



AUSTAL

USA

CODE OF CONDUCT

**SECTION 1:
ABOUT THE CODE**

**SECTION 2:
OUR COMPLIANCE
PROGRAM**

**SECTION 3:
OUR WORK
ENVIRONMENT**

**SECTION 4:
CONFLICTS
OF INTEREST**

**SECTION 5:
WORKING ON
GOVERNMENT
CONTRACTS**

**SECTION 6:
COMPANY
INFORMATION
AND ASSETS**

TABLE OF CONTENTS

A Message From the Austal USA President	4
---	---

SECTION 1

ABOUT THE CODE	5
Responsibility/Accountability	5
Vision	6
Mission	6
Values	6

SECTION 2

OUR COMPLIANCE PROGRAM	7
Resources	7
Obligation to Report Misconduct	8
Austal USA Tip Line	8
DOO Hotline	8
Non-Retaliation Policy	9
Investigation of Misconduct	9
Mandatory Self Disclosure	9
Foreign Ownership, Control and Influence (FOCI)	9
Export Compliance	9
Sustainability	10

SECTION 3

OUR WORK ENVIRONMENT	11
Harassment	11
Equal Opportunity and Affirmative Action Policy	11
Health and Safety	11
Workplace Violence	11
Security of Employees	12
Drug-Free Workplace	12

SECTION 4

CONFLICTS OF INTEREST	14
Personal Conflicts of Interest	14
Nepotism	15
Anti-Bribery	15
Gifts and Gratuities	16
Suppliers and Contractors	16
Insider Trading	16

TABLE OF CONTENTS

SECTION 5

WORKING ON GOVERNMENT CONTRACTS 18

Working with Government Employees	18
False Claims/False Statements	19
Timekeeping	19
Proposals	19
Classified Information	20
Restrictions on Access to Government and Outside Company Information	20
Antitrust	20
Anti-Trafficking Policy	20
Clawback	21

SECTION 6

COMPANY INFORMATION AND ASSETS 23

Company Confidential Information	23
Use of Company Assets	23
Political Activity	24
Communication with The Media	24
Use of Social Media	24
Charitable Contributions	24
Sponsorship	24

SECTION 7

RECORD OF REVIEW AND/OR REVISIONS 26



A MESSAGE FROM THE AUSTAL USA PRESIDENT

Shipmates,

At Austal USA, we strive for excellence in everything we do. Each of us must remain committed to operate honestly, transparently, and ethically every day. Our success depends on each one of us always doing the right thing, the right way, and for the right reasons, even when it is difficult.

At Austal USA, we foster a culture of diversity, inclusion, and mutual respect for everyone. We recognize that you, and our workforce at large, are our greatest asset. Our Austal USA Code of Conduct outlines the rules and expectations for our behavior, actions, and the policies to follow with respect to our employment. Abiding by these principles and policies ensures we maintain a thriving culture where everyone remains safe from harm, and prohibited or inappropriate behavior is eliminated. Please take time to read and understand our Code of Conduct. Maintaining a healthy workplace is all of our responsibility. Your commitment to upholding the principles and policies outlined in the Code of Conduct is essential to preserving our company, as well as our reputation, as an honest, transparent, and ethical maritime industrial base partner.

Thank you for always doing the right thing, the right way, for the right reasons every day, without question. Our future depends on it.



Michelle Kruger
President, Austal USA



SECTION ONE:

ABOUT THE CODE

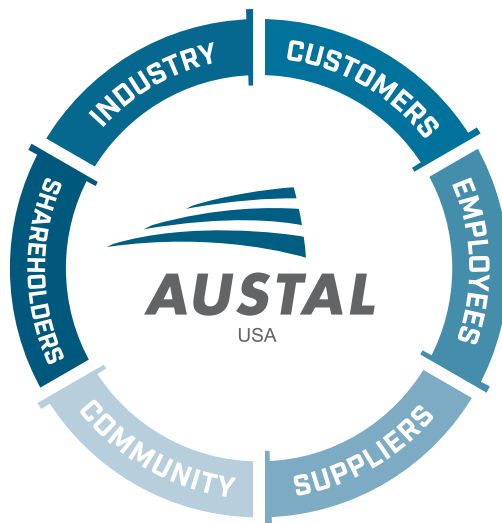
The Code of Conduct (Code) was created as a practical reference to inform and guide our employees on what conduct is expected from the company. The Code applies to all Austal USA employees worldwide, including part time, temporary and contract employees. It is not intended to give you the answer to every question, rather it is a starting point and can help you find the correct resource if you need more information. When we talk about **business ethics**, we refer to being honest, fair and making good judgment choices. When we talk about **compliance**, we are referring to the laws, rules and regulations that control and direct our company and its employees. The Code includes information about both the ethics and compliance aspects of business conduct.

The Code is available online at www.austalusa.com.

RESPONSIBILITY/ACCOUNTABILITY

Austal USA is resolute in its commitment to legal and ethical conduct in all of our business operations. Austal USA is committed to the basic belief that success in business should not be achieved at the expense of ethical behavior, fair play or the law. We believe instead that success is achieved by adhering to the highest standards of ethical behavior based on the basic principles of fair dealing, honesty, integrity and respect. Therefore, all employees have a shared responsibility and are expected to uphold this commitment to integrity and to protect our company and its stakeholders.

**We are responsible
to our stakeholders:**





VISION

We are the very best U.S. Shipbuilding and Service Company in our industry with the reputation of meeting our commitments by focusing internally on our people and processes to better serve the needs of our Nation's sailors who protect and serve us and others around the world.

MISSION

Our Mission is to **Meet our Commitments** while:

- ▶▶ Yielding strong shareholder return
- ▶▶ Providing innovative and affordable solutions to our customers
- ▶▶ Fostering a culture that values diversity; providing a safe, stable work environment for our employees
- ▶▶ Enhancing civic pride and prosperity in our Communities
- ▶▶ Building strong relationships for mutual success with our business partners

VALUES

- ▶▶ Excellence
- ▶▶ Customer Focus
- ▶▶ Integrity
- ▶▶ Teamwork

IF YOU
SEE
SOMETHING.


