

WOODWARD CONSTITUTION

Our Values, Principles, Business Philosophy,
and Commitment to Our Stakeholders

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A TRADITION OF INTEGRITY



Dear Woodward Members,

The Constitution embodies our philosophy about how we conduct business, our beliefs, and our commitment to our stakeholders.

Woodward first released its Constitution in 1971. It was a way to document the unique corporate partnership of worker and shareholder members and our principles of business practices.

This updated version reflects and reinforces our strong tradition of integrity, cooperation, and balance among our stakeholders and it demonstrates our dedication to ethical business conduct and practices.

All members should read and embrace the Constitution as it defines our unique culture and the way we want all members to conduct themselves.

A handwritten signature in cursive script that reads 'Tom Gendron'.

Tom Gendron
President and Chief Executive Officer

WHY WE ARE HERE

VISION STATEMENT

Woodward sets the global standard for Energy Control & Optimization Solutions. Our success is enabled by our members and measured by the satisfaction of our customers and the return to our shareholders.

HOW WE CONDUCT BUSINESS

BUSINESS PHILOSOPHY

Integrity defines and guides us as a company. Woodward's commitment to integrity is fundamental to our heritage and provides the foundation for our vision, values, principles, goals, strategies, and conduct.

SHAREHOLDER, CUSTOMER, AND MEMBER PHILOSOPHY

Shareholders: Ultimate control and direction of the company is vested with the shareholders as exercised through the Board of Directors. Our goal is that shareholders will receive a return that, in the long run, represents an attractive investment.

Customers: We are passionate about customer satisfaction, the ultimate measure of our success. We are committed to honesty and integrity when dealing with our customers. Our goal is to provide the highest quality products and services that contribute to our customers' success.

Members: Our members embrace integrity, initiative, teamwork, and excellence in all their activities. Our goal is to provide attractive total compensation for our members and promote an environment that fosters growth, accomplishment, and satisfaction. Our compensation system is market based, linked to pay for performance, and offers all members the opportunity to share in the success of the company through performance-based variable pay bonus programs.

COMMUNITY PHILOSOPHY

We believe Woodward does more than provide jobs to the communities in which we operate. We are deeply committed to supporting programs and organizations that ensure our communities are desirable places to live and work. We cultivate a spirit of volunteerism by encouraging our members to get involved in activities that foster education and focus on health and welfare. As individuals and as a company, we respond to the needs of our communities with significant amounts of time, talent, and money. Our company's success should contribute to the prosperity and quality of our communities.



OUR BELIEFS, VALUES, AND PRINCIPLES

For more than a century, Woodward has focused on what is best for its stakeholders—shareholders, customers, members, and suppliers. While conducting business, we hold steadfast to our core values and principles. It is the responsibility of all members to maintain our standards of conduct in their daily business activities. We are firm in our belief that our members do what is right for the business with integrity because the interests of Woodward and our members are inseparable.

RESPECT FOR THE INDIVIDUAL

The dignity, worth, and equality of all members is acknowledged in the actions and policies of the company.

INTEGRITY

All activities of the business are conducted with honesty, integrity, and the highest ethical behavior.

EXCELLENCE

Members strive for excellence, innovation, and continuous improvement in their jobs and are accountable for the results of their actions.

TEAMWORK

Members recognize that working together at all levels and across locations leverages our capabilities, strengthens the company, and leads to improved business results.

CUSTOMER SATISFACTION

We exist because of our customers and therefore strive for customer satisfaction in all aspects of our business.

INITIATIVE

Members have a bias for action and a sense of urgency to improve business results.

DRIVE FOR RESULTS

We balance short- and long-term results to ensure a consistent, sustainable track record of revenue and earnings growth.

COMMITMENT TO STAKEHOLDERS

LEADERSHIP COMMITMENT

Our leadership provides a robust strategic vision and direction, helping formulate organizational strategies and goals that advance the interests of Woodward's stakeholders. Leaders will responsibly allocate resources, focus members, and align activities to ensure the long-term success of the company. We are committed to provide a work place that is safe and environmentally friendly. Members have the opportunity and are encouraged to offer ideas to leaders that positively affect the business. At all times, leaders will foster an environment where the dignity and respect of all members is recognized.

SHAREHOLDERS

We are committed to promoting the long-term interests of our shareholders. We will do this by achieving a sustained record of growth and profitability. Our conduct will be compatible with regulatory, social, and economic priorities, and we will operate according to the laws and customs where we do business to promote acceptance and respect for the company.

CUSTOMERS

Helping customers achieve their goals is the key to our long-term success. We will strive to exceed their expectations in terms of Quality, Delivery, Responsiveness, and Cost. By treating our customers as partners, we can anticipate their needs and provide innovative solutions for their businesses. Our conduct is of the highest integrity, which enables us to build trust, confidence, and mutual respect.

MEMBERS

The company's ability to meet customer needs and provide a satisfactory return to shareholders depends on its ability to attract and retain outstanding members. We believe in the importance of acting according to strong ethical values. Innovation, teamwork, and respect for each other are attributes we value in our members. We encourage self development and will assist members to improve their capabilities.

SUPPLIERS

The company's ability to meet or exceed both our customers' and shareholders' expectations is closely coupled with our business relationships within our supply base. We strive to identify and partner with suppliers whose culture, conduct, and drive for excellence support our values, principles, and goals. We believe that conducting business within the supply base with the highest level of integrity will provide the desired success for our business as well as our suppliers.

LIVING THE CONSTITUTION

Woodward has conducted business with integrity since it was founded in 1870. These core values and principles are essential to us, and we expect everyone at Woodward to behave accordingly. Each of our Board members has committed to act ethically at all times and to adhere to the policies in the Woodward Codes of Business Conduct and Ethics. The commitment also extends to others who represent or act on behalf of Woodward. Representatives are instructed that their conduct on our behalf shall comply with these codes. It is required that our Board, members, and representatives understand and comply with the Woodward Codes of Business Conduct and Ethics.



 **WOODWARD**