

# Supplier Code of Business Ethics and Conduct

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## 1.1 INTRODUCTION

### 1. Preface

We at Shipcom Wireless, Inc. (Shipcom) are committed to our core Values. We Do What's Right, Respect Others and Perform with Excellence. We never allow our ethics or integrity to be compromised by our desire to succeed, regardless of the circumstances of our business. As we continue to expand our reach within the federal and global commercial marketplace, strengthen our position as a leading technology provider, and find new solutions to our customers' complex challenges, we must hold firm to our high standards for ethical conduct. Our values and ethics are fundamental to who we are and what we do. They not only define us, they distinguish us.

When we demonstrate integrity in all of our dealings, we build bonds of trust, which lead to stronger, more enduring relationships. It's these trusted relationships that create the opportunity for new and repeat business, and that's what will secure our future.

### 2. General Disclaimer

Shipcom's Code of Business Ethics and Conduct is in no way intended to conflict with or modify the terms and conditions of any existing contract. In the event of a conflict, suppliers must first adhere to the applicable laws and regulations, then the applicable contract terms and conditions, then followed by the Supplier Code of Conduct.

Shipcom expects that all third parties with whom Shipcom contracts, including agents, suppliers and contractors will act in accordance with the principles outlined in this Code when conducting business on Shipcom's behalf.

## 1.2 SHIPCOM VALUES

We, the men and women of Shipcom, are guided by the following VALUES. They describe our company as we want it to be. We want our decisions and actions to demonstrate these values. We believe that putting our Values into practice create long term benefits for shareholders, customers, employees, suppliers, and the community that we serve. At Shipcom these are our Values.

### 1. Integrity

Integrity is at the heart of who we are and what we do. We each are personally accountable for the highest standards. Of ethics and integrity. We will fulfill our commitments as responsible citizens and employees. We will consistently treat customers and company resources with the respect they deserve.

## **2. Safety**

We value our employees above all else and will not compromise on maintaining a safe and healthy work environment for them. We expect everyone to actively participate and take responsibility for their own safety and the safety of those around them. Employees can report safety concerns without fear of reprisal and are empowered to stop work if an operation presents significant risk or danger. We continuously evaluate and improve our operations to understand and to mitigate risk.

## **3. Honesty**

We are committed to being honest and fair with our customers, our employees, our stockholders and each other. We will be truthful, trustworthy and honorable in all aspects of our work.

## **4. Engagement**

We are committed to an engaged workforce. Our employees are quite involved in what they do and ownership of their work and work processes. Engagement is a heightened level of ownership where employees want to do whatever they can for the benefit of their internal and external customers and for the success of the organization as a whole.

## **5. Responsibility**

We seek and accept personal responsibility for our actions and results. We keep promises and commitments made to others. We are responsible for ensuring quality as a component of everything we do. We take pride in providing outstanding customer service.

## **6. Performance**

We hold ourselves to a very high standard of performance. We are committed to improving our company performance while upholding our strong values. Superior performance and quality ensure future trust and confidence in our products and services. We promote continuous improvement, innovation and creativity.

### **1.3 COMPLIANCE WITH LAWS**

Shipcom has embraced and is committed to a set of values and has established high ethical standards for the conduct of our business. Shipcom considers adherence to our company values and Code of Business Ethics and Conduct, as well as strict observance of all U.S. and foreign laws and regulations as a legal requirement as well as our ethical obligation to all.

Everyone associated with Shipcom is expected to make this commitment on their own. This includes non-employees, such as consultants, agents, contract labor, employees of limited liability companies, joint ventures, subcontractors, vendors and anyone who represents our Company in this capacity regardless of their position. Individuals taking action on behalf of Shipcom are responsible for maintaining the integrity of the Company and bear the full burden of the consequences in failing to do so.

## **1.4 MAINTAIN ACCURATE RECORDS**

We expect our suppliers to create accurate records, and not alter any record entry to conceal or misrepresent the underlying transactions represented by it. All records, regardless of its format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, these records should still be retained based upon their applicable retention period. Suppliers performing as U.S. Government contractors whether direct or indirect must comply with the retention requirements set forth in FAR Subpart 4.703 (Contractor Records Retention, Policy). Suppliers that are performing or fulfilling a U.S. Government role in their prescribed work must comply with the records requirements of the affected agency and any relevant National Archives and Records and Administration (NARA) requirements that apply to that agency.

