



Anti-Corruption Policy

Policy Statement

Sea-Tech Marine Construction Ltd (Sea-Tech has a zero tolerance towards bribery and bribery of any kind is strictly prohibited.

Corruption undermines economies, increases inequalities, and hampers sustainable development throughout the world. Although illegal in almost every country, corruption remains a scourge which each of us must continue to fight actively.

This is why Sea-Tech expressed its strong commitment to tackle corruption, in particular by:

- Adhering to the United Nations Global Compact, specifically its 10th principle, which encourages companies to fight corruption in all its forms; and
- Including Respect for the law, and in particular the fight against corruption, at the heart of its Principles of Conduct and Action.

To fulfil its commitment, Sea-Tech has designed this policy, supported by processes and procedures, which reflects a zero-tolerance policy vis-à-vis corruption and influence peddling.

The purpose of this policy is to explain and illustrate the different types of conduct which are prohibited because they could amount to corruption or influence peddling, and to emphasize Sea-Tech's commitment to fight corruption of any kind.

This policy applies to all employees and officers of the organisation, and to temporary workers, consultants, contractors, agents, and subsidiaries acting for, or on behalf of, the organisation ("associated persons") within Israel and overseas. Every employee and associated person acting for, or on behalf of, the organisation is responsible for maintaining the highest standards of business conduct. Any breach of this policy is likely to constitute a serious disciplinary, contractual, and criminal matter for the individual concerned and may cause serious damage to the reputation and standing of the organisation.

What is Corruption?

Corruption is the act of directly or indirectly soliciting, offering, giving, or agreeing to give any undue advantage (or potential advantage) to a person for her own benefit (or that of someone else), in order to get her to do or refrain from doing (or because she has done or refrained from doing) something in the performance of her duties.

Thus, acts of corruption can be committed:

- Whether actively (briber offers/provides an undue advantage) or passively (bribee accepts/solicits an undue advantage);
- Whether in relation to public officials as well as private entities;
- Whether directly or indirectly (via agents, intermediaries, subcontractors, or third parties); and
- Whether the bribe is actually paid or merely offered (in the eye of the law offering, promising, or soliciting a bribe is as punishable as actual payment of the bribe);
- Regardless of when the bribe is actually agreed upon (the advantage can be granted after the requested action is performed).

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The term “advantage” refers not only to sums of money (commonly called “bribes”) but also to:

- Gifts, meals, invitations, entertainment, etc.;
- Preferential treatment, such as job offers or granting of internships to the benefit of the bribee’s close circle of family and friends; and
- In-kind advantages, such as providing confidential information, providing luxury accommodation for a private use, paying for a trip, etc.

The sought or expected compensation for such advantage may typically consist of:

- Entering into or renewal of a contract;
- Obtaining a discount on the price of goods or services;
- Sharing confidential information with a competing company;
- Obtaining or renewing a public procurement contract;
- Obtaining a visa, a building permit, operating licenses; or
- Obtaining a tax or customs advantage, etc

The sanctions for corruption and influence peddling as indicated above may lead to:

- Heavy criminal sanctions (imprisonment and fines) for both employees and Sea-Tech;
- a requirement to pay damages to the party or parties injured by the corruption or influence peddling acts;
- invalidation of agreements and procurement contracts;
- an entry in the criminal record;
- disqualification from participating in public tenders; and
- harm to Sea-Tech’s image and reputation

Types of Corruption and Bribery:

1. Facilitation payments:

Any Sea-Tech employee receiving a request to pay a facilitation payment should politely turn it down on the basis of this policy and should keep track of his/her refusal and report this to the CEO.

2. Relationships with public officials

Employees must use common sense and be particularly vigilant in all situations that involve interactions with a public official.

3. Public and private tenders

Apply enhanced vigilance when dealing with calls for tenders. In case of doubt, particularly regarding any upstream specification work, contact the CEO. The CEO, at his discretion may consult the legal department.

