



SAFE Boats International Code of Conduct

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As SAFE Boats Team Members, we know that what we do every day helps to protect our country, the lives of those that carry out that mission, and the lives of the citizens they serve. This defines our purpose and the spirit of the Company- what we do and why we do it. Throughout our history we have built and fostered an outstanding reputation tied to the performance and reliability of our products and the dedication and talent of our people.

SAFE Boats' Mission, Vision, and Values capture that spirit and define the core principles that guide us every day. The SAFE Boats Code of Conduct (the "Code") is one of the ways we put our Mission, Vision, and Values into practice and bring them to life.

Our Code of Conduct is designed to be the bridge between ***who we are*** and ***what we do***. It establishes the highest possible standards for everything we do in connection with our work and in our behaviors and relationships and encourages us to measure ourselves against those standards. Our shared commitment to the principles embodied in the SAFE Boats Code of Conduct helps us find and retain great people, build great products, and attract loyal customers. The standards and expectations contained in the Code are the foundation for our successes as an organization and as individuals.

Richard Schwarz

Chief Executive Officer



Mission:

To provide the brave men and women in uniform with the most reliable boats that allow them to complete their mission, save lives, and protect freedom around the world.

Vision:

“To be the global leader in providing the most reliable and effective boat platform systems and solutions to allow our Defense, Security, and First Responder customers to accomplish their missions.”

What this means to our:

- **Customers** – to be the most customer responsive company in the industry as determined by our customer.
- **Team Members** – to be the best place to work in the industry as determined by our Team Members.

Core Values:

- **Integrity**
 - We are accountable to our Team Members, customers, and shareholders for achieving our goals while protecting our company’s reputation and assets
 - We are truthful and consistent in our actions and words
 - We take responsibility for our actions
 - We are committed to maintaining high ethical standards in all of our business dealings

- **Customer Focus**
 - We achieve Full Customer Satisfaction by meeting or exceeding our customer's expectations through Safety, Quality, Cost and Delivery
 - We build long-lasting relationships by earning trust with every customer interaction before, during and after the sale
 - We continuously seek to understand customer needs, solicit feedback and act to provide innovative solutions

- **One team, Working together**
 - We treat everyone with dignity and respect
 - The success of the team comes before personal agendas
 - We empower our Team Members
 - We share success and failure as one team
 - We assume positive intent and seek to understand

- **Continuous Improvement**
 - Together, we continuously learn, share and communicate ideas and knowledge to lead the industry in quality and innovative solutions
 - We aggressively eliminate inefficiencies to reduce cost and improve financial results
 - We improve the organization by making strategic decisions using facts and reliable data
 - We accept challenges and manage risks

- **Stewardship**
 - We are a good neighbor in our community, and contribute to making it a better and safer place to live and work
 - We are good global, national, and local citizens
 - We are responsible stewards of the environment

SAFE Boats International Code of Conduct

The SAFE Boats Code of Conduct is intended to guide our decisions and our behaviors as Citizens of SAFE Boats. Please read the Code and follow it in both spirit and letter. Each of us has a personal responsibility to incorporate, and to encourage each other to incorporate, the principles of the Code and our shared values into our work. And if you have a question or ever think that one of your fellow Team Members or the company as a whole may be falling short of our commitment, don't be silent. We want – and need – to hear from you.

Who Must Follow Our Code?

We expect all of our employees to know and follow the Code. Failure to do so can result in disciplinary action, including termination of employment. Moreover, while the Code is specifically written for SAFE Boats employees, we expect our contractors, consultants, and others who may be temporarily assigned to perform work or services for SAFE Boats to follow the Code in connection with their work for us. Failure of a contractor, consultant, or other covered service provider to follow the Code can result in termination of their relationship with SAFE Boats.

What If I Have a Code-Related Question or Concern?

It is your responsibility as a Citizen of SAFE Boats to act. If you have a question or concern, you can contact any manager or Human Resources. If you believe a violation of law has occurred, you can always raise that through HR or with a government agency.

No Retaliation

SAFE Boats prohibits retaliation against any worker who reports or participates in an investigation of a possible violation of our Code, policies, or the law. If you believe you are being retaliated against, please contact Human Resources.

