

Promise #4:

FAIR OPERATING PRACTICES

DEFINITION: Fair operating practices concern ethical conduct in an organisation's dealings with other organisations.

STATEMENT OF INTENT: Shearwater's purpose is to "create a safer connected world". Enhancing society's overall cybersecurity posture requires meaningful cooperation between parties who share this common goal. Such cooperation can only occur if we forge relationships built on trust. Adherence to fair operating practices helps foster that essential trust. Shearwater's commitment to fair operating practices extends to relationships with government/public agencies, private organisations, as well as commercial partners, suppliers, contractors, customers, competitors, and the associations of which they are members.

SCOPE: Our fair operating practices extend to the following areas:

1. Anti-Bribery & Anti-Corruption;
2. Responsible Political Involvement;
3. Fair Competition;
4. Promoting Social Responsibility in the Supply Chain; and
5. Respect for Property Rights.

1. ANTI-BRIBERY & ANTI-CORRUPTION

Corruption is the abuse of entrusted power for private gain. It can take many forms including bribery, conflicts of interest, fraud, money laundering, embezzlement, concealment and obstruction of justice, trading in influence and extortion.

Shearwater implacably opposes all forms of corruption.

Shearwater is committed to conducting business in compliance with the law, including all applicable Anti-Bribery and Anti-Corruption laws in all jurisdictions in which we operate.

All directors, employees, contractors, sub-contractors and any other parties representing Shearwater, are expressly prohibited from directly or indirectly offering, giving, soliciting or receiving any form of bribe, kickback, payment or anything of value to or from any person or organisation, including government agencies, individual government officials, private companies or their representatives/employees, under any circumstances.

Gifts, entertainment or travel must not be given or received as a reward or encouragement for preferential treatment.

Corrupt behaviour and activities are illegal. They expose both the company and the individuals involved to fines and other penalties, including imprisonment.

Shearwater does not make charitable donations or sponsorships that could be perceived as bribes or payments to gain an improper business advantage.

Any breach of these values will be treated with the utmost seriousness and will be addressed in accordance with our internal disciplinary procedures and may result in the involvement of law enforcement authorities.

Shearwater prohibits retaliation against whistle blowers or anyone reporting such suspicions. Employees who wish to raise a concern or report another's wrongdoing, or who have refused pressure to either accept or offer a bribe, should not be worried about possible repercussions. Shearwater encourages openness and will support any employee who raises genuine concerns in good faith with management.

1-1. CONFLICTS OF INTEREST

Conflicts of interest may arise in multiple ways. In the provision of client services, the service provider should ensure that its commercial interests are not prioritised in

ways that undermine the legitimate interests of the client. Alternatively, a conflict of interest may arise when an individual's personal interests do not align with those of an organisation to which they have responsibilities, such as their employer or client.

Shearwater implements policies to avoid conflicts of interest. This is achieved by requiring all directors, employees, contractors, sub-contractors or any other parties representing Shearwater, to fully disclose any potential, perceived or actual conflicts of interest to management. Shearwater operates within clear and specific guidelines to avoid and manage conflicts of interest as they pertain to consulting/advisory engagements and audit activities.

2. RESPONSIBLE POLITICAL INVOLVEMENT

Shearwater does not participate in party politics. It does not make payments to political parties or individual politicians.

Employees are prohibited from using any funds, assets, resources, or employment time, including in-kind contributions of services, to make any political contribution or assist any party or individual politician or candidate.

3. FAIR COMPETITION

Shearwater is committed to ensuring a level commercial playing field and is committed to fair competition in the pursuit of business opportunities. We do not engage in anti-competitive behaviour such as price fixing, bid rigging or predatory pricing.

4. PROMOTING SOCIAL RESPONSIBILITY IN THE SUPPLY CHAIN

To promote social responsibility in our supply chain, Shearwater is committed to raising awareness on issues of social responsibility and best practice wherever possible.

Through leadership and setting the right example, we seek to promote the adoption and support of the principles and practices of social responsibility.

We engage with suppliers who operate with similar values as ours and will encourage them, where necessary, to adopt similar corporate responsibility frameworks as our own through our [Code of Ethical Conduct](#).

We believe the behaviour of our suppliers and contractors are important to our business and to the projects we deliver to our customers.

At a minimum, we expect all commercial partners to comply with the law in all jurisdictions in which they operate, including all Anti-Bribery and Anti-Corruption laws.

5. RESPECT FOR PROPERTY RIGHTS

Shearwater respects property rights. This extends to both physical property assets and intellectual property assets, such as trademarks, copyrights, patents, moral rights and other rights.

This commitment extends to both Shearwater property, as well as the property of all our clients and commercial partners.