4. Gifts and invitations

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Gifts must be given solely as a courtesy in the context of standard business relationships in light of customary practices in the country in which they are given. They must not be given with the object or effect of encouraging the recipient to breach his own professional obligations. All gifts must therefore be lawful, justified by a professional Best Practices Gifts and invitations. Any employee offered a gift must report this to the CEO and the Executive Director.

5. Conflicts of interests

When an employee happens to have a conflict of interests, or to be in a situation that might lead to a conflict of interests, he/she must report it to the CEO either directly or via the HR assistant and keep track of such report as well as of any remediation measures taken to address the situation.

6. Relationships with third parties

Assessing the corruption risk arising via third parties is an essential pillar of Sea-Tech's corruption prevention and detection program. Such risks must be assessed upfront before any contract is signed with third parties, and whenever a suspicion arises during the course of the relationship, a more thorough assessment must be undertaken by the CEO, Executive Director and Chief Finance Officer, and, if necessary, by the legal department.

When using an intermediary, Sea-Tech will verify their integrity and reputation, as well as their financial and technical ability to provide the required services. A written contract must set out in detail the required services, the fees to be paid accordingly, and the activity reports to be provided.

7. Representing interests and lobbying

Individuals involved in lobbying activities in Sea-Tech's name or on its behalf must comply with the following rules:

- Act in accordance with national regulations and local best practices, and register with the relevant local authorities if required;
- Never cause a public decisionmaker to favour Sea-Tech's interests via the granting of an undue advantage of any kind; and
- Act with professionalism, diligence, and integrity, in particular by providing information that is both reliable and accurate and by avoiding any conflicts of interest.

8. Human resources – hiring – sham jobs or internships

With respect to Human Resources, there is a particular corruption risk at the stage of the recruiting process. Employees must never offer a job within Sea-Tech to a client, supplier, public official, or to such person's family members or friends for the purpose of obtaining a benefit in exchange. If you recommend someone you have any kind of relationship with for a job, you must report the conflict of interests. Any employment must be done by the HR department and must be approved by the CEO.

9. Mergers & acquisitions or disposals

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Acquisition transactions present specific corruption risks. Acts of corruption committed by a target company before it is purchased may lead to sanctions (for both the acquired company and its management) including hefty fines which may reduce the company's value, disrupt the company's operations, and negatively impact its reputation.

- Pre-sounding checks regarding the target company, potential purchaser in case of disposal, or joint-venture partner;
- Contractual negotiations; and
- Integration of the new company (or target).

Risk management

The organisation has established detailed risk management procedures to prevent, detect and prohibit bribery. The organisation will conduct risk assessments for each of its key business activities on a regular basis and, where relevant, will identify employees or officers of the organisation who are in positions where they may be exposed to bribery.

The organisation will identify high-risk areas, for example projects undertaken in high-risk countries, tenders for work and those working on high-value projects. Employees and associated persons are required to complete a bribery risk assessment form with their Line Manager when commencing a new project.

The organisation will:

- regularly monitor "at risk" employees and associated persons;
- regularly communicate with "at risk" employees and associated persons;
- undertake extensive due diligence of third parties and associated persons; and
- communicate its zero-tolerance approach to bribery to third parties, incl actual and prospective customers, suppliers, and joint-venture partners.

Records

Employees and, where applicable, associated persons, are required to take particular care to ensure that all organisational records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement, or relationship with a potential supplier of services, agent, consultant or representative [in accordance with the organisation's procurement and risk management procedures].

Employees and associated persons are required to keep accurate, detailed and up-to-date records of all corporate hospitality, entertainment or gifts accepted or offered.

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Implementing the anticorruption policy

Sea-Tech's top management is responsible for this Anticorruption Policy. Sea-Tech will ensure that all employees as well as all related parties, contractors and service providers are aware of Sea-Tech's policy.

As a reminder, Sea-Tech has a zero-tolerance policy regarding acts of corruption and influence peddling. The appropriate sanctions will be those provided by the law applicable to the employee in question and will be taken in compliance with the relevant legal procedures, in particular the employee's applicable rights and protections.

A handwritten signature in blue ink, appearing to read 'Robbie Hartog', is positioned above the printed name.

Robbie Hartog
Chief Executive Officer
9th August 2021

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