



**Philly  
Shipyard**

# **CODE OF CONDUCT**

# CONTENTS

<b>MESSAGE FROM THE CEO .....</b>	<b>2</b>
<b>UNDERSTANDING THE CODE .....</b>	<b>4</b>
Purpose	4
Compliance with laws and regulations	4
Scope	4
<b>RESPONSIBILITY AND IMPLEMENTATION .....</b>	<b>4</b>
Personal responsibility	4
Managers' responsibility	4
Board of Directors and CEO's responsibility	4
<b>CARING ABOUT PEOPLE .....</b>	<b>5</b>
Personal data and privacy	5
Working environment	5
<b>ACTING WITH INTEGRITY .....</b>	<b>6</b>
Conflict of interest	6
Corruption and bribery	6
Export controls and sanctions	7
Fair competition	7
Gifts and Hospitality	7
Insider trading	7
Money laundering	8
Safeguarding of property and assets	8
Sensitive information and confidentiality	8
<b>PROTECTING THE ENVIRONMENT .....</b>	<b>9</b>
<b>PROMOTING TRANSPARENCY .....</b>	<b>9</b>
Accurate and timely information and financial reporting	9
Political contributions and activities	9
Relations to business partners	9
Sponsorships	10
<b>WHERE TO SEEK GUIDANCE AND REPORT BREACHES .....</b>	<b>10</b>

# MESSAGE FROM THE CEO

Dear colleagues,

Philly Shipyard's vision is "to be - *and be recognized as* - a leading shipyard in America that delivers on its commitments, every time" and fulfilling our vision begins with our CORE values. Our CORE values are at the center of who we are as a shipyard, as an organization, and as individuals. They drive our actions and guide our decisions. They are not just words on a page, but a symbol of our passion and commitment to conquer all challenges and build long lasting relationships. We are united by these values that give us the platform to deliver on our commitments, every time.



**CARING**



**ONE SHIPYARD**



**RESPONSIBLE**



**EVOLVING**

We achieve our vision by living our CORE values and operating with trust. Our integrity and ethical principles must never be compromised.

No matter what job we do, or where we do it, we all represent Philly Shipyard, and it only takes one incident, one news story or one careless comment to lose the trust we've worked so hard to build. We achieve trust by acting with integrity, honesty and transparency, regardless of where we are in the world or with whom we are working alongside.

Our Code of Conduct is our main governance document, which aims to build and safeguard our trust, and demonstrate our commitment to be a respected partner in business and society. The principles herein describe our ethical standards and expectations, and are meant to guide our actions. Each and every one of us are responsible for reading and familiarizing ourselves with this Code of Conduct and living by its standards.

By doing so, Philly Shipyard will always remain a trusted company.

**Steinar Nerbovik**  
President & CEO

“

PHILLY  
SHIPYARD  
WILL  
ALWAYS  
REMAIN A  
TRUSTED  
COMPANY.

”



# UNDERSTANDING THE CODE

## PURPOSE

This Code of Conduct describes Philly Shipyard's ethical commitments and requirements. It sets expectations for personal conduct and business practice. In order to develop a company culture based on our vision and CORE values, we expect openness, honesty and integrity - both within Philly Shipyard and in our dealings with all stakeholders.

## COMPLIANCE WITH LAWS AND REGULATIONS

Philly Shipyard shall comply with all applicable laws and regulations and conduct its business with integrity, respecting cultures, dignity and rights of individuals everywhere we operate. In the event that there are differences between laws and regulations and the standards set out in this Code of Conduct, the highest standards consistent with applicable local laws shall be applied.

This Code of Conduct is the main governing document in Philly Shipyard. The Philly Shipyard governance system consists of a wide range of policies, which provide additional, and more detailed, guidance for expected business conduct related to certain principles addressed herein. Many of these policies are contained in the Non-Union Employee Handbook.