SAY
SOMETHING!

SECTION TWO: OUR COMPLIANCE PROGRAM

Austal USA is committed to maintaining an effective Compliance Program to prevent and detect violations of applicable laws, rules and regulations, and to ensure the company has in place adequate policies and procedures to govern its business. Moreover, Austal USA continues to foster and maintain a culture of compliance throughout the organization by promoting each employee's responsibilities toward achieving compliance in all aspects of its business functions. Together, the Compliance Department and Leadership Team strive to ensure that all employees have the compliance toolkit they need to make good business choices. Secondly, the Compliance Department is committed to establishing a fluid network between all compliance functions so that the Compliance Program continually improves.

The Compliance Department provides regular briefings to both the president and the Compliance Committee of the Austal USA Board of Managers which provides oversight of the Austal USA Compliance Program and the effectiveness of its ongoing operations.



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DOING THE RIGHT THING

We make a choice to do the right thing even when it's difficult and not to any one person's advantage.

DOING IT THE RIGHT WAY

We are always mindful that we need to conduct ourselves in accordance with our policies and to always be fair and honest.

DOING IT FOR THE RIGHT REASONS

We want the company to be successful and to have a reputation for being ethical in all of our business activities.

RESOURCES

There are many resources available to you for support and guidance.

- The instructions, policies and guidelines are available on the Austal USA Quality Management System (QMS) Drive.
- Supervisors, managers, human resources and other department representatives also serve as critical sources of information and should be consulted in the event you have questions or need additional information.

SECTION TWO

IF YOU
SEE
SOMETHING.



SAY
SOMETHING!

YOU HAVE AN OBLIGATION TO REPORT MISCONDUCT

All employees have a dual responsibility and obligation with respect to the Code and referenced Austal USA policies.

The first responsibility is personal – adherence and compliance. The second responsibility is to help ensure the adherence and compliance of others. All employees have an obligation to report misconduct, and managers are responsible for creating an environment where employees feel comfortable raising and speaking openly about ethical questions and concerns.

Austal USA has several different ways you can report concerns. If you suspect a violation of this Code, Austal USA policies or the law, you must raise the concern to your supervisor, manager or a human resources representative. If the issue involves your supervisor or manager, a member of the Human Resources Department or if you are an executive, you may report your concerns to the Legal Department. Supervisors who observe or receive a complaint of discrimination, harassment or retaliation must promptly provide the report to a human resources representative. If the observation or complaint involves a member of the Human Resources Department, a supervisor may report to the Legal Department. Each Austal USA facility has been assigned one or more human resource representatives to interface with employees on any employee-related issues, concerns or questions. Austal USA has an open-door policy, and every employee is free to talk with any manager about any topic. If any area of your work is causing you concern, you must address your concern. By listening to you, Austal USA is able to make improvements and address complaints expeditiously.

Reportable actions include but are not limited to actions that:

- Are unlawful;
- May lead to danger to others;
- May lead to incorrect financial reporting;
- Are not in line with company policies; or
- Otherwise amount to serious improper conduct.

If you would prefer to remain anonymous, you can also report the concern directly through the Austal USA Tip Line.

AUSTAL USA TIP LINE

The 24/7 global-access Tip Line can be accessed through report.syntrio.com/austalusa or by calling the third-party operator at (251) 445-1957. **Employees are encouraged to report as much specific information as possible to allow a fair and full investigation.** The Tip Line is monitored daily and all concerns are fully investigated. Employees can refer to Austal USA procedure SUP621 for more information on Austal USA's Tip Line.

DOD HOTLINE

You can also access the Department of Defense (DOD) Hotline to report misconduct through dodig.mil/hotline or by calling (800) 424-9098. However, you are encouraged to report through the Austal USA Tip Line so that the Company can take expeditious action without waiting to be prompted by the DOD.

NON-RETALIATION POLICY

Austal USA does not tolerate retaliation against any employee. Whether or not employees choose to reveal their identity when reporting suspected misconduct, Austal USA will treat the reported information with as much confidentiality as possible while also ensuring a fair and full investigation. Austal USA will not take any actions of retribution or retaliation against any employee because he/she initiated a report, even if the report proves to be mistaken, as long as it was submitted in good faith.

If any Austal USA employee attempts to retaliate against another Austal employee for reporting ethics or compliance violations, or for involvement with the investigation of a reported violation, the attempted retaliation is to be reported immediately. **Acts of retaliation are a direct violation of this Code and will result in disciplinary action, up to and including termination.**

INVESTIGATION OF MISCONDUCT

Austal USA may use any lawful method of investigation which it deems necessary to determine whether any person has engaged in conduct which, in its view, is inappropriate or interferes with or adversely affects its business. Every employee has a duty and is expected to cooperate fully with any investigation of any violation of the law, Austal USA policy or this Code. Investigations are typically conducted by the Human Resources, Legal Affairs or Security Departments.

MANDATORY SELF DISCLOSURE

To ensure that employees understand their obligations to disclose misconduct, Austal USA has developed a mandatory disclosure policy that supports Austal USA's compliance with its obligations under the Federal Acquisition Regulations ("FAR") to report misconduct in connection with any federal contract and includes a section on "Voluntary Disclosures."

That section provides that Austal USA may report misconduct that may not require a disclosure under the FAR to uphold its standards of business ethics and transparency. Such misconduct includes cybersecurity incidents, violations of federal securities laws, and noncompliance with export control laws.

FOREIGN OWNERSHIP, CONTROL AND INFLUENCE (FOCI)

Because Austal USA is owned in whole by Austal Ltd., a foreign company, we operate under a Special Security Arrangement (SSA) which allows us to work on sensitive United States defense programs despite being foreign-owned. **It is critical that all employees adhere to the FOCI mitigation rules which have been established as part of the SSA.** All employees, affiliates and subsidiaries are required to comply with provisions of the SSA and report issues to the Chief Technology & Security Officer (CTSO).

