

# **CPI AEROSTRUCTURES, INC.**

## **Whistleblower Policy**

### **Purpose**

CPI Aerostructures, Inc. (the “*Company*” or “*CPI Aero*”) is committed to maintaining the highest ethical standards and ensuring a safe and inclusive work environment for everyone. It is the Company’s policy to promote open communication. The Company believes that everyone should have a safe, and if necessary, confidential means to report concerns, complaints, and actual and potential violations of law, the Company’s Code of Ethics and Business Conduct, Employee Handbook, and other policies (collectively, “*Applicable Law and/or Company Policy*”). This Whistleblower Policy has been enacted to promote transparency, fairness, and accountability in investigating such reported concerns. By adhering to it, we demonstrate and reinforce our commitment to maintaining a safe, ethical, and inclusive workplace and operating with integrity.

### **Scope**

This policy applies to all directors, officers, employees, and independent contractors of the Company and all subsidiaries, operating units, joint ventures or other affiliates controlled by the Company.

### **Policy**

Persons must report all conduct which they believe is in violation of Applicable Law and/or Company Policy, including but not limited to any concerns regarding accounting, internal accounting controls, or auditing matters. Persons should report conduct by any person or persons connected with CPI Aero who the reporting person believes is involved in acts of:

- Dishonesty.
- Fraud.
- Corruption.
- Offering, accepting, or soliciting bribes or engaging in corrupt practices.
- Illegal conduct (including but not limited to theft, illegal drug use, threatened and actual violence, and criminal damage against property).
- Questionable accounting practices, violations of internal accounting controls, and any other auditing or financial matters.
- Violations of workplace policies regarding equal employment opportunity, harassment (including sexual harassment), or discrimination.
- Use of offensive, degrading, or discriminatory language or verbal attacks based on gender, sexual orientation, religion, race, ethnicity, disability, or socioeconomic status.
- Unethical conduct (either representing a breach of CPI Aero’s Code of Conduct and Ethics or generally).
- Other serious improper conduct.
- Breaches of environmental laws or regulations, workplace safety standards, or public health risks.
- Any unsafe work practice.
- Gross mismanagement.
- Serious and substantial waste of Company assets.
- Unauthorized disclosure or use of Company proprietary or confidential information.
- Repeated instances of breach of administrative procedures.

- Insider trading, misrepresentation of material information, or any activity that violates Securities and Exchange Commission or NYSE American regulations.
- Violation of any other Applicable Law and/or Company Policy.
- Any other conduct which may cause financial or non-financial loss to CPI Aero or be otherwise detrimental to the reputation or other interests of the Company.
- Retaliation against any individual for reporting any of the conduct above.

In this context, corruption is dishonest activity in which a director, agent, employee or independent contractor of CPI Aero acts contrary to the interests of the Company and abuses his/her/their position of trust in order to achieve some personal gain or advantage for him/herself/themselves or for another person or entity.

Additionally, for these purposes, fraud is dishonest activity causing actual or potential financial loss to any person including the Company, including theft of money or property by persons inside and outside CPI Aero. It also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position.

## Reporting Procedures

Persons may report concerns through the following channels:

- Ideally, for concerns related to (i) accounting, financial reporting, internal controls, and auditing matters reports may be directed to the Chair of the Audit and Finance Committee at [rick\\_s\\_caswell@sbcglobal.net](mailto:rick_s_caswell@sbcglobal.net) and (ii) all other matters, including ethical concerns, workplace misconduct, and governance issues reports may be directed to the Chair of the Nominating and Corporate Governance Committee at [MF@nextpointco.com](mailto:MF@nextpointco.com).
- Alternatively, any report may be made (i) to the Company's ethics officer, April Galena, VP, Human Resources and Administration (the "*Ethics Officer*") at [agalena@cpiaero.com](mailto:agalena@cpiaero.com) or telephone at 631-586-6200 ext. 289; (ii) to any officer, member of management, or representative of the Human Resources and Administration department, who shall promptly bring the matter to the attention of the Ethics Officer or (iii) by emailing the Company at [EthicsConcern@cpiaero.com](mailto:EthicsConcern@cpiaero.com).
- Anonymous reports can be submitted through the Company's third-party reporting service by:
  - Email: [reports@syntrio.com](mailto:reports@syntrio.com) (must include "CPI Aero" in the email).
  - Hotline: 833-977-5677.
  - Online Report Form: <https://report.syntrio.com/cpiaero>.