## SCOPE

This Code of Conduct applies to all employees (including hired-in personnel), officers and directors in Philly Shipyard ASA ("PHLY") and Philly Shipyard, Inc. ("PSI"). PHLY and PSI are collectively referred to herein as "Philly Shipyard." As used herein, the term "Philly Shipyard employee" means an employee (including hired-in personnel) of PSI.

Philly Shipyard employees working with third parties such as consultants, suppliers, lobbyists, subcontractors, etc., must require them to adhere to standards consistent with this Code of Conduct. Further, Philly Shipyard employees working with third parties are required to take action, up to and including terminating a contract, after learning that a third party failed to abide by applicable laws and regulations and/or the Code of Conduct standards.

## RESPONSIBILITY AND IMPLEMENTATION

### Personal responsibility

As a Philly Shipyard employee, you shall strive to exercise good judgment, care and consideration. You are expected to familiarize yourself with, sign off on, and perform your duties in line with the principles set forth herein as well as other Philly Shipyard policies and procedures. If you need advice in handling a specific ethical dilemma, you are advised to consult with your manager or other appropriate authority.

### Managers' responsibility

Managers are responsible for communicating the requirements in this Code of Conduct to all their direct reports. Managers are also responsible for promoting and monitoring compliance with this Code of Conduct within their respective area of responsibility.

### Board of Directors and CEO's responsibility

The Board of Directors of PHLY is responsible for implementing this Code of Conduct. Further, the CEO of PSI shall ensure that PSI's employees are made aware of this Code of Conduct and receive annual Code of Conduct training.

As part of such training or other suitable process, all of PSI's employees shall sign an acknowledgment form that they have read and understood this Code of Conduct. Failure to read this Code of Conduct or sign the acknowledgment form does not excuse a PSI employee from compliance with this Code of Conduct.

# CARING ABOUT PEOPLE

Philly Shipyard shall conduct its business in a manner designed to protect the interests of our employees including their health and safety. Likewise, the employees, as well as directors and officers, should actively protect and promote the business objectives and interests of Philly Shipyard.

## PERSONAL DATA AND PRIVACY

Philly Shipyard is committed to protecting all individuals' personal data while performing our business and delivering our services.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You shall only collect, process and store personal data for legitimate purposes
- You shall ensure that the processing of all personal data is in line with applicable data protection laws and regulations
- You shall limit access to personal data to those who have a legitimate business purpose for seeing it
- You shall take care to prevent unauthorized disclosure of personal data

## WORKING ENVIRONMENT

Philly Shipyard respects, supports and acknowledges the fundamental principles of human and labor rights in accordance with all applicable laws and regulations.

Philly Shipyard shall ensure that its business operations do not cause or contribute to any infringements to human and labor rights. We will not use child or forced labor and will not tolerate working conditions or treatment that conflicts with international laws, regulations and practices. Philly Shipyard has a zero-tolerance approach towards modern slavery and human trafficking.

Philly Shipyard acknowledges employees' right to form and join trade unions in accordance with all applicable laws and regulations. We have a long tradition of including and involving employees and their unions. We believe this improves the grounds for decision-making when we make decisions which have consequences for many different parties.

Philly Shipyard is a workplace where diversity is valued, and where every employee has the opportunity to develop their individual skills and talents. Philly Shipyard prohibits discrimination against any employee on the basis of race, color, ethnic background, gender, religion, age, marital status, sexual orientation, national origin, citizenship status, disability, veteran status, or any other basis prohibited by law.

Philly Shipyard is committed to maintaining a work environment that is free of discrimination, harassment and hostilities. In keeping with this commitment, Philly Shipyard maintains a strict Harassment Free Environment Policy and does not tolerate unlawful harassment of employees by anyone.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You shall not under any circumstances cause or contribute to the violation of applicable laws and regulations regarding human and labor rights
- You shall respect the personal dignity, privacy and rights of all people you interact with during the course of work and those affected by Philly Shipyard's business
- You shall notify your manager, PSI's General Counsel and/or PSI's Vice President – Human Resources in writing if you become aware of any situation in breach of Philly Shipyard's human and labor rights standards or, if you prefer, you may utilize the anonymous whistleblower procedure described below