EXPORT COMPLIANCE

For Austal USA employees involved in export matters, you must ensure that your activities comply with the latest applicable regulations. We comply with all trade sanctions and export control laws that are applicable to our activities. You must seek necessary guidance and clarification as needed because the failure to adhere to these laws and regulations could expose Austal USA and the individuals involved to severe sanctions, including prohibition of future exports, criminal and civil penalties, monetary fines, suspension and disbarment. All employees must report potential International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR) violations immediately to ITAR@austalusa.com so the Empowered Official (EO) can take appropriate action.



Vice President Security & Information Technology

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SECTION TWO

IF YOU
SEE
SOMETHING.



SAY
SOMETHING!

SUSTAINABILITY

Austal USA is committed to achieving compatibility between economic development and environmental sustainability. Throughout all phases of our activities, we seek to ensure that Austal USA personnel and contractors give proper consideration to the care of the air, land, and water resources. To fulfill this commitment, Austal USA observes all environmental laws and acts consistent with principles of sustainable development. To learn more about Austal USA sustainability initiatives, go to usa.austal.com/sustainability.

Q&A

Q. I think I saw a violation of one of our policies. How do I report it?

A. You must report the violation. We encourage you to report the violation to your supervisor or manager. If you feel uncomfortable talking to your supervisor or manager, report the violation to a human resources representative, the Legal Department, the Company Tip Line, or when appropriate, the DoD Hotline.

Q. Should I report it even if I'm not sure that misconduct has occurred?

A. Yes. If you have a reasonable belief that misconduct has occurred, you must report it even if it is determined through the course of an investigation that no misconduct actually occurred. It is against company policy for you to be retaliated against for making a report in good faith.

Q. What if my supervisor or manager asks me to do something I think is unlawful or not in compliance?

A. You must decline to take any action that you believe is unlawful or against a company policy. Furthermore, you must immediately report your concern.

Q. How can I be sure my report will be kept confidential?

A. In order to protect the privacy of the persons involved, people investigating the suspected violations will attempt to keep confidential the identity of employees who report a suspected violation or who participate in the investigation. There may be situations, however, when this information must be disclosed as part of an investigation. The Austal USA Tip Line is an avenue for employees to provide reports anonymously.

REFERENCE

Additional information on the Austal USA Compliance Program and policies on reporting misconduct can be found in the following resources.

- » SUP203 Ethics, Fraud and Business Code of Conduct
- » SUP205 Whistleblower Procedure
- » SUP621 Ethics Fraud Compliance Tip Line
- » MGT311 Mandatory Disclosure Policy

Additional information regarding Austal USA policies on FOCI and Export Compliance can be found in:

- » SUP604 Special Security Agreement
- » SUP610 ITAR Procedure

SECTION THREE:

OUR WORK ENVIRONMENT



SECTION THREE

HARASSMENT

Austal USA does not tolerate harassment in any form.

"Harassment" means unwelcome, demeaning or hostile conduct, or conduct showing an aversion towards an individual because of or based on his/her membership in a protected class. Harassment may create hostility where it causes an offensive, intimidating and unpleasant work environment. If you observe or experience any form of harassment, you must report it to your direct manager, the Human Resources Department or through the Austal USA Tip Line.

EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION POLICY

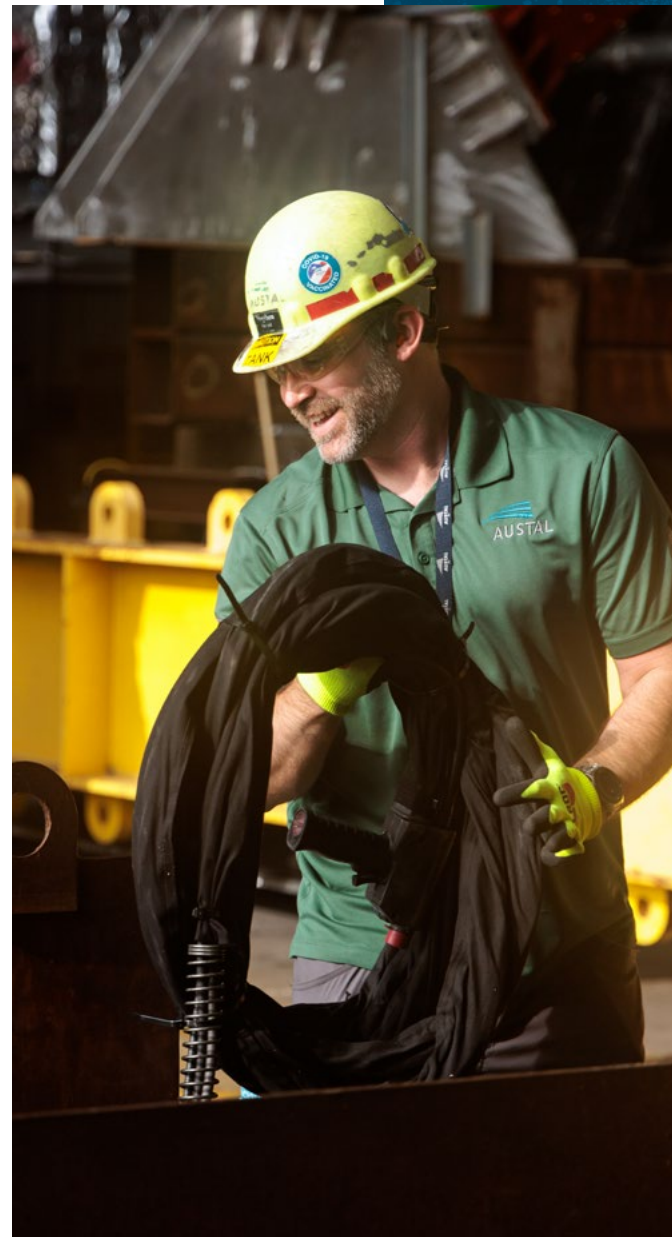
Austal USA is committed to maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience and unique perspectives. Austal USA offers equal opportunities to all qualified employees and applicants so that everyone has the opportunity to contribute and achieve success. The company embraces the recruitment, training and personal development of individuals from different backgrounds. The company recognizes and values these differences by building teams that reflect the communities and markets in which we operate. All decisions made in the identification, evaluation, qualification and selection of candidates will be based solely on job-related criteria.