## **1.5 HUMAN RIGHTS**

We expect our suppliers to treat all people with and dignity, encourage diversity, and remain receptive to diverse opinions, promote equal opportunity for all, and foster an inclusive and ethical culture.

## **1.6 HUMAN TRAFFICKING**

Suppliers must adhere to all regulations prohibiting human trafficking, and comply with applicable local laws in the country or countries in which they operate. Suppliers must refrain from violating the rights of others and address any adverse human rights impacts of their operations. Suppliers must educate employees on prohibited trafficking activities, discipline employees found to have violated the law or regulations, and notify the contracting officer of any violations and actions taken against employees. Specifically, suppliers will be prohibited from the following in all contracts.

- a. Destroying, concealing or confiscating identity or immigration documents;
- b. Using misleading or fraudulent tactics in recruiting;
- c. Charging employee recruitment fees or providing inadequate housing based upon local standards, laws or directives;
- d. Failing to provide employment contracts and other documentation in the employee's native language;
- e. Failing to provide return transportation upon the end of employment for employees brought into that country for the purpose of working on a U.S. Government contract, or subcontract, and
- f. Failing to interview and protect employees suspected of being trafficking victims.

## **1.7 EMPLOYMENT PRACTICES**

### **1. Harassment**

We expect our suppliers to ensure that their employees are afforded an employment environment that is free from physical, psychological, verbal harassment, or other abusive conduct.

## **2. Non Discrimination**

We expect our suppliers to provide equal employment opportunity to employees and applicants for employment, without regard to race, ethnicity, religion, color, sex, national origin, age, military veteran status, ancestry, sexual orientation, gender identity or expression, marital status, family structure, genetic information, or mental or physical disability, so long as the essential functions of the job can be competitively performed with or without reasonable accommodation.

## **3. Substance Abuse**

We expect our suppliers to maintain a workplace free from illegal use, possession, and the sale or distribution of controlled substances.

## **1.8 ANTI-CORRUPTION**

### **1. Anti-Corruption Laws**

Our suppliers must comply with the anti-corruption laws, directives and/or requirements that govern operations in the countries in which they do business, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

We require our suppliers to refrain from offering or making any improper payments of money or anything of value to government officials, political parties, candidates for public office or other persons. This includes a prohibition of facilitating payments intended to expedite or secure performance of a routine government action, like obtaining a visa or customs clearance, even in locations where such activity may not violate local law. Personal safety payments are permitted where there is an imminent threat to health or safety.

We expect our suppliers to exert due diligence to prevent and to detect corruption in all business arrangements, including partnerships, joint venture, offset payments, and the hiring of consultants.

### **2. Illegal Payments**

Our suppliers must not offer any illegal payments to, or receive any illegal payments from any customer, supplier, their agents, representatives or others. The receipt of payment, and/or other monies or anything of value, directly or indirectly, intended to exert undue influence or improper advantage is prohibited. This prohibition applies even in locations where such activity may not violate local law.

### **3. Anti-Trust**

Our suppliers must not fix prices or rig bids with their competitors. They must not exchange current, recent, or future pricing information with competitors. Our suppliers must refrain from participating in a cartel or any cartel type activities.

#### **4. Gifts/Business Courtesies**

We expect our suppliers to compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage. In any business relationship, our suppliers must ensure that the offering or the receipt of any gift or business courtesy is permitted by law and regulation, and that these exchanges do not violate the rules and standards of the recipient organization, and are consistent with reasonable marketable customs and practice.

#### **5. Insider Trading**

Our suppliers and their personnel must not use material, non-publicly disclosed information obtained in the course of their business relationship with Shipcom as a basis for trading or for enabling others to trade in the securities of our company or those of any other company.

### **1.9 CONFLICT OF INTEREST**

We expect our suppliers to properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purpose (e.g., advertisement, publicity, etc.) other than the business purpose for which it is provided, unless there is a prior written authorization from the owner of said information.

We expect our suppliers to respect and comply with all of the laws governing intellectual property rights, assertions, including protection against disclosure, patents, copyrights, and trademarks.

### **2.0 ENVIRONMENT, HEALTH AND SAFETY**

We expect our suppliers to operate in a manner that actively minimizes risk, conserve natural resources, and protects the environment. We expect our suppliers to apply environmental management system principles in order to establish a systematic approach in the management of risks, hazards and opportunities associated with the environment, including potential risk from regulatory non-compliance, reputational loss, and opportunities to business growth through operational and product stewardship.