When making a report, you should include as much detail as possible regarding the suspected violation, including: the name(s) of those involved; the date(s) of the occurrence; the name(s) of witness(es), if any; and any supporting documentation. Your detailed information will assist with the investigation of the matter.

Receipt of the report will be acknowledged to the reporter within a reasonable period following receipt if the sender supplies an address for response.

## *Anonymous Reporting*

Anonymous reporting contacts are administered and staffed by a third-party vendor specializing in confidential hotline reporting. The hotline is not equipped with caller ID, recorders, or other devices that can identify or trace the phone number from which you are calling or the internet address that you are using. Reporting persons are still requested to provide as much detailed information as possible so the matter can

be properly reviewed. Upon receipt, hotline reports are promptly provided from the vendor to the Ethics Officer for evaluation and investigation as described further below. A lack of sufficient detail may limit the Company's ability to sufficiently investigate and remediate the matter.

A summary of the Company's reporting hotline activity and significant compliance-related activity is provided to the Audit and Finance Committee and the Nominating and Corporate Governance Committee of the Company's Board of Directors (the "*Board Committees*") on a quarterly basis.

#### *Non-Company Disclosure*

In accordance with this Whistleblower Policy, persons should report violations of Applicable Law and/or Company Policy via the methods above prior to any other disclosure (including public disclosure) of such matter, except where: (a) there is an imminent and serious danger to the public health or safety; (b) the person reasonably believes that reporting would result in a destruction of evidence or other concealment of the activity, policy or practice; (c) such activity, policy or practice could reasonably be expected to lead to endangering the welfare of a minor; (d) the person reasonably believes that reporting would result in physical harm to the person or any other person; or (e) the person reasonably believes that the Chair of the responsible Board Committee or the Ethics Officer (the "*Report Contact*") is already aware of the violation and will not correct such activity, policy or practice.

Please note, no person will be subject to liability or retaliation for disclosing a trade secret if it is done in compliance with 18 U.S.C. §1833 and is made either in confidence to a federal, state, or local government official or to an attorney solely for the purpose of making a report in compliance with this Whistleblower Policy or participating in any investigation relating to an alleged violation or fraudulent auditing and accounting activity or in a complaint or other document filed in a lawsuit or other proceeding under seal.

#### **Report Follow-through Procedure:**

All reports will be taken seriously and will be promptly and thoroughly investigated. The specific action taken in any particular case depends on the nature and gravity of the conduct or circumstances reported and the results of the investigation. The general procedure is as follows:

- Once a report is received, the reported information is provided to and documented by the Report Contact.
- The Report Contact determines (subject to the provisions of this policy) which Company resource or person is best positioned to effectively investigate the matter depending on the subject matter and expertise required.
- If the conclusion reached in the investigation is that a violation is deemed to have occurred, the Report Contact works with management to determine the most appropriate way to remediate the violation and, if applicable, punish the violator(s), which punishment may include termination of employment and referral to law enforcement or other regulatory bodies or government agencies.
- The Report Contact will ensure that a report is completed for all matters investigated.
- The Report Contact will determine what is the appropriate briefing, if any, to the person who initially raised the concern (if the identity of the individual is known or if the individual provides an email address in the anonymous reporting process).

Provision of truthful information in connection with an inquiry or investigation by the Company, a court, agency, law enforcement, or any other governmental body is a requirement of this Whistleblower Policy.

### *Special procedure for reports relating to accounting and auditing matters*

If a report is received relating to questionable accounting practices, violations of internal accounting controls, and any other auditing or financial matters, or the reporting of fraudulent financial information, including but not limited to significant deficiencies in the design or operation of internal and/or disclosure controls which could adversely affect the Company's ability to record, process, summarize and report financial data; or any fraud, whether or not material, that involves management or other employees who are involved in the Company's financial reporting, disclosures or internal controls, then the processing of the report follow a specialized procedure. Each such report is: (a) promptly reported to the Audit and Finance Committee; (b) investigated by the Audit and Finance Committee as it determines to be appropriate, which may include investigation by the Audit and Finance Committee, the Company's Chief Financial Officer, Controller, internal or external attorneys or outside advisors, among others, as appropriate; and (c) if the conclusion reached in the investigation is that a violation is deemed to have occurred, the Audit and Finance Committee shall work with management to determine the most appropriate way to remediate the violation and, if applicable, punish the violator, which punishment may include termination of employment and referral to law enforcement or other regulatory bodies or government agencies.