# ACTING WITH INTEGRITY

## CONFLICT OF INTEREST

Conflict of interest is when you have a personal or outside interest that conflicts with the best interest of Philly Shipyard. A personal interest could be a financial interest in another company or in a transaction, a personal relationship, including but not limited to immediate family, or any interest or relationship that could improperly affect our judgment and decision-making. Philly Shipyard has implemented separate policies concerning conflicts of interest which Philly Shipyard employees shall carefully observe, including e.g., Related Party Transaction Guidelines and Anti-Corruption Policy.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You shall not take actions or have personal interests that make it difficult to perform your work objectively
- You shall strive to avoid conflicts of interest situations
- You must not become involved in relationships that could give rise to a conflict with Philly Shipyard's interest, both in fact and appearance
- You must ensure that all transactions with related parties adhere to the relevant principles for such transactions
- You shall, in the event that a conflict of interest arises, assess the issue at hand and notify your manager
- You must seek pre-approval from your manager for all directorships or assignments held or carried out in other companies
- You must not let your engagement in duties and assignments outside Philly Shipyard negatively impact your working relationship with Philly Shipyard, and you must ensure that such activities are not in conflict with Philly Shipyard's business interests

## CORRUPTION AND BRIBERY

Philly Shipyard has zero tolerance for all forms of corruption, and we make active efforts to ensure that it does not occur in our business activities. Corruption, as defined in Philly Shipyard's anti-corruption policy, is when a person or organization offers, gives, receives, or solicits something of value for the purpose of influencing - directly or indirectly - officials or private parties for an improper purpose, including to obtain or retain business or any business advantage.

Engaging with public officials requires extra caution when it comes to corruption risk, and requires that we act in a transparent and straightforward manner and exercise the utmost integrity at all times.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You must never, either directly or indirectly through a third party, offer anything of value to influence the actions or decisions of any official, other person in public or legal duty, any person acting on behalf of customers or subcontractors/suppliers, or any other third party, or to otherwise obtain any improper advantage, in selling goods and services, conducting financial transactions or representing the company's interests
- You must not use intermediaries to obtain a business or other advantage that may be interpreted as corruption
- You must never give nor encourage facilitation payments unless an employee is a victim of extortion and his or her health and safety is in danger. Such incidents shall immediately be reported to your manager and PSI's General Counsel
- You must ensure that all payments comply with Philly Shipyard's accounting and financial procedures for the approval and recording of payments, and that they are submitted to the appropriate level of management
- You must not offer, promise, give or receive any gifts, hospitality or any financial or other advantage to or from a public official unless this is subject to specific, written pre-approval from PSI's General Counsel. Local laws may restrict or even prohibit the offering of gifts and entertainment to public officials

---

## EXPORT CONTROLS AND SANCTIONS

Export controls and economic sanctions laws impose restrictions over the sale, shipment, electronic transfer, provision, or disclosure of information, software, goods, assets, funds, and services across national borders or involving parties subject to economic sanctions. Exports include transfers electronically, through discussions or visual inspections, and not only through traditional shipping methods. Philly Shipyard shall comply with all export control laws.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You must think carefully about the potential impact of export control laws and sanctions before transferring goods, technology, software or services across national borders
- You must be attentive to dealings with parties that are from sanctioned countries, or that are otherwise designated for financial sanctions

## FAIR COMPETITION

Philly Shipyard does not tolerate violation of antitrust and competition laws and regulations. We are committed to protect fair and open competition.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You shall meet competition in a professional and transparent manner
- You shall not take part in or support illegal cooperation on pricing, illegal market sharing or any other activity that constitute breach of applicable competition laws
- You shall seek advice from PSI's General Counsel in all matters involving risk of antitrust exposure for Philly Shipyard, yourself, or any of your reports

