

Code of Conduct

A practical guide for
our employees around
the world

Hello. We are...



...a privately owned manufacturer with its headquarters based in the UK



...subsea pioneers in acoustics, inertial, optical and sonar technologies



...over 300 people committed to seeing our customers succeed



...operating from six regional centres around the world





...investing for the future; in people, technology and infrastructure



...exporting 80% of products to over 50 countries annually



...continuously innovating to maintain our technical leadership



...forging long term relationships with our clients and strategic partners



...and this is Sonardyne's Code of Conduct

We must all work with integrity and good judgement, as well as within the law. Our Code of Conduct promotes “doing the right thing” as well as “doing the thing right”, so that we maintain our personal and business integrity.




**“Doing the right
thing”**



**“Doing the thing
right”**

**A message from the Board
of Sonardyne International**



...our vision is to facilitate
safe, secure, economical
and environmentally sound
operations upon and within
the world's oceans and
seas...

...we aim to achieve this by continuously building on our position as a leading independent global provider of trusted marine technology solutions...

...our values are clear: business integrity; a strong customer focus; a passion for engineering excellence and innovation; meticulous attention to quality; and a strong commitment to our employees and the community.

Purpose of the Code

The Code of Conduct is intended as a practical guide for you and others acting on behalf of Sonardyne. It is through your actions that our values are lived and demonstrated to others. As a Sonardyne employee, or representative, it is your responsibility to know and understand the Code of Conduct together with the policies and procedures that bring it to life.

It is the responsibility of every Sonardyne manager to ensure that everyone in their area of responsibility is aware of the Code and embraces it as part of their behaviour.

Q

What if I don't comply with the Code of Conduct?

A

The Code of Conduct sets out clearly your obligations as an employee of Sonardyne. Failure to comply with it could lead to disciplinary action.



Complying with the Code

The Code applies wherever Sonardyne is working around the world. The principles set out in the Code are further detailed in Sonardyne's corporate policies, available on the intranet. Each policy has associated procedures and in some cases, related flow charts, templates and guidelines to assist you in carrying out activities. You need to be familiar with the policies that apply to your work and comply with their requirements.

There may be different rules applying if you are working with or visiting a customer or customer site and these rules may be more stringent. It is your responsibility to ensure that you comply with the rules in such circumstances.

If you are unsure what to do or are concerned that the Code is being broken, you have a responsibility to speak up. The Code explains how to do this and the protections that there are to ensure that there is no retaliation against those who speak up.

Q

I am a line manager, what are my responsibilities for the Code of Conduct?

A

As a line manager you have a responsibility that the Code of Conduct is understood and complied with by your team. You are a role model and your team look to you for guidance when complying with the Code.



Violating the Code

Violating the Code can have serious consequences for Sonardyne and for you personally. These might be fines or other legal penalties, damage to our reputation, and even impact on our customers.

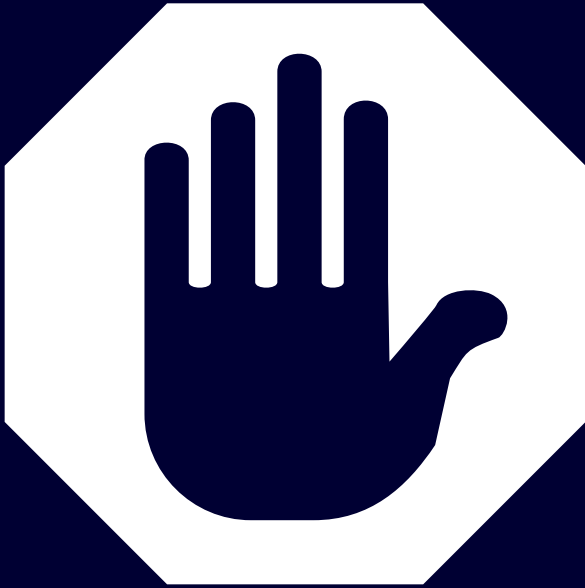
If you violate the Code, or knowingly allow someone to do so, the Company may take disciplinary action and, if appropriate, institute criminal proceedings against you.

Q

I have a concern about the actions of an agent, should I use the Ethics Helpline to report my concern?

A

Yes, you can report it using one of the Ethics Helpline channels. Ideally, you should talk to your manager first.



Feedback and revisions to the Code

We will regularly review the Code and revise it as needed. Revisions to the Code will be communicated to all employees via email and the intranet. The Sonardyne website will also be updated promptly to ensure that the latest version is available publically.