### **Confidentiality**

During an investigation, every effort is made to ensure that the identity of and information provided by the reporting person are kept confidential and shared only with those who have a business need to know.

### **Retaliation**

CPI Aero strictly prohibits retaliation against any person who makes a report pursuant to this Whistleblower Policy in good faith. Any person who experiences or observes what may reasonably be considered retaliatory conduct must promptly report the conduct using the procedures described above so that an investigation can be made, and corrective action taken. This enables the Company to honor our values by dealing with the matter in accordance with the procedures outlined above. Anyone deemed to have breached the policy against retaliation will be subject to discipline up to and including the potential for termination of employment or any other working relationship with the Company. Further, the Company will fully comply with applicable law to the extent that it is violated in breaching this Whistleblower Policy against retaliation.

### **Responsibilities**

*Directors, Officers, Employees, and Independent Contractors:* All Company directors, officers, employees, and independent contractors are responsible for promptly and appropriately reporting any suspected violations of Applicable Law or Company Policy using the procedures described above. Employees have the responsibility to cooperate fully with any Company-designated investigators and provide truthful information throughout the course of such investigation. Any person who fails to cooperate with a Company investigation or who provides false or misleading information to Company investigators will be subject to disciplinary action up to and including possible employment or engagement termination. Directors, officers, employees, and independent contractors are responsible for maintaining and retaining all potentially relevant records (*e.g.*, email, instant messages, files, notes, photographs, recordings) relating to any ongoing investigations they have been notified of and providing them to the Company. Any person who knowingly destroys any potentially relevant records or information will be subject to disciplinary action up to and including termination of employment or engagement. Any director, officer employee or independent contractor who violates the Company's policy against retaliation will be subject to disciplinary action up to and including termination of employment or engagement. Conduct which violates applicable law may

be subject to further disciplinary action not imposed by the Company (*i.e.*, by law enforcement or other regulatory body).

*Managers:* Company managers have the additional responsibility of fostering and maintaining a working environment where all employees are encouraged to report compliance issues and feel protected in doing so. Managers are responsible for familiarizing themselves with the types of improprieties reasonably most likely to occur within their areas of responsibility and be alert for any indication of irregularity, crime, fraud, or other violation of Applicable Law and/or Company Policy. Managers who receive a report of a compliance issue are required to treat such concerns or allegations with discretion, and to treat any employee who reported such a concern in good faith with respect and without so much as any implied threat of retaliation for having done so. Managers shall maintain strict confidentiality about potential issues reported to them and share information only with the Ethics Officer in order to properly investigate and remediate the matter. Managers shall promptly report any concerns or issues reported to them, and any other potential compliance issues they personally become aware of, to the Ethics Officer.

*Report Contact:* The respective Report Contact is responsible for ensuring investigations into reports regarding violations of Applicable Law and/or Company Policy are handled in a fair and objective manner. The respective Report Contact shall ensure findings from such investigations are communicated to appropriate parties for consideration of whether corrective action and/or discipline is warranted. The Report Contact shall ensure that confidentiality is maintained to the fullest extent possible for all information connected to any such investigation. The Report Contact has the responsibility to coordinate with and utilize the best resources available to effectuate the practices and purpose of this Whistleblower Policy, including without limitation the Company's outside general counsel and the Board Committees.

### **Modification**

The Company expressly reserves the right to change, modify, or delete the provisions of this Whistleblower Policy with or without notice.

### **Administration**

The Ethics Officer is responsible for the administration of this Whistleblower Policy. All directors, officers, employees, and independent contractors are responsible for consulting and complying with the current version of this Whistleblower Policy. If you have any questions regarding this Whistleblower Policy, how to make reports, or concerning the scope or delegation of authority, please contact the Ethics Officer, April Galena, via email at [agalena@cpiaero.com](mailto:agalena@cpiaero.com) or telephone at 631-586-6200 ext. 289.

### **Effective Date**

- This Whistleblower Policy was most recently amended March 26, 2025

\* \* \* \* \*