

Title	Supplier Code of Conduct
Version Number	5
Issue Date	August 2025
Review Date	August 2027
Author	James Prynne, Director of Procurement
Approver	Annie-Jane Reed, Chief Commercial Officer

PRINCESS YACHTS LIMITED ("Princess Yachts") – SUPPLIER CODE OF CONDUCT ("Code")

1. Introduction

- 1.1. Princess Yachts' primary objective is to consistently push the boundaries by designing, engineering and delivering motor yachts to superior standards. To achieve this objective, we have the following Princess Values:

We care about safety	It's our first priority. We work safely at all times, and we look out for the safety and wellbeing of others.
We get results	We deliver on our promises. And we always go beyond for our customers – even when our customers are each other.
We are accountable	We take responsibility for our actions and goals every day. We empower each other to do the right thing.
We are focused on quality	We take pride in the details, because that's what sets us apart. We're proud of who we are and what we stand for.
Together we win	Giant leaps come from the individual steps we each make, working together for a common goal.

Ethical and Responsible Conduct

- 1.2. We cannot fully embrace our objective and values without the support of the wider Princess family of suppliers and distributors and, in recognition of the part our supply chain plays in the success of our company we have produced this Code as an enabler for the collaboration of effort in achieving mutual success. That success includes a requirement of the highest standard of ethical and responsible behaviour.
- 1.3. This Code applies to all Suppliers of goods and services to Princess Yachts ("**Supplier or Suppliers**"), along with their employees, officers, any linked group companies and sub-contractors. The Code is to be read alongside any supply contract that Princess may have with a Supplier and as such it forms part of that contract. The Supplier is expected to confirm that it complies with the laws and regulations of the applicable legal system(s) and that it will comply with the provisions of this Code.
- 1.4. The Supplier may be required to supply this Code to its group companies, sub-contractors, and any other third parties acting on their behalf, and require them to meet the provisions of this Code or any other equivalent code.
- 1.5. The Supplier shall maintain accurate records to enable demonstration of compliance with this Code, and will remedy any non-compliance with this Code expeditiously and inform Princess Yachts promptly in the event of any non-compliance with the Code.
- 1.6. Should allegations of the Supplier's (or any group company or related Third Party) non-compliance with the Code, or other claims which might harm the reputation of Princess Yachts, become public, the Supplier shall provide a written statement concerning the issues immediately upon Princess Yachts' request.
- 1.7. The Supplier will report any concerns or suspicions regarding any serious misconduct, health and safety or environmental breach or incident, financial, tax or business irregularity, conflict of interest or other activity which may have a harmful effect on Princess Yachts' business or reputation or on its employees to Princess Yachts' General Counsel.

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1.8. The Supplier agrees that:

- It will comply with the requirements of this Code.
- It has appropriate systems in place to ensure continuous compliance and to demonstrate such compliance.
- Any breach of this Code will allow Princess Yachts to terminate its relationship with the Supplier with immediate effect.

2. Updating this Code

- 2.1. Princess Yachts may modify this Code from time to time and will notify Suppliers of any such changes in writing (writing includes email).

3. Workforce issues

3.1. Prohibition of Slavery, Human Trafficking & Child Labour

- The Supplier will comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force, including without limitation the Modern Slavery Act 2015 in any part of its supply chain. This includes, but is not limited to, not supporting or engaging or requiring any forced or involuntary labour, the use of child labour, bonded labour, indentured labour and prison labour.
- The Supplier will not employ anyone under the age of 15, or under the age of 14 in those countries which are subject to the developing country exception of the International Labour Office Convention 138 (Minimum Age Convention).

3.2. Equality and Diversity

- The Supplier will promote equal opportunities for and treatment of its employees irrespective of sex, age, skin colour, race, nationality, social background, disability, sexual orientation, gender reassignment, political or religious conviction, or membership or not of any employee organisation;
- The Supplier will respect the personal dignity, privacy and rights of each individual;
- The Supplier will not tolerate any unacceptable treatment of employees, such as mental cruelty, sexual harassment or discrimination;
- The Supplier will prohibit sexual, coercive, threatening, abusive or exploitative behaviour including gestures, language and/or physical contact;
- The Supplier will adhere to the strictest applicable laws and/or industry standards relating to wages, working hours, overtime and benefits, and will not require employees to opt out of the Working Time Directive;

3.3. Human rights

- The supplier shall comply with all internationally recognised human rights understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work from time to time in force in any part of its supply chain.