I. Serving Our Customers

Our customers (internal and external) value SAFE Boats not only because we deliver great products and services, but because we hold ourselves to a higher standard in how we operate. Keeping the following principles in mind will help us to maintain that high standard:

Integrity

Our reputation as a company (our Brand) is our most valuable asset, and it is up to all of us to make sure that we continually earn that trust. All of our communications and other interactions with our Team Members, Customers, Suppliers, and Community should increase their trust in us and enhance our reputation.

Responsiveness

In order to be known for reliability and honesty, you must also be responsive: We recognize relevant user feedback when we see it, and we do something about it. We take pride in

responding to communications from our customers, whether questions, problems, or compliments. And if we find something is wrong, we will correct it as quickly as possible.

Take Action

Any time you feel our customers (internal or external) aren't being well-served let someone in the company know about it. Continually improving our products and services takes all of us, and we're proud that our Team Members champion our customers and take the initiative to step forward when their interests are at stake.

II. Serving Each Other

We are committed to creating and maintaining a supportive work environment, where Team Members have the opportunity to thrive and reach their fullest potential. Team Members are expected to do their utmost to create a workplace culture that is free of harassment, intimidation, bias, and unlawful discrimination.

Please read the SAFE Boats Team Member Handbook. The Handbook covers in greater detail how we should conduct ourselves at work.

Equal Opportunity Employment

Employment at SAFE Boats is based solely upon individual merit and qualifications directly related to professional competence. We strictly prohibit unlawful discrimination or harassment on the basis of race, color, religion, veteran status, national origin, ancestry, pregnancy status, sex, gender identity or expression, age, marital status, mental or physical disability, medical condition, sexual orientation, or any other characteristics protected by law. We also make all reasonable accommodations to meet our obligations under laws protecting the rights of the disabled.

Harassment, Discrimination, and Bullying

SAFE Boats prohibits discrimination, harassment and bullying in any form – verbal, physical, or visual, as discussed more fully in our Employee Handbook. If you believe you've been bullied or harassed by anyone at SAFE Boats, or by a SAFE Boats partner or vendor, immediately report the incident to your supervisor, Human Resources or both. Similarly, supervisors and managers who learn of any such incident should immediately report it to Human Resources. HR will promptly and thoroughly investigate any complaints and take appropriate action.

Drugs and Alcohol

Our position on substance abuse is simple: It is incompatible with the health and safety of our employees, and we prohibit it. If you consume alcohol while at a company-related function, use good judgment and never drink in a way that leads to embarrassment, impaired performance or inappropriate behavior, endangers the safety of others, or violates the law. Illegal drugs anywhere on or in SAFE Boats Property or at sponsored events are strictly prohibited. If a manager has reasonable suspicion to believe that a Team Member's use of drugs and/or alcohol may adversely affect the employee's job performance or the safety of the employee or others in

the workplace, the manager may request an alcohol and/or drug screening. A reasonable suspicion may be based on objective symptoms such as the employee's appearance, smell, behavior, or speech.

Safe Workplace

We are committed to a violence-free work environment, and we will not tolerate any level of violence or the threat of violence in the workplace. Please review SAFE Boats Weapons Free Workplace Policy for additional guidance. If you become aware of a violation of this policy, you should report it to Human Resources immediately. In case of potential violence, contact a manager immediately.

III. Avoiding Conflicts of Interest

When you are in a situation in which competing loyalties could cause you to pursue a personal benefit for you, your friends, or your family at the expense of SAFE Boats, you may be faced with a conflict of interest. All of us should avoid conflicts of interest and circumstances that reasonably present the appearance of a conflict. Always ask yourself whether an action you're considering could create an incentive for you, or appear to others to create an incentive for you, to benefit yourself, your friends or family, or an associated business at the expense of SAFE Boats. If the answer is "yes," the action you're considering is likely to create a conflict of interest situation, and you should avoid it.

Below, we provide guidance in five areas where conflicts of interest often arise:

Outside employment, advisory roles, board seats, and starting your own business

Business opportunities found through work

Inventions

Friends and relatives; co-worker relationships

Accepting gifts, entertainment, and other business courtesies

In each of these situations, the rule is the same – if you are considering entering into a business situation that creates a conflict of interest, don't. If you are in a business situation that may create a conflict of interest, or the appearance of a conflict of interest, review the situation with your manager and Human Resources.