We welcome your comments and suggestions on the Code and its use; please address them to the Human Resources or Risk and Compliance teams. You'll find their contact details in the 'Speak up' section of this booklet.

Q

What if I raise a concern and it turns out I was mistaken?

A

If you raise a genuine concern in good faith, no action will be taken against you.



People and Team Focus

Fair treatment and equal opportunity

Sonardyne is an equal opportunity employer; we embrace diversity and value everyone for their merits. Every decision we make about an employee will comply with our policies and the law. This means that unless we are legally required or justified to do so, we will work with you in an environment free from discrimination influenced by your sex, colour, nationality, sexual orientation, gender, religion, age or disability.

You should never tolerate, personally display or engage in unlawful discrimination or prejudice of any kind.

Respectful workplace

Every Sonardyne employee has the right to respect and freedom from harassment and violence. You will treat everyone you interact with at work with courtesy, dignity and respect and not harass or commit violence against an employee or person working on Sonardyne's behalf.

Drug and alcohol abuse

Sonardyne is committed to providing a safe and productive work environment, promoting employees' health and well-being, and protecting others from the consequences of alcohol, drug and substance misuse. You must not use, possess, sell or distribute drugs or abuse alcohol or illegal substances at work.

Human Rights

Sonardyne recognises the United Nations Declaration of Human Rights. We respect human rights and do not take part in, or benefit from, any activity which abuses them. Our requirement is that our immediate supply chain and others over whom we have direct control or significant influence, shall not violate human rights.

Community engagement

We consider the social, environmental and other factors that are important to our customers and our surrounding communities.

Our community engagement initiatives include local education and business development. We also contribute to a range of charitable causes.

We are all responsible for ensuring that we respect the laws and customs of the countries in which we work.

Q

I have an ethical concern about a colleague but worried it won't be kept confidential if I report it?

A

The Ethics Helpline channels are designed to be secure with access restricted to Risk and Compliance, Covelya Group Ltd. Every effort will be made to maintain confidentiality and keep identities hidden.



Business integrity

We rely on our employees, and others who represent us, to work in Sonardyne's best interests and to protect our reputation. We expect integrity, honesty, open and ethical behaviour and understanding across all of our business operations.

Bribery, corruption and facilitation payments

Engaging in bribery, corruption and making facilitation payments is against the laws of many countries in which we operate and can seriously damage our reputation and business relationships.

Under no circumstances will you, or any party working on our behalf, offer gifts, bribes or any other remuneration to win business, encourage others to act improperly or influence a decision in our favour. If you give or take bribes or engage in any other corruption, you will face disciplinary action and, if appropriate, criminal proceedings.

Paying a small sum of money to an official to speed up their actions is known as a facilitation payment. Our position is clear: we will not make facilitation payments and we do not allow others who work for or represent us to make them. However, your safety is our primary consideration and we understand that circumstances may arise where, due to genuine fears for your safety or freedom, you may be coerced into making such a payment. You must record the payment and the circumstances and report them as soon as possible to your manager and to the Ethics Helpline.

Q

I am travelling to a country where I have heard there have been incidences of unofficial requests for payment in order to pass through customs. I am not sure how I should handle that?

A

The Ethics and Corruption intranet page includes policy and guidance on recognising requests for facilitation payments and how to respond to them. The Anti-Bribery training also includes guidance, but if you are still unsure talk to your manager or Risk and Compliance.



Trust

Gifts and hospitality

Sonardyne develops long-term business relationships based on trust and respect. Exchanging gifts and hospitality can build goodwill, but may, or may appear to, create improper influence.

You must ensure that any gifts or hospitality you offer or accept complies with the Gifts and Hospitality Policy and your local Sonardyne Travel and Expenses Policy.

Conflicts of interest

A conflict of interest occurs when your private interests interfere, or appear to interfere, with the best interests of Sonardyne, or adversely impact your business judgement.

Conflicts of interest can cause serious problems for you and damage our reputation. You must avoid all business and personal relationships that may create an actual or potential conflict of interest.

Political activity and payments

We are always impartial about party politics. We do not contribute to any political party, politician or candidate for public office. Employees are perfectly entitled to make political contributions in their own right.

Competition and anti-trust

We are committed to free and open competition in our markets. We compete fairly and ethically, and support laws that promote and protect competition.

You shall not engage in any anti-competitive practices or activities which violate anti-trust laws.