HEALTH AND SAFETY

The health and safety of all employees is a top priority at Austal USA. Austal USA's dedicated team of safety professionals continually evaluates the potential safety and health risks in all of Austal USA's activities. These considerations are factored into planning, processes and decisions to ensure that business is not conducted in any way that puts someone at risk.

WORKPLACE VIOLENCE

Austal USA is committed to providing a workplace free from violence and will not tolerate any workplace violence by or against an employee, contractor, customer or visitor. You should be alert to the possibility of workplace violence. Austal USA expects and encourages all employees to exercise reasonable judgment in identifying potentially dangerous situations and to report all actual or potential incidents to security and human resources representatives.



SECURITY OF EMPLOYEES

Austal USA is committed to providing its employees with the most secure working environment possible. We follow the applicable laws and regulations regarding security in all the locations where our business is conducted. Austal USA disseminates regular information to employees on local threats and implements procedures to mitigate security risks and to react in the event of a security incident. All employees have a responsibility to follow security procedures and to promptly report any security incident to management.

DRUG-FREE WORKPLACE

Austal USA is a drug- and alcohol-free employer. Austal USA is committed to workplace safety and employee wellness and therefore employees who violate the drug and alcohol policy will be terminated. We encourage employees with drug and alcohol dependencies to voluntarily seek help in overcoming the problem.

EMPLOYEE ASSISTANCE PROGRAM

Austal USA has established an Employee Assistance Program ("EAP") through Optum that offers free confidential counseling in the event you are struggling with substance abuse or many other life challenges. You may contact Optum via the Austal USA employee dedicated line at 1-866-248-4094. Also, you may visit Optum's EAP website dedicated to Austal USA employees at www.liveandworkwell.com (access code: austal). Optum's service as Austal USA's EAP provider is subject to change over time, in which case appropriate notification as to any new EAP provider will be disseminated to all employees.



Q. If I see my colleague harass another employee what should I do?

A. All harassing behavior must be reported. We encourage you to report the violation to your supervisor or manager. If you feel uncomfortable talking to your supervisor or manager, report the violation to a human resources representative, the Legal Department, or the Company Tip Line.

Q. I had a "near miss accident" in the assembly bay. Do I need to report it if I am ok?

A. You are required to report all "near miss accidents" regardless of severity. Prompt reporting allows for the quick identification and correction of hazards and provision of appropriate medical attention for injuries. Report all accidents or "near miss accidents" to your supervisor or manager, a human resources representative, or a health, safety, and environmental representative.

Q. Am I allowed to have a weapon in my locked vehicle while I am at work?

A. Weapons are not permitted in any secure Austal USA area including secured parking lots. Your vehicle may be searched at any time while on Austal USA property. With the exception of authorized security personnel, no individual is permitted to carry or bring a weapon while on Austal USA premises. Violation of this policy will result in immediate termination.

REFERENCE

Additional information regarding our work environment and the welfare of our employees can be found in the following Austal USA policies:

- » SUP255 Promotion Process
- » SUP601 Access Control Plan
- » SUP625 Austal USA Operations Security Plan
- » SUP313 Substance Abuse/Drug Screening Policy
- » POLENV Environmental Policy
- » POLSAF Safety & Health Policy





SECTION FOUR: CONFLICTS OF INTEREST

PERSONAL CONFLICTS OF INTEREST

A conflict of interest occurs when a personal interest interferes with Austal USA's legitimate business interests. Conflicts of interest can happen if your personal, social, financial or political activities (or those of your family members or relatives) interfere with your professional responsibilities at Austal USA. Employees should be very conscientious of the potential of their own interests or those of their immediate family to be in conflict with Austal USA interests and should take care not to choose those personal interests over Austal USA or our customers' interests when they do conflict.

In order to ensure Austal USA remains conflict-free, the following stipulations have been made:

- Employees must request management approval of outside activities, financial interests or relationships that may pose a real or perceived conflict of interest.
- Employees should avoid actions or relationships that might conflict or appear to conflict with their job responsibilities.
- Employees must obtain necessary approvals before accepting any position as an officer or director of an outside business concern or a bona fide charitable, educational or other nonprofit organization.
- Employees shall avoid any dealings outside their Austal USA responsibilities that are in competition with any Austal USA business.
- Employees shall avoid having direct or indirect financial interest in or a financial relationship with an Austal USA competitor, supplier or customer. This does not, however, include the ownership of small amounts of stock in a publicly-held company.
- Employees must avoid taking part in any Austal USA business decision that involves a company that employs a spouse or family member that may pose an actual or perceived conflict of interest.
- Employees must avoid having a second job where the other employer is a direct or indirect competitor, distributor, supplier or customer of Austal USA. This does not apply to Armed Forces duties.
- Employees must avoid using non-public Austal USA information for personal gain or advantage, or for the gain or advantage of another, including the purchase or sale of securities.
- Employees must avoid investing in an outside business opportunity in which Austal USA has an interest, except for having small amounts of stock in publicly-held companies.

If you face a situation involving an actual or perceived conflict of interest, you must disclose it to your supervisor or to an HR representative. Above all, Austal USA employees are encouraged to be honest and accurate in all dealings with both commercial and government officials, agencies, contractors and sub-contractors.