Outside Employment, Advisory Roles, Board Seats, and Starting Your Own Business

Avoid accepting employment or advisory positions with SAFE Boats competitors or business partners when your judgment could be, or could appear to be, influenced in a way that could harm SAFE Boats. Do not start your own business if it will compete with SAFE Boats.

Business Opportunities Found Through Work

Business opportunities discovered through your work here belong first to SAFE Boats, except as otherwise agreed to by the Company.

Inventions

Developing or helping to develop outside inventions that a) relate to SAFE Boats' existing or reasonably anticipated products and services, b) relate to your position at SAFE Boats, or c) are developed using SAFE Boats resources may create conflicts of interest and be subject to the provisions of SAFE Boats' Confidential Information and Inventions Agreement and other employment agreements. If you have any questions about potential conflicts or intellectual property ownership involving an outside invention or other intellectual property, consult Human Resources.

Friends and Relatives; Co-Worker Relationships

Avoid participating in management of or decision-making regarding potential or existing SAFE Boats business relationships that involve your relatives, spouse or significant other, or close friends. This includes being the hiring manager for a position for which your relative or close friend is being considered or being a relationship manager for a company associated with your spouse or significant other.

To be clear, just because a relative, spouse/significant other, or close friend works at SAFE Boats or becomes a SAFE Boats competitor or business partner doesn't mean there is a conflict of interest. However, if you are also involved in that SAFE Boats business relationship, it can be very sensitive. The right thing to do in that situation is to discuss the relationship with your manager and Human Resources.

Finally, familial and romantic relationships between co-workers can, depending on the work roles and respective positions of the co-workers involved, create an actual or apparent conflict of interest. If a personal relationship does create an actual or apparent conflict, it may require changes to work arrangements or even the termination of employment of either or both individuals involved. Consult SAFE Boats' Employee Handbook for additional guidance on this issue.

Accepting Gifts, Entertainment, and Other Business Courtesies

Accepting gifts, entertainment, and other business courtesies from a SAFE Boats competitor or business partner can easily create the appearance of a conflict of interest, especially if the value of the item is significant. Generally, acceptance of inexpensive "token" non-cash gifts is permissible (valuation of less than \$25). It's important to note that there may be financial and tax implications on top of disciplinary action should this be violated. In addition, infrequent and moderate business meals and entertainment with clients and infrequent invitations to attend local sporting events and celebratory meals with clients can be appropriate aspects of many SAFE Boats business relationships, provided that they aren't excessive and don't create the appearance of impropriety.

IV. Maintaining Confidentiality

We get a lot of media, social media and other forms of attention around our products, activities, innovations and our culture, and that's usually a good thing. However, certain kinds of company information, if leaked into the press or to competitors, can hurt our product launches, eliminate our competitive advantage and prove costly in other ways. Our responsibilities extend beyond not revealing confidential material – we must also:

- ✓ Properly secure, label, and (when appropriate) dispose of confidential material;
- ✓ Safeguard confidential information that SAFE Boats receives from others under non-disclosure agreements;
- ✓ Take steps to keep our trade secrets and other confidential intellectual property secrets.
- ✓ Avoid posting or sharing confidential or sensitive company information on your personal social media accounts and with others

Confidential Information

Make sure that information that is classified as “Need to Know” or “Confidential” is handled with appropriate care. At times, a particular project or negotiation may require you to disclose Need to Know or Confidential information to an outside party: Disclosure of that information should be on an “only as needed” basis and only under a non-disclosure agreement. In addition, SAFE Boats may require a prior security assessment of the outside party that is to receive the confidential information. Be sure to conduct the appropriate due diligence and have the appropriate agreement in place before you disclose the information.

There are, of course, “gray areas” in which you will need to apply your best judgment in making sure you don't disclose any confidential information.

Finally, some of us will find ourselves having family or other personal relationships with people employed by our competitors or business partners. As in most cases, common sense applies. Don't tell your significant other or family members anything confidential, and don't solicit confidential information from them about their company.

SAFE Boats Partners

Just as you are careful not to disclose confidential SAFE Boats information, it's equally important not to disclose any confidential information from our partners. Don't accept confidential information from other companies without first having all parties sign an appropriate Non-disclosure Agreement. Even after the agreement is signed, try only to accept as much information as you need to accomplish your business objectives.