Working with suppliers

We consider the social and environmental impact of the goods and services we buy, as well as the financial cost.

We apply consistent procurement processes and ensure that our supplier relationships are always based on fair and honest dealing.

Financial integrity

Our books, records and financial reporting accurately reflect the true state of our business.

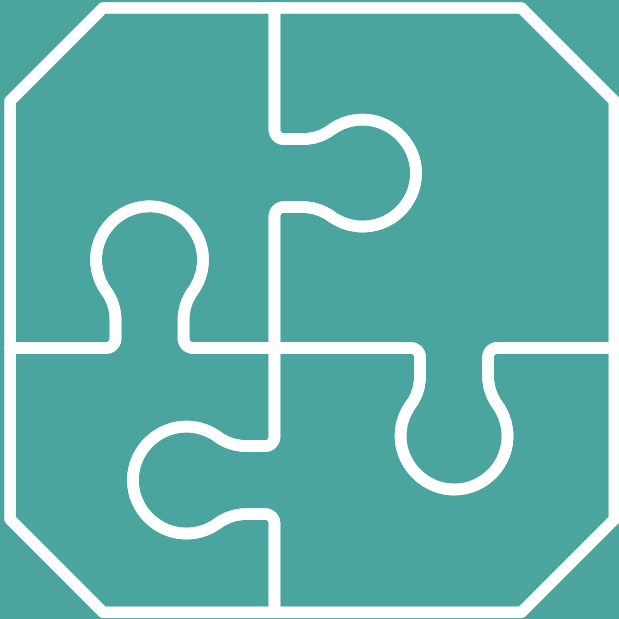
We all have a responsibility for ensuring our books and records are accurate, sufficiently detailed and timely. For example, if you have to file or approve expense claims or record hours worked, you must do so truthfully and accurately.

Q

One of our suppliers has given me a small gift, what should I do?

A

Report it to your manager and record the details on the Gifts and Hospitality Register. Check the Gifts and Hospitality Policy for specific rules for what is reasonable, acceptable and requires approval.



Keeping information secure

Confidential information and records

We all deal with company records and information on a daily basis. We need to manage them properly to protect Sonardyne's intellectual property.

Your use of confidential information must comply with our policy and the law. You must not alter, destroy or hide Sonardyne's records and documents in any way that contravene our business processes.

Our policies and the law require us to keep certain types of information for specified periods. You must make sure you know and follow these requirements.

Safeguarding data

You must act responsibly when accessing information and systems. You must protect valuable information from unauthorised disclosure, modification or deletion and respect peoples' right to keep their personal data private.

You must maintain appropriate privacy for our information and ensure it is classified in line with Sonardyne policies and our customers' requirements.

We can only hold personal information if we are legally entitled to. You should not provide information about Sonardyne employees, our customers or partners to any third party, unless you have authorisation from the information owner.

Business communications and technology

Effectively managing our information, systems and communications is critical to running an efficient business.

We want our employees and those who represent us to access, process and publish information in ways that meet our social, ethical, legal and security requirements, while protecting our reputation.

External communications and public disclosures

Our reputation is affected by what people hear about us, either directly or through the media.

We must therefore make sure that our external communications are co-ordinated and consistent. You can only communicate on behalf of Sonardyne if you have permission to do so. If you are communicating on our behalf, the information you give must be accurate, consistent and timely. Do not make misleading claims about the Company, our services or our competitors.



Health, safety and environment

Health and safety

We are committed to maintaining a safe, healthy and sustainable working environment, with a goal of zero harm. Everyone in Sonardyne is responsible for making this a reality.

You have a legal duty to look after your own health and safety, as well as the health and safety of your colleagues and other people with whom you interact at work. This includes helping our customers, partners and contractors meet our health and safety standards.

Environment

We aim to prevent environmental damage, minimise our use of energy and resources and ensure that we follow the principles of sustainable development. We also encourage our customers, contractors and suppliers to do the same.

You should work in an environmentally responsible manner and strive to continuously improve your performance.

If special legal controls or legislation apply to a Sonardyne operation or project which you manage, you must understand the requirements and make sure we comply.

Q

I saw one of the building contractors using a power tool without obvious safety considerations to himself or colleagues, should I report that?

A

If you feel comfortable you should approach the contractor about the safety issue, otherwise approach a health and safety representative or call facilities management to report the issue.



