

Promise #2: LABOUR PRACTICES

DEFINITION: The labour practices of an organisation encompass all policies and practices relating to work performed within, by or on behalf of the organisation.

STATEMENT OF INTENT: Shearwater is committed to ethical labour practices. Our commitment is shaped by the “[International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work](#)” including:

- Freedom of association and the effective recognition of the right to collective bargaining;
- The elimination of all forms of forced or compulsory labour;
- The effective abolition of child labour; and
- The elimination of discrimination in respect of employment and occupation.

We also encompass commitments to Occupational Health and Safety within our understanding of ethical labour practices.

SCOPE: Our labour practices commitments extend to the following areas:

1. Legal Commitments;
2. Anti-Discrimination and Equal Employment Opportunities; and
3. Occupational Health and Safety.

1. LEGAL COMMITMENTS

Shearwater rigorously adheres to all labour and employment laws in all the jurisdictions in which we operate, including those related to child labour, forced labour, unreasonable disciplinary practices and unreasonable working hours which are prohibited within Shearwater.

Modern slavery encompasses slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services. It can refer to any situation of exploitation where a person cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception. Shearwater adheres to all labour practices laws within Australia which prohibit all forms of modern slavery. We believe the behaviour of our suppliers and contractors are important to our business and to the projects we deliver to our customers. We expect all commercial partners to comply with the law in all jurisdictions in which they operate, and to ensure they do not engage in any practices that constitute forms of modern slavery.

Wages and benefits are compliant with relevant laws in the jurisdictions in which we operate. Shearwater aspires to be an employer of choice and offers competitive remuneration to attract and retain highly skilled staff.

Freedom of association and the right to collectively bargain is supported.

2. ANTI-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITIES

• Anti-Discrimination:

Shearwater is committed to providing employees with a safe work environment, free from discrimination and harassment.

We maintain clear and unambiguous anti-discrimination and anti-harassment provisions. We do not tolerate any discrimination or harassment and regard this as a

serious matter. Any incidents will be dealt with appropriately.

We are committed to ensuring that the working environment is free from discrimination on the basis of race, colour, religious or political beliefs, gender, age, pregnancy, parental status, sexual orientation, marital status, disabilities or impairments. Decisions regarding the employment relationship, such as recruitment, promotion, or opportunities to participate in training and career development, must be based solely on the skills, experience, qualifications and aptitude of the individuals.

Shearwater will strive to provide a working environment that is free from harassment and bullying. This includes freedom from harassment of a sexual, verbal, non-verbal or physical nature; intentional or unintentional, whether it occurs in a single incident or repeatedly over time; any bullying behaviour that is offensive, abusive, intimidating, malicious or insulting.

Furthermore, a grievance process exists to raise discrimination and harassment concerns.

• **Equal Employment Opportunity:**

We are committed to Equal Employment Opportunities (EEO) in all aspects of our people management practices, policies and procedures.

We value the diversity of our workforce and respect the differences between team members, recognising that each team member has individual skills and attributes that they bring to their job.

Due to an inherent lack of gender and ethnic diversity within the cybersecurity industry, Shearwater is committed to fostering an inclusive workforce to encourage more diverse participation.

We are continuously working towards achieving gender parity. We also employ people from a diverse range of ethnic, national, religious and cultural backgrounds. Shearwater is proud of the fact that by the commencement of FY2019, approximately 25% of our workforce were born overseas.

Shearwater fully supports and endorses the work undertaken by the UN in addressing sexual orientation and sex and/or gender identity discrimination and believe that people of all sexual orientations and gender identities deserve to be treated with respect and equality in the workplace. We actively encourage and support people of

all sexual orientations, sex and/or gender identity in the workplace.

We recognise that equal opportunity does not mean treating everyone the same. The commitment to equal opportunity principles provides the stimulus for Shearwater to develop and implement policies, programs and other mechanisms to ensure that equal opportunity is given to all team members, and that members of disadvantaged groups have equal access to opportunities for employment and education.

3. OCCUPATIONAL HEALTH AND SAFETY

Health and safety at work concerns the promotion and maintenance of the highest degree of physical, mental and social well-being of workers and prevention of harm to health caused by working conditions. It also relates to the protection of workers' physiological and psychological health needs and managing risks within the occupational environment.

Shearwater views good Occupational Health and Safety (OH&S) practices as critical.

This requires that we adhere to the following principles:

- Ensuring the health, safety and welfare of our employees (and other employees) while at work;
- Ensuring that persons who are not employees of Shearwater are not exposed to a risk to their health and safety as a result of Shearwater conduct;
- Proactively identifying any hazards in the workplace that may be a risk to health and safety and eliminating or controlling those hazards; and
- Consulting with employees and other workers about health and safety issues in the workplace.

To ensure fulfilment of our OH&S obligations, we comply with, and in many cases exceed, all relevant Australian health and safety laws, including workers' compensation and workplace injury management legislation. Details of our comprehensive OH&S policies and procedures are regularly communicated to staff, including training for all new staff.

Other initiatives we take to meet our OH&S obligations include:

- Complying with relevant advice, training and injury avoidance requirements when on client sites including Safe Work Instructions for racking technology

- and equipment when required to work in equipment rooms or data centres;
 - The development of an Employee Assistance Programme (EAP) which provides counselling services to staff to help encourage mental health;
 - Staff are encouraged to participate in surveys to gauge and improve employee satisfaction;
 - Personal health and well-being are encouraged through a subsidised wellness program;
- Food and nutrition are supplemented with a weekly allocation of fresh fruit at office locations;
- Ventilation in workspaces and lighting levels are actively managed in all office locations;
- Actively improving conditions where the use of chemicals or other potentially harmful cleaning substances and processes are a concern;
 - Emergency evacuation procedures are mature and well managed and maintained. Suitable practice drills are performed on a regular basis in all Shearwater locations.

Ergonomic assessments and reviews are conducted within Shearwater office locations. Recommendations from these reviews are used to procure necessary equipment to improve working conditions for office-based staff.

[Mentally Healthy Workplace Training for Managers](#) conducted by the Black Dog Institute

Annual OH&S audit schedule, including defining safety targets in a drive towards zero workplace injuries, underpinned by a risk management regime.

Under development: Anti-Bullying training for all staff.

Shearwater takes active steps to ensure that all employees maintain a great quality of life and that work and life are balanced and equitable. To this end, the company maintains a people first principle, with flexibility and support built into our operations.

Shearwater observes all public holidays in the jurisdictions in which we operate and provides a comprehensive and fully funded leave entitlement program. This leave entitlement program covers:

- Personal annual leave;
- Sick and carer's leave;
- Compassionate and bereavement leave;
- Volunteer and national service leave;
- Study leave;
- Family and domestic violence leave;
- Long service leave; and
- Maternity/paternity leave.

Shearwater operates to relevant Australian standards as a minimum. We view the Australian standards for health and safety as world's best practice, and the regulatory environment the strictest globally, with respect to safeguarding employee safety.