Competitors/Former Employers

We respect our competitors and want to compete with them fairly. But we don't want their confidential information. The same goes for confidential information belonging to any Team Member's former employers. If an opportunity arises to take advantage of a competitor's or

former employer's confidential information, don't do it. Should you happen to come into possession of a competitor's confidential information, contact your manager or HR immediately.

Outside Communications

You probably know that our policy is to be extremely careful about disclosing confidential proprietary information. Consistent with that, you should also ensure your outside communications (including online and social media posts) do not disclose confidential proprietary information or represent (or otherwise give the impression) that you are speaking on behalf of SAFE Boats unless you're authorized to do so by the company. In general, before making any external communication or disclosure, you should consult your manager or Human Resources.

V. Protecting SAFE Boats Assets

Every company needs to protect its physical and intellectual assets and SAFE Boats is no exception. Our ability to remain competitive depends on how well we conserve company resources and protect company assets and information.

Intellectual Property

SAFE Boats' intellectual property rights (our trademarks, logos, copyrights, trade secrets, "know-how", and patents) are among our most valuable assets. Unauthorized use can lead to their loss or serious loss of value. You must respect all copyright and other intellectual property laws, including laws governing the fair use of copyrights, trademarks, and brands. You must never use SAFE Boats' logos, marks, or other protected information or property for any business or commercial venture without pre-clearance from the Business Development/ Marketing team. We strongly encourage you to report any suspected misuse of trademarks, logos, or other SAFE Boats intellectual property.

Likewise, respect the intellectual property rights of others. Inappropriate use of others' intellectual property may expose SAFE Boats and you to criminal and civil fines and penalties. Please seek advice before you solicit, accept, or use proprietary information from individuals outside the company or let them use or have access to SAFE Boats proprietary information.

Company Equipment

SAFE Boats provides the tools and equipment we need to do our jobs effectively and counts on us to be responsible and not wasteful with those resources. Company funds, equipment, and other physical assets are not to be used for purely personal use. If you are unsure if a certain use of company assets is acceptable please ask your manager or Human Resources.

Materials, Tools, Supplies

Having materials, tools, and supplies for the work we do where we need them when we need them is critically important to our success to meet production schedules. Intentional misuse or theft of any SAFE Boats asset not only has a major negative impact in production, it violates our core value of Integrity and will be investigated. If found guilty, disciplinary action will be

administered leading up to termination of either employment from the company or of “other” business agreements/relationships with SAFE Boats.

The Network

SAFE Boats’ information technology resources (which include both our network and the hardware that connects to it, like computers and mobile devices) are a critical aspect of our company’s property, both physical and intellectual. Be sure to follow all security policies. If you have any reason to believe that our network security has been violated – for example, you lose your laptop or smart phone or think that your network password may have been compromised – please promptly report the incident to the Information Technology Department.

Physical Security

Always secure your laptop, important equipment, and your personal belongings, even while on SAFE Boats premises. Don’t tamper with or disable security and safety devices. Watch people who “tailgate” behind you through our doors. Promptly report any suspicious activity to a manager.

Use of Equipment and Facilities

Anything you do using SAFE Boats’ corporate electronic resources (e.g., our computers, mobile devices, network, etc.) or store on our premises (e.g., letters, memos, and other documents) might be disclosed to people inside and outside the company. For example, SAFE Boats may be required by law (e.g., in response to a subpoena or warrant) to monitor, access, and disclose the contents of corporate email, voicemail, computer files, and other materials on our electronic facilities or on our premises. In addition, the company may monitor, access, and disclose employee communications and other information on our corporate electronic resources or on our premises where there is a business need to do so, such as protecting employees and users, maintaining the security of resources and property, or investigating suspected employee misconduct.

VI. Ensuring Financial Integrity and Responsibility

Financial integrity and fiscal responsibility are core aspects of corporate professionalism. This is more than just accurate reporting of our financials, though that’s certainly important. The money we spend on behalf of SAFE Boats is not ours; it’s the company’s and, ultimately, our shareholders’. Each person at SAFE Boats – not just those in Finance – has a role in making sure that money is appropriately spent, our financial records are complete and accurate, and internal controls are honored. This matters every time we bring on a new vendor, expense something to SAFE Boats, sign a new business contract, or enter into any deals on SAFE Boats’ behalf.