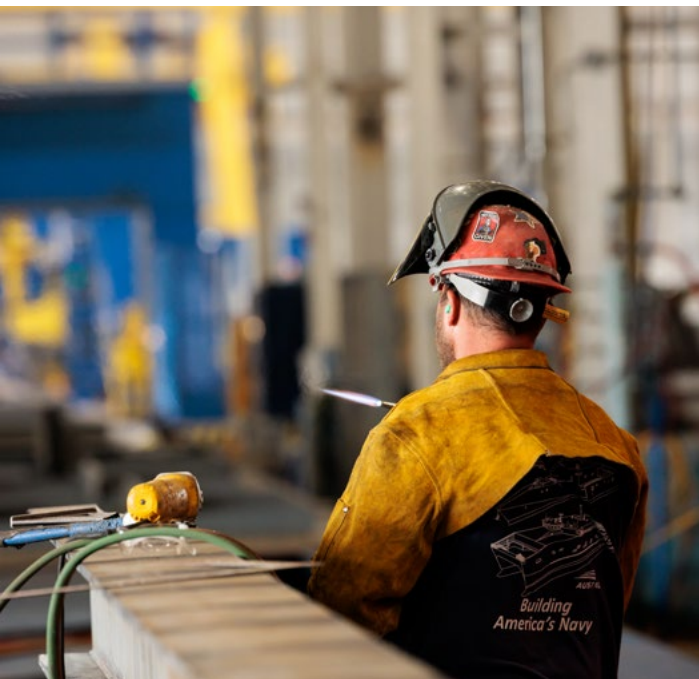
NEPOTISM

Austal USA permits the employment of qualified relatives of employees as long as such employment does not create actual or perceived conflicts of interest. To avoid any hint of favoritism, Austal USA's objective is to always hire or promote the best candidate for each position on the basis of individual merit. Additionally, it is the responsibility of each employee to inform management of the existence of a familial or personal relationship so that appropriate consideration of any potential or perceived conflict can be taken. A personal relationship is defined as a relationship between individuals who have or have had a continuing relationship of a romantic or intimate nature. To avoid potential conflicts and misunderstandings in the workplace, all employees are encouraged to inform management if they are dating or otherwise engaging in romantic relationships with other employees.

Romantic relationships between supervisors and their subordinates are strictly prohibited. Furthermore, to prevent nepotism and fraternization conflicts, an employee must not occupy a position where his or her work, responsibilities, salary or career progress may influence or be influenced by another employee who is a relative or with whom he/she is in a personal relationship.

ANTI-BRIBERY

Austal USA is committed to compliance with all laws and regulations prohibiting bribery of officials. Because of Austal USA's worldwide operations, we are compliant with the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and other local laws in the countries in which Austal USA operates. The FCPA makes it unlawful for any U.S. company and its employees or agents to offer, promise, pay or authorize the payment of "anything of value" to any "foreign (non-U.S.) official" to help to obtain or keep business or secure some other "improper business advantage." It is critical that Austal USA employees be mindful of complying with both U.S. and foreign laws governing the place where Austal USA is conducting its international business activities. Bribery by anyone acting on behalf of Austal USA is strictly prohibited, and Austal USA will approach violations of this anti-bribery policy with zero tolerance.



EMPLOYEES MUST NOT:

- ▶ Offer, promise or give benefits of any kind to a person if that benefit is intended to, or is likely to, convince him/her to perform his/her job improperly or to reward such improper performance;
- ▶ Ask for, agree to receive, or accept such a benefit;
- ▶ Accept gifts or hospitality unless it is allowed by Austal USA's policies;
- ▶ Give gifts or hospitality unless it is allowed by Austal USA's policies;
- ▶ Give gifts or hospitality where employees know or suspect that they would violate the recipient's gifts and hospitality policy.



GIFTS AND GRATUITIES

Austal USA strictly limits gifts to and from U.S. government employees (see Section 5 of this Code), and to and from commercial customers, other non-governmental parties and our suppliers (see below).

SUPPLIERS AND CONTRACTORS

Austal USA values the relationships we have with external third parties such as suppliers, contractors and consultants. Although gifts to such third parties are strictly limited, Austal USA employees may give and receive appropriate, lawful business gifts to and from such third parties, provided that all such gifts are nominal in value and are not given or received with the intent or prospect of influencing the recipient's business decision-making. Generally, a gift of \$25 or under is deemed acceptable if given or received to and from suppliers and commercial customers. Employees should reference SUP203 for the complete list of applicable guidelines. Some departments may have stricter policies regarding the exchange of gifts and gratuities, so employees should always be diligent and consult their manager and/or a human resources representative before accepting any gifts.

Equal treatment of all suppliers and potential suppliers, accountability for purchase transactions, and documentation of purchase transactions that supports auditability are fundamental principles of this Code. The purchase of goods and services is based on neutral and objective criteria such as merit, price, quality, performance, delivery, sustainability and suitability. All measures are taken to avoid conflicts of interest and the appearance of partiality in the selection and management of suppliers and contractors. Specifically, employees shall avoid having direct or indirect financial interest in or a financial relationship with an Austal USA competitor, supplier or customer. Employees should report any actual or perceived conflict of interest with a supplier to a management representative and when applicable, a human resources representative.

Some employees are held to a higher degree of scrutiny because of their direct interactions with suppliers. Specifically, due to the nature of the work in Purchasing, an additional level of attestation is required to ensure understanding, disclosure and compliance. Supply Chain employees must abide by the requirements set forth in Austal USA procedure PUR190 Purchasing Conflict of Interest which provides requirements for disclosing potential conflicts of interest and the process for obtaining a conflict of interest review. PUR190 applies to all Austal USA employees, contract labor, consultants and others acting for the company in a purchasing capacity.

INSIDER TRADING

Austal USA employees must comply with all applicable securities laws and avoid even the appearance of impropriety. Employees must not engage in insider trading, which means he or she must not: trade in the securities of any company when in possession of material nonpublic information about that company, suggest that others engage in such trading (a practice known as "tipping"), or share this information with others (including family members, friends, or other employees of Austal USA) unless authorized to do so. A violation of these laws by an individual may result in imprisonment and serious civil and criminal fines and penalties.

Material nonpublic information is any material information about the company that is not available to the public. Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding to buy or sell a security. Examples of material information include corporate earnings, significant product development, significant government investigations, changes in business strategies, major contract awards or cancellations, significant write offs, and corporate transactions such as mergers and acquisitions.

Q&A

Q. Can we pay an additional fee to an official of a foreign country when we know or suspect that official will pocket the money?