3.4. Freedom of association and collective bargaining

- The Supplier shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

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3.5. Safe working environment

- The Supplier shall provide a safe, healthy, and sanitary working environment and comply with relevant health and safety laws where it operates. This includes, but is not limited to, implementing general and relevant industry-specific procedures and safeguards to prevent workplace hazards and work-related accidents and injuries. Where such hazards cannot be adequately prevented or controlled, the Supplier shall provide workers with appropriate personal protective equipment to protect against hazards typically encountered in that scope of work.

3.6. Wages and remuneration

- The Supplier must compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the higher of:
 - the minimum wage and benefits established by applicable law;
 - collective agreements;
 - industry standards; and
 - an amount sufficient to cover basic living requirements.

3.7. Harassment

- Princess Yachts does not tolerate any form of harassment in the workplace, including sexual harassment. The Supplier must take appropriate measures to prevent harassment, including sexual harassment, occurring in the workplace including as part of the service provided to Princess Yachts, and provide evidence of any such measures to Princess Yachts on request.

4. Data protection and information security

- The Supplier shall comply with all data protection laws and requirements (including the UK GDPR) when processing any personal data on Princess Yachts' behalf.
- The Supplier shall have in place appropriate measures to:
 - protect the integrity and confidentiality of information (including information belonging to or supplied by Princess Yachts) held on its systems (which include physical and online or electronic systems); and
 - ensure that there is no authorised access of the information by third parties, including its Representatives.

5. Artificial intelligence (AI)

- The Supplier shall give Princess Yachts as much advance notice as possible if it proposes to use an artificial intelligence (AI) system to provide goods or services to Princess Yachts. This applies to the Supplier's use of AI systems to directly provide goods services, and not to use of AI systems as part of the Supplier's internal management.
- The Supplier shall implement and adhere to responsible and ethical practices when designing, implementing, monitoring, training, testing, deploying, or otherwise developing or using AI systems. This includes adhering to all applicable:
 - laws and regulations;
 - industry requirements and standards;
 - guidance and codes of practice issued by a relevant regulatory authority.
- Without limiting the Supplier's obligations under paragraph 5.2, the Supplier shall:

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5.3.1. ensure that any AI systems developed or used by the Supplier are robust, secure, and safe throughout their entire lifecycle;

5.3.2. develop and use AI systems in a way that respects human rights and human-centric values, including:

- a) fairness, [equality,] [diversity,] privacy and data protection; and
- b) avoiding discrimination and bias;
- c) be transparent about when and how AI is used;
- d) ensure the explainability, auditability and traceability of any AI systems used or developed by the Supplier, including their outputs;
- e) establish and maintain appropriate governance, risk management, policies and procedures that promote the responsible, accountable and ethical use of AI systems; and
- f) where appropriate, ensure that decisions or outcomes from an AI system are contestable.

The Supplier must be able to demonstrate to Princess Yachts' satisfaction that it has embedded these requirements into its responsible AI practices.

5.4. The Supplier must not use or retain Princess Yachts' data or confidential information for the purposes of training or inputting into any AI system or model without prior written approval of Princess Yachts.

5.5. Where the Supplier uses third-party providers to develop an AI system, it must implement appropriate risk management and supervision measures to ensure that such third-party provider adheres to the standards set out in this paragraph 5.

6. Anti-Bribery, Anti-Money Laundering and Anti-Corruption

6.1. The Supplier will abide by the anti-bribery, anti-money laundering, and anti-corruption laws in all the countries in which it is incorporated or established and in which it does business, including without limitation the Bribery Act 2010;

6.2. The Supplier shall not try to gain undue advantage by promising, offering or giving anything of value directly or indirectly to any third party or to engage in any other form of corruption aimed at unjustly obtaining improper advantages or otherwise influencing the outcome of its business dealings;

6.3. The Supplier will not offer any Princess Yachts employee or officer any gift or hospitality in contravention of the Princess Yachts gift or hospitality policy or in an attempt to influence business decisions;

7. Gifts and entertainment

7.1. Offering and accepting business entertainment or gifts is perfectly acceptable when what is given is modest, reasonable, appropriate and lawful. However, suppliers must not offer or accept business entertainment where to do so would constitute, or would be perceived as constituting, corrupt activity.

7.2. As such:

7.2.1. Suppliers are expected to respect Princess Yachts' policy on entertainment and gifts when doing business with Princess Yachts employees.

7.2.2. The exchange of entertainment and gifts is prohibited during any tender or competitive bidding process involving Princess Yachts.