SAFE Boats maintains a system of internal controls to reinforce our compliance with legal, accounting, tax, and other regulatory requirements in every location in which we operate.

We all must stay in full compliance with our system of internal controls, and don’t hesitate to contact Human Resources or Finance if you have any questions. What follows are some core concepts that lie at the foundation of financial integrity and fiscal responsibility here at SAFE Boats.

Spending SAFE Boats' Money

When you submit an expense for reimbursement or spend money on SAFE Boats' behalf, make sure that the cost is reasonable, directly related to company business, and supported by appropriate documentation. Always record the business purpose (e.g., if you take someone out to dinner, always record in our expense reimbursement request the full names and titles of the people who attended as well as the reason for the dinner) and comply with other submission requirements. If you're uncertain about whether you should spend money or submit an expense for reimbursement, check with your manager. Managers are responsible for all money spent and expenses incurred by their direct reports, and should carefully review such spend and expenses before approving.

Signing a Contract

Each time you enter into a business transaction on SAFE Boats' behalf, there should be documentation recording that agreement, approved by the Finance Department. Never sign any contract on behalf of SAFE Boats unless all of the following are met:

- ✓ You are authorized to do so under our Signature Authority and Approval Policy. If you are unsure whether you are authorized, ask your manager
- ✓ You have studied the contract, understood its terms and decided that entering into the contract is in SAFE Boats' interest
- ✓ All other documents have been agreed to and signed that may be relevant to the contract (such as a non-disclosure agreement)

All contracts at SAFE Boats should be in writing and should contain all of the relevant terms to which the parties are agreeing – SAFE Boats does not permit "side agreements," oral or written.

Recording Transactions

If your job involves the financial recording of our transactions and data, make sure that you're fully familiar with all of the SAFE Boats policies that apply, including those for Revenue Recognition and Purchasing.

Immediately report to Finance any transactions that you think are not being recorded correctly.

Reporting financial or accounting irregularities

Do not interfere in any way with the auditing of SAFE Boats' financial records. Similarly, you should never falsify any record or account, including time reports, expense accounts, and any other SAFE Boat records.

If you suspect or observe any of the conduct mentioned above or, for that matter, any irregularities relating to financial integrity or fiscal responsibility, no matter how small, immediately report them to the CEO or CFO.

Hiring Suppliers

SAFE Boats purchases products and services from a wide range of suppliers. We should always strive for the best possible outcome/value for the Company. This almost always requires that you solicit competing bids to make sure that you're getting the best offer. While price is very important, it isn't the only factor worth considering. Quality, service, reliability, and the terms and conditions of the proposed deal may also affect the final decision. Please do not hesitate to contact the Purchasing Team if you have any questions regarding how to procure equipment or services.

Retaining Records

It's important that we keep records for the appropriate length of time. The SAFE Boats Records Retention Policy suggests minimum record retention periods for certain types of records (which could include hard and/or electronic copies of documents and information). These are great guidelines, but keep in mind that legal requirements, accounting rules, and other external sources sometimes specify longer retention periods for certain types of records, and those control where applicable. In addition, if asked to retain records relevant to a litigation, audit, or investigation, do so until you are informed retention is no longer necessary. If you have any questions regarding the correct length of time to retain a record, contact the Finance Team.

VII. Obey the Law

SAFE Boats takes its responsibilities to comply with laws and regulations very seriously and each of us is expected to comply with applicable legal requirements and prohibitions. While it's impossible for anyone to know all aspects of every applicable law, you should understand the major laws and regulations that apply to your work. A few specific laws are easy to violate unintentionally and so are worth pointing out here:

Trade Controls

U.S. and international trade laws control where SAFE Boats can send its products, services, and information. These laws are complex, and apply to:

- imports and exports from or into the U.S.
- imports and exports of products from or into other countries, with additional concerns when those products contain components or technology of U.S. origin
- exports of services or providing services to non-U.S. persons
- exports of technical data, especially when the technical data is of U.S. origin

What constitutes an "import" or "export" under the law is pretty broad. For example:

- exposing or allowing access by non-U.S. persons to U.S. technical data can be an "export", regardless of what country the exposure occurred in
- transporting technical data or software on your laptop, or tools or equipment in your luggage, may be an export and import

The bottom line: If you are in any way involved in sending or making available SAFE Boats products, services, equipment, or any form of technical data from one country to another, work

with the Company's Export Compliance officer to be absolutely sure that the transaction stays well within the bounds of applicable laws.