A. No. Bribes of any kind are not tolerated.

Q. Can I accept tickets to sporting events from an Austal USA supplier?

A. Generally, no. However, if the value of the tickets, and other associated benefits, are de minimis and there is no actual or expected favor in return, employees can check with a human resources representative to see if they can accept the tickets. You may not accept entertainment gifts where a representative of the company offering the gift will not be accompanying the recipient to the event. Some departments, based on the nature of the work performed, have stricter prohibitions on accepting gifts. Check with your department manager if additional restrictions may apply to you.

Q. I am an Austal USA employee and have started a private company providing ship repair services. Can I request to be set up as a supplier?

A. Absolutely not. This is a clear example of an organizational conflict of interest. Employees must avoid having a financial interest in, or a relationship with, an Austal USA competitor, supplier or customer.

Q. My cousin is thinking about applying for a job here at Austal USA. Can she apply if I work here?

A. Yes she can! However, she may not occupy a position where you or her work responsibilities, salary or career progress could be influenced by your relationship.

Q. Can I date another Austal USA employee?

A. Yes. However, an employee who is involved in a personal relationship with another employee may not work directly for or supervise the employee with whom he or she is involved. Supervisors are strictly prohibited from dating direct reports. It is the responsibility of each employee to inform management of the existence of a personal relationship so that appropriate consideration of any potential or perceived conflict can be taken.

REFERENCE

Additional information on conflicts of interest can be found in the following Austal USA policies:

- » SUP203 Ethics, Fraud and Business Code of Conduct
- » PUR101 Purchasing Manual
- » PUR108 Purchasing Code of Conduct
- » PUR190 Purchasing Conflict of Interest
- MGT315 Insider Trading Policy



SECTION FIVE: WORKING ON GOVERNMENT CONTRACTS

As a government contractor, we have a special obligation to the U.S. government and to the general public to ensure that we administer our contracts and deliver our products and services in a manner that fully satisfies both our legal obligations and our own high standards of integrity, safety and quality. Austal USA is committed to compliance with the letter and spirit of the laws and regulations governing U.S. government contracting. You should contact your immediate manager, your cognizant Contracts Department representative or the Legal Department with any questions related to our federal contracting requirements.

WORKING WITH GOVERNMENT EMPLOYEES

Austal USA strictly limits gifts to and from U.S. government employees. Employees are not to offer any bribe, kickback, gift or gratuity to an officer, official, employee or agent of the U.S. government in order to obtain an advantage with respect to the award or administration of any federal contract. All Austal USA employees working directly with government officials must adhere to the following guidelines:

When there is no social or personal relationship, no gifts, except as set forth below, will be given to government officials including members of the U.S. armed forces:

- Modest items of food and refreshment such as soft drinks, coffee and doughnuts, offered other than as part of a meal, during a business meeting
- Promotional items of minimal value, i.e., less than \$25, which are also made available to the general public at trade shows or similar events
- Greeting cards
- Plaques, certificates and trophies with little intrinsic value that have the Austal USA logo and are intended solely for presentations commemorating significant events

Austal USA procedure SUP203 provides additional information on working with government employees. Violators of this policy are subject to disciplinary action up to and including termination.



FALSE CLAIMS/FALSE STATEMENTS

The prevention and detection of fraud is a fundamental part of Austal USA's commitment to ethical and legal conduct. It is a felony to knowingly make a false claim or false statement to the government. Violations of this nature can subject the Company to damaging publicity, expensive and time-consuming investigations and litigation, and the revocation of contracts. Fraud can include but is not limited to: submitting false expense reports, forging or altering checks, misappropriating or misusing the company's assets, handling or performing unauthorized transactions or cash payments, or purposely booking an accounting entry that is not in conformity with Austal USA accounting rules. Documentation and records, such as contracts, agreements, invoices, purchase orders, check requests, expense reports, etc., must fairly and fully describe the actual purchase and amount of any transaction. No secret or unrecorded fund of company cash or other assets shall be established or maintained for any purpose.

Employees will exercise care to assure that costs and expenses are charged to the proper contract and/or account. Austal USA is required to submit accounting and other records to the government as a basis for payment. All data must be accurate, and all estimates must be made in good faith. All labor and material costs must be charged to the appropriate account, regardless of the status of the budget for that account. Complete and accurate information shall at all times be given in response to inquiries from auditors.

