are small, unofficial payments (sometimes referred to as “tips” or “grease payments”) to Public Officials to expedite the performance of routine government actions. All requests for facilitation payments (either direct or indirect) must be reported as provided in Section 6 below.

By contrast, expediting payments made to a government agency itself (not to an individual) that have been officially authorized (such as an official fee to expedite passport renewal) are not facilitation payments and, accordingly, are permissible.

5.1.6 Receiving Improper Advantages from Third Parties (e.g., Vendors)

Graham Personnel and Third-Party Representatives may not accept any excessive gifts, gratuities or entertainment from companies, such as vendors, that have business dealings with Graham. You may accept gifts, entertainment, meals or social invitations that are part of normal, ethical business practices.

5.1.7 Mergers and Acquisitions

In connection with merger and acquisition transactions, Graham considers and evaluates the potential risks posed by an acquisition or merger target under Anti-Bribery and Anti-Corruption Laws and the potential impact such risks could pose to Graham. Any questions about the level of due diligence required should be directed to Graham’s senior management.

5.2 Retention and Oversight of Third-Party Representatives

Graham may face liabilities relating to violations of Anti-Bribery and Anti-Corruption Laws by its Third-Party Representatives, even in situations in which Graham is unaware that illegal payments have been made. Graham’s reputation for conducting its business using only legal and ethical means could be undone by a single act of a Third-Party Representative.

Graham engages Third Party Representatives to provide services for or on behalf of the company in the normal course of business. Graham Personnel who retain Third Party Representatives are responsible for appropriate oversight of the conduct of the Third-Party Representatives, including taking steps to ensure that the amount Graham pays does not exceed the fair market value of products or services being purchased.

Prior to engaging a Third-Party Representative, Graham conducts reasonable due diligence regarding the proposed Third-Party Representative. The level of due diligence undertaken depends on the nature of services provided and other circumstances outlined in this Policy, and may include, without limitation, questionnaires to be completed by the Third-Party Representative, interviews and background checks.

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Graham will periodically update its due diligence requirements, provide training, require certifications of Anti-Bribery and Anti-Corruption Laws compliance and perform audits of certain Third-Party Representatives. As described in Section 4 above, Graham Personnel and Third-Party Representatives are required to monitor and take appropriate action if there are signs of potential bribery or corruption risk.

5.3 Signs of Potential Corruption or Bribery Risk

No Graham Personnel or Third-Party Representative may ignore suspicious behavior by others. In conducting Graham's business affairs, Graham Personnel and Third-Party Representatives must be vigilant towards certain factors that may signal the possibility of a bribery or corruption risk, including but not limited to:

- Threats that Graham representatives will be denied access to necessary resources unless benefits are provided;
- Promises of support for Graham, its services or products in exchange for benefits;
- Requests for payments in cash, to a third party, or to an account that is not domiciled in the country of the payee or where the transaction takes place;
- Requests for excessive compensation;
- Consulting agreements with only vaguely described services;
- Requests for gifts, hospitality or travel beyond reasonable standards;
- Third parties with close relations to or associations with Public Officials;
- Suggestion of favorable treatment in exchange for use of a particular local vendor or supplier; and
- Past violations of applicable laws.

5.4 Recordkeeping

All payments by Graham and its Third-Party Representatives must be supported by proper documentation, such as receipts and invoices. As mandated by Anti-Bribery and Anti-Corruption Laws, including the books and records requirements of the U.S. FCPA, records, including support documentation, must be kept in reasonable detail to accurately and fairly reflect all business affairs and transactions. Additionally, records of all transactions should reflect execution in accordance with internal policies and professional accounting standards. It is prohibited to mischaracterize or omit any transaction on Graham's books or those of its Third-Party Representatives.

6 Reporting Violations

If any Graham Personnel or Third Party Representative is taking actions or may be considering taking actions that are suspicious and that you think may be a violation of this Policy, you must immediately report these actions (actual or potential) or suspicions to your supervisor, senior management or Graham's EthicsPoint Hotline at grahamcorpmobile.ethicspoint.com (mobile); or grahamcorp.ethicspoint.com (online). Please see posters located in our Facilities if you prefer to scan a bar code. Graham has a complaint procedure and non-retaliation policy to protect those raising concerns from being retaliated against for doing so.

This Policy will be communicated in writing to all employees and through training on a periodic basis. Graham will periodically audit and monitor its activities to ensure compliance with this Policy.



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7 Where to Get Help

You are strongly encouraged to ask any questions that you may have regarding this Policy, or actions you believe might be in violation of such laws. These questions should be directed to your supervisor or senior management.