Competition Laws

Most countries have laws – known as “antitrust,” “competition,” or “unfair competition” laws – designed to promote free and fair competition. Generally speaking, these laws prohibit-

- 1) arrangements with competitors that restrain trade in some way,
- 2) abuse of intellectual property rights, and
- 3) use of market power to unfairly disadvantage competitors.

Certain conduct is absolutely prohibited under these laws, and could result in your imprisonment, not to mention severe penalties for SAFE Boats.

Examples of prohibited conduct include:

- agreeing with competitors about prices
- agreeing with competitors to rig bids or to allocate customers or markets
- agreeing with competitors to boycott a supplier or customer

Other activities can also be illegal, unfair, or create the appearance of impropriety. Such activities include:

- sharing competitively sensitive information (e.g., prices, costs, market distribution, etc.) with competitors
- entering into a business arrangement or pursuing a strategy with the sole purpose of harming a competitor

Although the spirit of these laws is straightforward, their application to particular situations can be quite complex.

SAFE Boats is committed to fair and open competition, so please contact Human Resources if you have any questions about the antitrust laws and how they apply to you. Any personnel found to have engaged in prohibited anti-competitive activities will, subject to local laws, be disciplined, up to and including termination of employment. If you suspect that anyone at the company is violating the competition laws, notify Human Resources immediately.

Anti-bribery Laws

Like all businesses, SAFE Boats is subject to lots of laws, both U.S. and non-U.S., that prohibit bribery in virtually every kind of commercial setting. The rule for us at SAFE Boats is simple – don't bribe anybody, anytime, for any reason.

Non-government relationships

You should be careful when you give gifts and pay for meals, entertainment, or other business courtesies on behalf of SAFE Boats. We want to avoid the possibility that the gift, entertainment, or other business courtesy could be perceived as a bribe, so it's always best to provide such business courtesies infrequently and, when we do, to keep their value moderate. Contact Human Resources if you have any questions.

Dealing with government officials

Offering gifts, entertainment, or other business courtesies that could be perceived as bribes becomes especially problematic if you're dealing with a government official. "Government officials" include any government employee; candidate for public office; or employee of government-owned or -controlled companies, public international organizations, or political parties. Several laws around the world, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act, specifically prohibit offering or giving anything of value to government officials to influence official action or to secure an improper advantage. This not only includes traditional gifts, but also things like meals, travel, political or charitable contributions, and job offers for government officials' relatives. Never give gifts to thank government officials for doing their jobs. By contrast, it can be permissible to make infrequent and moderate expenditures for gifts and business entertainment for government officials that are directly tied to promoting our products or services (e.g., providing a modest meal at a day-long demonstration of SAFE Boats products). Payment of such expenses can be acceptable (assuming they are permitted under local law) but may require pre-approval from SAFE Boats.

The U.S. also has strict rules that severely limit the ability of a company or its employees to give gifts and business courtesies to a U.S. government official and also limit the official's ability to accept such gifts. The Honest Leadership and Open Government Act prohibits giving any gifts, including travel and other courtesies, to Members, Officers, and employees of the U.S. Senate and House of Representatives unless they fit within one of a number of specific exceptions. Gifts to employees of the U.S. executive branch are also regulated and subject to limits. Finally, state and local government officials in the U.S. are also subject to additional legal restrictions. Consult SAFE Boats' CEO or CFO for guidance before giving any such gifts or business courtesies and obtain all required pre-approvals.

VIII. Conclusion

SAFE Boats strives to behave in an ethical and responsible way at all times. It is impossible to spell out every possible ethical scenario we might face. Instead, we rely on everyone's good judgment to uphold a high standard of integrity for ourselves and our company. We expect all SAFE Boats Team Members and Associates to be guided by both the letter and the spirit of this Code. Sometimes, identifying the right thing to do isn't an easy call. If you aren't sure, don't be afraid to ask questions of your manager, Human Resources, or the Finance Team.