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8. Health, Safety & Environmental Compliance

- 8.1. The Supplier will, where appropriate, establish an occupational health, safety and environmental management system in accordance with ISO45001 & ISO14001 (or equivalent) and will maintain procedures to control hazards, prevent accidents and occupational diseases, and to effectively respond to all health emergencies;
- 8.2. The Supplier will take responsibility for all aspects of the health and safety of its employees and will provide a safe and healthy working environment including any training requirements and the provision of necessary safety equipment and clothing;
- 8.3. The Supplier ensure that its employees, officers, sub-suppliers and sub-contractors comply with Princess Yachts' health, safety and environmental policies whilst on Princess Yachts premises;
- 8.4. The Supplier will act in accordance with, and maintain awareness of, the applicable statutory and international standards regarding environmental protection; to minimize environmental pollution and make continuous improvements in environmental protection;

9. Sustainability & the Environment

- 9.1. The Supplier will, where possible, implement a 'Waste Hierarchy' to minimise packaging and waste from their operations and where possible introduce circular economy initiatives;
- 9.2. The Supplier will develop plans to reduce their carbon footprint, setting appropriate targets and continually monitoring in line with government guidance;
- 9.3. The Supplier will continually work to deliver sustainable, efficient and effective goods and services considering innovation and technology in order to promote and raise awareness on sustainability;

10. Social Media

- 10.1. The Supplier will not cite or refer to our customers, vendors, business associates or investors, identify them by name or reveal any confidential information related to them without getting obtaining explicit (written) permission in advance. Likewise, no images of any of Princess Yachts' products or branding shall be published without explicit written consent.
- 10.2. The Supplier will not discuss Princess Yachts' business with a customer, supplier, business associate or investor in an online forum;
- 10.3. The Supplier will not disclose or comment on Princess Yachts' confidential business information, whether in relation to sales, customer lists, financials, business or marketing plans, performance or prospects.

11. Assessments

- 11.1. The Supplier will permit Princess Yachts (or its authorised agents and representatives) to conduct inspections at Supplier's premises or the premises of any of its group companies, or sub-contractors and to access and review relevant records and documentation and interview employees and officers, in order to establish compliance with this Code. Princess Yachts may exercise these rights under this paragraph during the term of its contract with the Supplier and for a period of three (3) years thereafter.

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12. Global Sanctions

12.1. Suppliers should ensure they conduct their business in compliance with all lawful international sanction's regimes.

12.2. As such, suppliers must:

12.2.1. Fully comply with all lawful sanctions' regimes affecting their business.

12.2.2. Implement effective internal controls to minimise the risk of any non-compliance with relevant sanction regimes, including training and support for their employees and contract workers

13. Prevention of the Facilitation of Tax Evasion

13.1. The Supplier will at all times comply with all applicable law, statutes, regulations, guidance, recognised practice and codes relating to the prevention of tax evasion and/or the prevention of the facilitation of tax evasion (whether within, or outside of, the United Kingdom), including but not limited to the Criminal Finances Act 2017 (CFA 2017);

13.2. The Supplier will have and maintain in place such policies and procedures as are both reasonable to prevent the facilitation of tax evasion by associated persons (including its employees, officers, agents, sub-contractors, and any other third-party providing services for it, or on its behalf) and to ensure compliance with the below points;

13.3. The Supplier will not and its relevant associated persons will not engage in any practice, activity or conduct which would constitute either:

13.3.1. a UK tax evasion offence within the meaning of section 45(4) of the CFA 2017 (UK Tax Evasion Offence);

13.3.2. a foreign tax evasion offence within the meaning of section 46(5) of the CFA 2017 (Foreign Tax Evasion Offence);

13.3.3. a facilitation of a UK Tax Evasion Offence within the meaning of section 45(5) of the CFA 2017;

13.3.4. a facilitation of a Foreign Tax Evasion Offence within the meaning of section 46(6) of the CFA 2017; or

13.3.5. failure to prevent a Facilitation Offence within the meaning of sections 45 or 46 of the CFA 2017;

13.4. for the purposes of this section, the meaning of 'prevention procedures' and 'associated persons' shall be determined in accordance with sections 44(4), 44(5), 45(3) and 46(4) of the CFA 2017 (and any guidance issued under section 47 of the CFA 2017).

14. Confidentiality

14.1. Without prejudice to any more specific obligations of confidentiality the Supplier might be under, the Supplier will respect and ensure its employees, officers, sub-suppliers and sub-contractors respect the confidentiality of any information or data regarding Princess Yachts, its products, designs, employees, distributors, customers or boat owners which the Supplier, or its employees, officers, sub-suppliers or sub-contractors obtain during their dealings with Princess Yachts where such information is designated as confidential or might reasonably be expected to be sensitive or confidential.