TIMEKEEPING

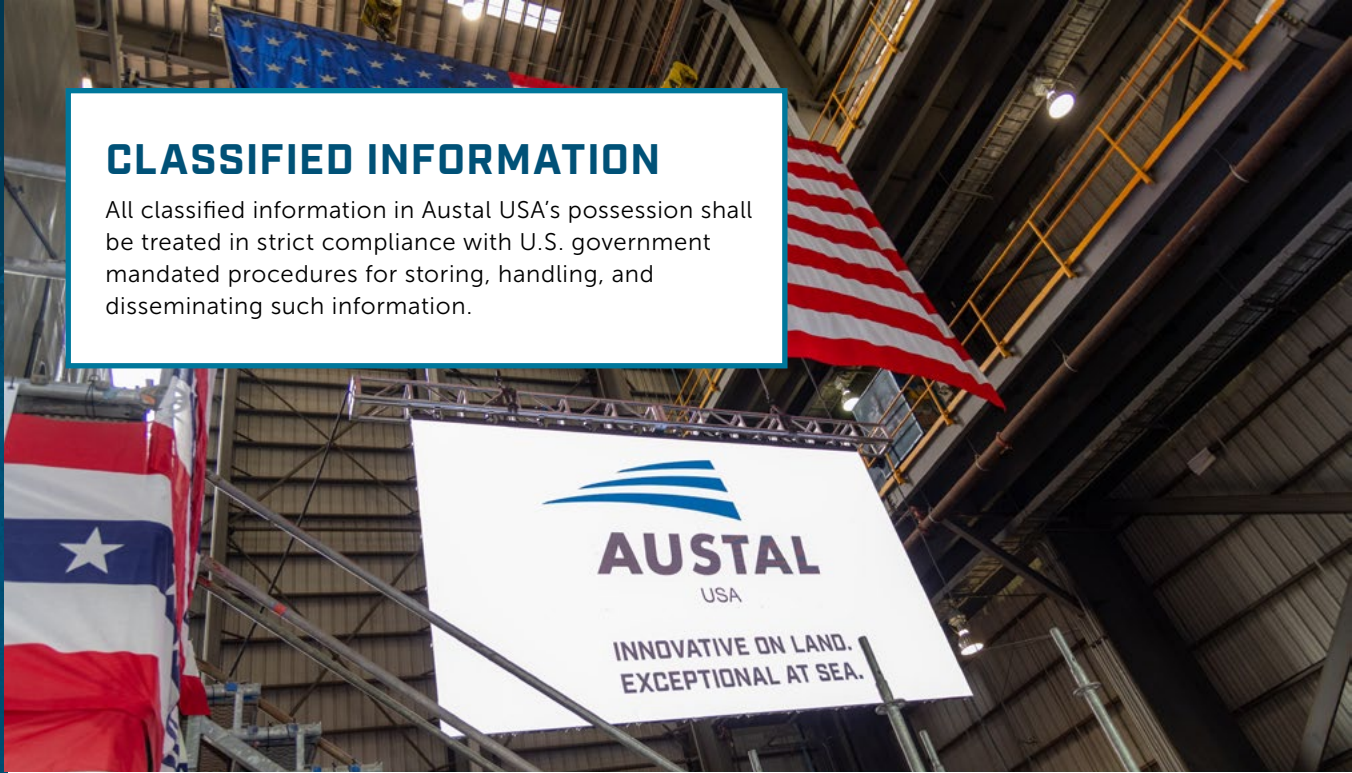
Each Austal USA employee is responsible for submitting accurate daily work time records in the Workday timekeeping system documenting all work performed for each contract. Failure of an employee to accurately document his/her time worked may result in civil or criminal penalties against both the Company and individual. Employees must own and be responsible for their own time reporting.

PROPOSALS

Austal USA is committed to providing our customers with high quality products and services that meet their needs. Our customers select our product based on the comparative quality and price within the shipbuilding industry. We never need to resort to other means to secure contracts. Anyone involved in contract negotiation or customer projects must ensure that customer statements, communications and presentations made to customers are truthful and accurate.

CLASSIFIED INFORMATION

All classified information in Austal USA's possession shall be treated in strict compliance with U.S. government mandated procedures for storing, handling, and disseminating such information.



RESTRICTIONS ON ACCESS TO GOVERNMENT AND OUTSIDE COMPANY INFORMATION

Austal USA employees are prohibited from obtaining another company's information relating to a procurement effort. This prohibition includes any information marked

"Bid or Proposal Information," "PROPRIETARY" or equivalent. Cost or pricing data, even if unmarked, is also considered bid or proposal information. Additionally, unless made available to the public, employees must not obtain acquisition plans, technical evaluation plans, competitive-range determinations, source selection or advisory board reports, any information marked or considered "Source Selection Information," or any other documentation that would be deemed to provide Austal USA an unfair advantage over our competitors if it is in our possession.

ANTITRUST

Austal USA supports free and open markets and will not tolerate violations of the antitrust laws of the United States, including the Sherman Act, the Clayton Act, the Federal Trade Commission Act, the Robinson Patman Act, and state antitrust laws. The antitrust policy specifically prohibits price fixing, bid-rigging, and colluding with competitors to share the market, and provides guidance for handling trade association and other industry meetings. The policy includes documentation requirements related to contact and communications with competitors to facilitate compliance with the policy.

ANTI-TRAFFICKING POLICY

Austal USA has a robust Anti-Trafficking Policy that prohibits employees, agents, subcontractors, their employees, and their agents from engaging or allowing trafficking and related activities in connection with the performance of a contract.

Employees should become familiar with the Anti-Trafficking Policy which is posted online at www.austaljobs.com. The policy cites a number of prohibited actions including the use of forced labor and procuring commercial sex acts. Employees are required to report, without fear of retaliation or reprisal, any suspected or actual trafficking or related activity or violation of the policy. Reports of suspected or actual trafficking and related activity should be made to the Global Human Trafficking Hotline by phone at 1-844-888-FREE or email to help@befree.org or to the Human Resources Department by calling the Austal USA main line at (251) 434-8000 and asking to speak with a Human Resources Business Partner or Employee Relations Specialist. Employees can also use the company's anonymous Tip Line.

CLAWBACK

Austal USA has instituted a policy to claw back from certain employees any financial benefits accrued as a result of their misconduct. This policy applies to employees eligible to receive a cash bonus of 20 percent or more and employees eligible to receive share rights under the Long Term Incentive Plan. Under the policy, bonuses and share rights can be clawed back for any of the following:

- Conviction or a plea of nolo contendere to any felony;
- Commission of or participation in intentional acts of fraud or dishonesty;
- Intentional and material violations of any term or condition of employment or any contract or agreement with the company;
- Intentional and material violation of any statutory duty owed to the company;
- Conduct that constitutes gross insubordination or habitual neglect of duties;
- Intentional, material refusal to follow lawful directions of the Austal USA Board, the Austal USA President, or his or her direct manager;
- Gross failure to properly monitor and supervise a subordinate employee in his or her chain of command who violates any relevant law or applicable policy;
- Misconduct that violates current Company written policies or would have violated the Company's written policies within the 10 years prior to May 31, 2023.

of suspected or actual trafficking and related activity should be made to the Global Human Trafficking Hotline by phone at 1-844-888-FREE or email to help@befree.org or to the Human Resources Department by calling the Austal USA main line at (251) 434-8000 and asking to speak with a Human Resources Business Partner or Employee Relations Specialist. Employees can also use the company's anonymous Tip Line.



SECTION FIVE

Q. I have a friend who works at a competing defense contractor and offered to share their bid proposal process with me. Can I take them up on their offer?

A. You must refrain from receiving any information from a competitor that is proprietary, business sensitive or confidential. If you are unsure, then you should decline the offer.

Q. How do I handle a situation where I believe customer progress reports have been altered to show better performance than what I believe to be true?