We expect our suppliers to comply with all applicable environmental, health and safety laws, regulations and directives. Suppliers should protect the health, safety and welfare of their people, visitors and others who may be affected by their activities.

### **2.1 GLOBAL TRADE COMPLIANCE**

#### **1. Security**

When applicable, suppliers are encouraged to implement practices and procedures to ensure the security of their supply chains in accordance with the Customs-Trade Partnership Against Terrorism initiative of the United States Department of Homeland Security.

## **2. Import**

We expect our suppliers to ensure that their business practices are in compliance with all applicable laws, directives and regulations governing the import of parts, components and technical data.

## **3. Export**

We expect our suppliers to ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the export of parts, components and technical data.

## **4. Anti-Boycott**

Our suppliers must not participate in, cooperate with or further the cause of any unsanctioned foreign economic boycott, in accordance with the 1977 Export Administration Act and the 1976 Tax Reform Act.

## **5. Quality**

Suppliers must take due care to ensure their work product meets our company's quality standards. We expect our suppliers to have in place quality assurance processes to identify defects and implement corrective actions, and to facilitate the delivery of a product whose quality meets or exceeds contract requirements.

## **6. Counterfeit Parts**

We expect our suppliers to develop, implement and maintain methods and processes appropriate to their products so as to minimize the risk of introducing counterfeit parts and materials into deliverable products. Effective processes should be in place to detect counterfeit parts and materials, provide notification to recipients of counterfeit products when warranted, and to exclude them from the delivered products.

## **2.1 ETHICS PROGRAM EXPECTATIONS**

### **1. Whistle Blower Protection**

We expect our suppliers to provide their employees with avenues for raising legal and ethical issues or concerns without the fear of retaliation. We expect our suppliers to take action to prevent, detect and correct any retaliatory actions.

### **2. Consequences for Violating Code**

In the event of a violation of any of the above expectations, we may pursue corrective actions to remediate the situation. In the case of a violation of law or regulation, we may be required to report those violations to the proper authorities. We reserve the right to terminate our relationship with any supplier under the terms of their existing procurement/purchasing contract with us.

### **3. Ethics Policies**

Commensurate with the size and nature of their business, we expect our suppliers to have an effective management system in place to support compliance with the laws, regulations and the expectations related to/or addressed expressed within this Supplier Code of Business Ethics and Conduct. We encourage our suppliers to implement their own Code of Conduct and to flow down the principles of a Code of Conduct to the entities that furnish them with goods and services.

### **4. Resources**

Shipcom resources including time, property, information and services should be used only for authorized business purposes.

- a) Correct charging of time helps to determine how employees are paid, customers are billed, costs are estimated for new work, contract costs are allocated and performance is reported.
- b) Time records submitted must be accurate. Misrepresenting time worked is prohibited. Intentionally charging time to the wrong contract or account is deemed to be mischarging. Expenses must be documented accurately, adequately and submitted promptly.
- c) Personal or business property, especially electronic media, should never be used for purposes which are disruptive or considered offensive.
- d) Information is an asset and as valuable as money. We do not seek information to which we are not entitled, especially sensitive procurement information; nor will we violate any copyrights or licensing agreements. Company information may not be used for personal gain, and classified information must be handled and safeguarded in strict compliance with Security procedures.
- e) Anyone acting on the company's behalf is strictly prohibited from circumventing the company's system of internal controls or providing misleading information on company documents.

## **2.2 SHIPCOM'S HELPLINE**

Shipcom's Helpline is available to anyone affiliated with Shipcom. Individuals can seek guidance or report a suspected violation of our Code of Business Ethics and Conduct, either anonymously or by divulging one's identity. It is available 24 hours a day, seven days a week, and is administered by an external supplier, named "Report It".

### **1. Ethics and Compliance Website**

This method provides identification or anonymous reporting and can be easily assessable at: <https://secure.reportit.net/creator/>.



Once on the website you need only to complete the easy to fill out form screen which will ask you a series of questions, including a detailed description of your concern. Their trained counsellors will then provide a report of your concern to Shipcom for investigation and/or follow up response.

**2. Ethics and Compliance Helpline (Vendor) Phone Number: 877-778-5463**

**3. Ethics and Compliance Helpline (Vendor) Fax Number: 631-337-2254**

## **2. Responsibilities and Consequences**

Our company's Code of Business Ethics and Conduct applies to anyone who represents or is affiliated with Shipcom. Violating rules relating to our relationships with the U.S. Government or our commercial customers may result in serious consequences up to and including termination of one's relationship with the company.