## GIFTS AND HOSPITALITY

Philly Shipyard does not accept the offer or acceptance of business courtesies where they could constitute, or appear to constitute, an undue influence. Hospitality, such as social events, meals or entertainment, may be acceptable if there is a clear business reason, and provided that the cost of such hospitality is within reasonable limits.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You must exercise caution and good judgment in relation to offering or accepting gifts and hospitality
- You shall not, directly or indirectly, accept gifts or other remuneration if there is reason to believe that its purpose is to influence business decisions
- You must never solicit a gift or favor for personal benefit from any of Philly Shipyard's stakeholders

## INSIDER TRADING

As a publicly listed company, Philly Shipyard is subject to a number of laws concerning the purchase and sale of publicly traded securities, also called insider trading. Insider trading is when you trade in public traded shares or other securities while in possession of specific information capable of affecting the price of shares or securities and which is not publicly available or generally known in the market, or when you disclose this information to someone else or influence someone else who then trades in those shares or other securities.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You must comply with Philly Shipyard's policy on Insider Trading and applicable securities trading laws. Failure to comply with such policy and laws may subject you to criminal penalties, as well as to disciplinary action
- You and your close family members must refrain from trading securities while in possession of material, non-public information relating to Philly Shipyard or any other company where Philly Shipyard directly or indirectly has ownership interests
- You must seek advice from PSI's General Counsel in all matters involving risk of insider trading



## MONEY LAUNDERING

Money laundering occurs when the criminal origin or nature of money or assets is hidden in legitimate business dealings or when legitimate funds are used to support criminal activities. Philly Shipyard is firmly opposed to all forms of money laundering.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You shall ensure that Philly Shipyard's financial transactions and business activities are not used to launder money
- You shall seek to prevent that Philly Shipyard's business activities are used to launder money
- You shall ensure that all business activities are legitimate and involve legitimate funds which derive from legitimate sources
- You must exercise caution if there are irregularities in the course of receiving or providing payments, such as if there are offshore bank accounts involved or accounts that are not normally used by the party in question
- You shall always consult your legal and/or tax department if in doubt about the origin and destination of money and property

## SAFEGUARDING OF PROPERTY AND ASSETS

Philly Shipyard's property and assets must be safeguarded in an appropriate manner. Our assets are only to be used for legitimate business purposes and only by authorized employees or their designees. This applies to tangible assets, e.g. equipment, and intangible assets such as intellectual property and confidential information. Information produced and stored on Philly Shipyard's IT systems is regarded as the property of the company. Private use is only permitted to a limited extent, and information that may be considered illegal

or inappropriate must under no circumstances be processed or downloaded.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You have a responsibility to protect Philly Shipyard's assets from theft and loss
- You must report any theft, waste or misuse of company assets to Philly Shipyard's IT and HR functions
- You shall maintain electronic files and archives in an orderly manner
- Your use of IT systems, and internet services in particular, must be governed by the needs of the business and not by personal interests

## SENSITIVE INFORMATION AND CONFIDENTIALITY

Philly Shipyard is committed to protect sensitive or confidential information. We will not misuse information belonging to ourselves or any of our partners.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You have a duty of confidentiality, both by law and by way of written agreement
- You are responsible for keeping confidential all matters that could provide third parties unauthorized access to confidential information
- You shall always carefully consider how, where and with whom Philly Shipyard-related matters are discussed
- Your duty of confidentiality also applies after the conclusion of employment or contractual relationship with Philly Shipyard and for as long as the information is considered sensitive or confidential in nature

# PROTECTING THE ENVIRONMENT

Philly Shipyard shall act responsibly with an ambition to reduce direct and indirect negative influences on the external environment, including working to reduce greenhouse gas emissions. We shall adhere to relevant

international and local laws and standards, seeking to minimize our environmental impact, and we shall take a sustainable approach to our operations.

# PROMOTING TRANSPARENCY

## ACCURATE AND TIMELY INFORMATION AND FINANCIAL REPORTING

Philly Shipyard will communicate relevant business information in full and on a timely basis to its employees and external stakeholders. All accounting and financial information, as well as other disclosure information, must be accurately registered and presented in accordance with laws, regulations and relevant accounting standards.