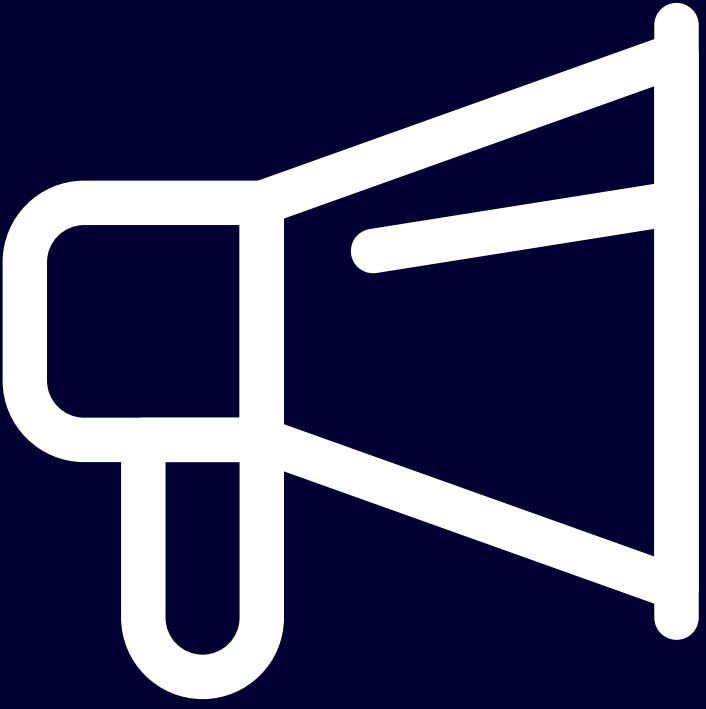
Dealing with ethical issues

We must always be alert to ethical issues.

If you feel any ethical concern about a market, an opportunity, our products or a business operation, you should ask for guidance. In particular, you should consider ethical issues in relation to any situation in which we, third parties working for us, or someone in our supply chain may:

- Infringe human rights
- compromise our legal and regulatory compliance, business integrity or cultural sensitivity
- put our staff in harm's way or
- be a significant reputational risk to Sonardyne or its customers.

If you have concerns about any of the issues raised above, you must alert your manager and report it using one of the Ethics Helpline channels where the Risk and Compliance team will further investigate the risks and associated legal issues. Risk and Compliance will agree with you any steps required to manage the identified risks and, if the issue is significant, may refer it to the Board of Sonardyne for it to consider before making a final decision.



Stop, think and ...

This Code provides basic principles to help us meet our legal and regulatory requirements, our values and the standards we set ourselves.

It is also your responsibility to act professionally and responsibly and to use good judgement.

There are a number of simple warning signs flagged by everyday phrases that should make you stop and think.

These phrases include:

- “Yes, but just this once...”
- “Nobody will find out that...”
- “Who cares how, as long as it works...”
- “We need a pragmatic approach...”
- “Everybody else does it...”
- “We’ve always done it that way...”
- “We don’t have to mention that...”
- “Now remember, I never told you this...”
- “Just close your eyes to...”
- “It isn’t that serious...”
- “It’s easier to get forgiveness than permission...”
- “If we had to follow all the rules, we couldn’t get any work done...”

If you find yourself using any of these expressions ask yourself:

- is it in line with Sonardyne’s values?
- does it conflict with the Code of Conduct?
- is it legal?
- is it fair and honest?
- will I be proud of what I have done?
- will I sleep soundly tonight if I do this?
- what will my family and friends think of what I’m doing?
- would I be comfortable with my actions being reported in tomorrow’s newspaper?
- am I putting any person in harm’s way?

If you are still not sure what to do, ask for advice. You must always be certain you are doing the right thing.



...Speak up

There may be situations when you want to report a concern. Sonardyne is committed to provide the means for you to do so that it:

- meets your need for confidentiality
- is seen to be responsive and
- protects you from any detrimental treatment by anyone at Sonardyne.

As a first step, talk to your manager. If you are uncomfortable with this, or it is impractical or you want to talk to someone outside your line management, then you can discuss it in absolute confidence with:

- the Risk and Compliance department or
- the Human Resources department

Report concerns by using one of the Sonardyne Ethics Helpline channels listed below.

Telephone: UK +44 (0) 1252 988099
Email: ethics.helpline@coveyla.com

Q

I have told my friend about an opportunity at Sonardyne, is this okay?

A

Yes. We actively encourage you to recommend Sonardyne as a great place to work through our Recruitment Referral Scheme, as long as you are not also involved in the recruitment process and the role is not reporting to you.



Ethics Helpline

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