A. You must raise your concern with your supervisor or manager. If your manager does not adequately address your concern, then you must report your concern to a human resources representative, senior management, the Legal Department, the Tip Line or the DOD Hotline if appropriate.

Q. I realized after my time was allocated and submitted that I charged to the wrong charge code. What do I do?

A. You must notify your supervisor or manager who will assist you with completing the necessary documentation to make the correction to your time. You may need to complete a Labor Cost Code Correction (LCCC) form. If you are an employee who scans task sheets, any changes made by a supervisor to your time worked will be routed back to you electronically for your approval. You must systematically review and accept this change in order for the change to become permanent. All employees own their time.



REFERENCE

Additional guidance on working with government contracts can be found in the following Austal USA policies:

- ▶ SUP110 Labor Cost Code Correction Procedure
- ▶ PUR101 Purchasing Manual
- ▶ PUR108 Purchasing Code of Conduct
- ▶ PUR190 Purchasing Conflict of Interest
- ▶ SUP203 Ethics, Fraud and Business Code of Conduct
- ▶ SUP136 Timekeeping Procedure
- ▶ SUP205 Whistleblower Procedure
- ▶ SUP620 Control of Classified Documentation
- ▶ MGT305 Clawback Policy
- ▶ MGT312 Global Antitrust Compliance Policy
- ▶ MGT422 Truthful Cost or Pricing Data
- ▶ Anti-Trafficking Policy



SECTION SIX: COMPANY INFORMATION AND ASSETS

COMPANY CONFIDENTIAL INFORMATION

Austal USA's intellectual property is a valuable company asset that we all have a duty to safeguard. At all times employees should avoid public discussions involving this sensitive information. Austal USA also ensures that we secure and protect the intellectual property belonging to others with whom we conduct business.

USE OF COMPANY ASSETS

You are responsible for the protection and appropriate and efficient use of Austal USA assets. Employees may not use or appropriate company property, equipment, facilities or other assets for personal use. Theft, careless, inappropriate or negligent use or loss of assets may subject you to disciplinary action.

Austal USA Information Technology (IT) systems, data and accounts are to be used to the extent it is authorized and necessary to fulfill employees' assigned job duties. Employees' IT use shall not violate applicable laws, regulations or Austal USA policies. All Austal USA IT systems, data and user activity are subject to monitoring, recording or auditing at all times. Continuous monitoring is mandated by regulatory and contractual requirements to detect and respond to illegal or unauthorized activity.

POLITICAL ACTIVITY

Austal USA may not contribute corporate funds, directly or indirectly, to support political activity or causes. Employees may, however, participate in or contribute to political, civic, charitable or professional organizations in an individual capacity, on their own time, and at their own expense. Employees must make it clear that their actions do not represent the views of the company when they are participating in political activity.

COMMUNICATION WITH THE MEDIA

All communication with any media representatives could impact Austal USA's image or reputation and must be carefully reviewed and controlled. Therefore, the Austal USA communications and marketing team actively manages all external communications, including interaction with the media. No employee, unless specifically designated by either the President, the Vice President of Business Development and External Affairs, the Media & Marketing Manager, or their designated proxies, is authorized to make any statement on behalf of Austal USA. **All statements to the media or responses to inquiries from the media must be coordinated with and handled by marketing personnel.**



Media & Marketing Manager

Michelle Bowden

100 Austal Way, Mobile AL 36602

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USE OF SOCIAL MEDIA

All Austal USA policies, including but not limited to safety, conduct and confidentiality of information, apply equally to employee social media usage. Austal USA understands that an employee may maintain a personal blog or webpage or participate in personal social networking, and appreciates the connectivity and positive experiences that an employee may gain from such platforms. For those employees who choose to engage in personal social networking, Austal USA reminds them to do so with the understanding that, as Austal USA builds and services ships for the U.S. Department of Defense, disclosure of certain company-related information on social networking platforms can risk the safety and security of our service members' lives and potentially constitute a violation of the law. Additionally, employees must be mindful of exercising sound judgment in regard to other Austal USA employees and the integrity of Austal USA's operations when contributing to personal social networking.

CHARITABLE CONTRIBUTIONS

Austal USA contributes to charitable causes that serve the communities where we live and work. Any contributions made are appropriate in purpose and do not create a real or perceived conflict of interest.

SPONSORSHIP

Austal USA sponsors activities that align with our business strategy and values. Any sponsorships must be compliant with applicable laws and regulations and cannot be done to obtain new business or retain existing business. Employees wishing to find out more about Austal USA's charitable or sponsorship programs should contact Austal USA communications at austalusainfo@austalusa.com.

Q. Can I use my work computer to log on to Facebook or LinkedIn?

A. No. Social media usage from company computers is prohibited unless you have a need to access the sites as part of your job responsibilities and have been granted access by the IT Department.

Q. One of our engineering vendors has asked if I can participate in a charity golf tournament on behalf of Austal USA. Can I take them up on their offer?

A. Each situation is unique, and generally charitable events are a good thing for the company to be involved in. In this case, you need to speak with both HR and your manager about whether it is appropriate for you to attend and in what capacity.

REFERENCE

Additional information regarding the use of company information and assets, and external communications can be found in Austal USA policies:

- ▶ SUP203 Ethics, Fraud and Business Code of Conduct
- ▶ SUP772 IT Awareness, Training, Acceptable Use and Consent to Monitoring Policy
- ▶ MGT201 External Communications
- ▶ MGT201-2 Rules for Media Release



SECTION SEVEN:

RECORD OF REVIEW AND/OR REVISIONS

Any employee appointments mentioned throughout this Code are subject to change over time, in which case appropriate notification of any new appointments will be disseminated to Austal employees.

REV. NO	REV. DATE	DESCRIPTION OF CHANGE
Issue A	03/01/22	Initial Publication
Issue B	08/01/24	Revised with new procedures and personnel
Issue C	09/01/25	Revised with new procedures and personnel



**INNOVATIVE ON LAND.
EXCEPTIONAL AT SEA.**