Philly Shipyard is committed to providing the financial markets with quality information, enabling investors and analysts to maintain a correct picture of the financial situation as well as risks and opportunities facing it in the future. Philly Shipyard will provide accurate disclosure information to the financial markets in line with all relevant laws and regulations for listed companies on the Oslo Stock Exchange. All material information is disclosed to recipients equally in terms of content and timing.

Philly Shipyard is committed to providing the public with information on corporate social responsibility and sustainability in line with applicable laws and regulations and with recognized international standards.

## POLITICAL CONTRIBUTIONS AND ACTIVITIES

Philly Shipyard maintains a neutral position on party politics and does not support, financially or otherwise, any political party or their candidates. Philly Shipyard may participate in public debates if this is deemed to be in the company's interest.

## RELATIONS TO BUSINESS PARTNERS

Philly Shipyard cannot achieve its business goals without its business partners. We endeavor to deal honestly, ethically, impartially and fairly with our stakeholders. We encourage and expect all our business partners to adhere to principles that are consistent with this Code of Conduct.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You have a duty to promote Philly Shipyard's ethical principles in your dealings with business partners
- You must comply with applicable third-party due diligence procedures before you establish or amend any business relationship
- You must communicate clearly our expectations to our business partners
- You have a duty to report any knowledge or suspicion of noncompliance with the principles set out in this Code of Conduct by any of our business partners

---

## SPONSORSHIPS AND CHARITABLE DONATIONS

Philly Shipyard may utilize sponsorships to promote the company and its business. All sponsorships shall be structured as 'win - win situations' whereby both parties achieve some gain. All sponsorships shall reflect Philly Shipyard's values, quality, and profile.

Charitable donations to organizations do not carry the same requirements for mutual benefits. Charitable payments are made, or goods are given for the benefit of a community, without demand or expectation of a business return, but may result in goodwill for Philly Shipyard.

Sponsorships and charitable donations shall as a main rule only be given in accordance with clear, legitimate and publicly available criteria. Sponsorships and charitable donations shall not be made where they could influence

a current bid or where a decision is being sought from a public official. No religious or political groups or organizations may be sponsored or donated to.

### AS A PHILLY SHIPYARD EMPLOYEE:

- You must consider whether the sponsorship or charitable donation may be perceived as improper or that its purpose is to influence an action or decision
- You must always consider the business interest of Philly Shipyard when deciding on or recommending sponsorships
- You must always seek pre-approval from your manager or PSI's General Counsel before entering into a sponsorship agreement or offering to make a charitable donation

# WHERE TO SEEK GUIDANCE AND REPORT BREACHES

If you are aware or have suspicions concerning unprofessional conduct or breaches of this Code of Conduct, other governing documents or laws and regulations, this must be reported immediately. Not to report is considered a breach of this Code of Conduct. You can report the concern to your manager, your manager's manager, or to PSI's VP-Human Resources or General Counsel.

Philly Shipyard has an established whistleblowing procedure. If you prefer not to notify any of those identified above, you may report your concern to Philly Shipyard's reporting service, called EthicsPoint, either via telephone (855-502-2068) or web ([www.phillyshipyard.ethicspoint.com](http://www.phillyshipyard.ethicspoint.com)).

The reporting service is available 24 hours a day, 7 days a week, and reporting is available in English and Spanish. You may remain anonymous if so desired.

There will be no retaliations against you, nor any impact on your professional career, for reporting violations in good faith.

Violation of this Code of Conduct will not be tolerated and may lead to internal disciplinary action, dismissal or criminal prosecution.

# REVISIONS

VERSION	DATE RELEASED	REVISIONS MADE
1.0	January 4, 2018	Adopted
2.0	July 13, 2023	General update



**PREPARER:** General Counsel  
**OWNER:** Chief Executive Officer  
**APPROVER:** Board of Directors  
**VALID FROM:** 13 July 2023

---



2100 KITTY HAWK AVE  
PHILADELPHIA, PA 19112  
+1 215 875 2600



---

PHILLYSHIPYARD.COM