

This Policy sets out the principles and commitments that support Whalsay Energy Limited's (WEL) intention to maintain a trustworthy and reliable relationship with all stakeholders including our partners, suppliers, regulators we interact with, our customers, civil society, the market and our competitors.

Managers, staff and contractors are expected to comply with this Policy and identify shortcomings, omissions or compliance failures to their line manager.

WEL's intent is that the company and its staff will operate in compliance with four ethical principles. We will:

- Act in accordance with laws and regulations.
- Behave honestly and promote a culture of integrity.
- Be loyal.
- Respect others.

We are committed to:

- Promoting our principles of business ethics via visible engagement and participation of senior management.
- Ensuring that in all circumstances the company, and its employees, conform to international & national regulations and best practice, WEL's ethical principles and the rules of professional ethics for their activities.
- Promoting honesty and integrity in our business and interpersonal relationships.
- Honouring our commitments and not making commitments that we cannot keep.
- Maintaining a culture where the following are recognised as essential core values:
 - ✓ Behaving loyally in the context of a business venture, or contractual relationship.
 - ✓ Acting constructively, in good faith.
 - ✓ Providing clear, accurate information.
 - ✓ Respecting others, including competitors, by treating everyone fairly.
 - ✓ Recognising the need for reciprocity in business relationships where people's rights and duties are equally recognised.
 - ✓ Showing fairness and impartiality in negotiations.
 - ✓ Market abuse, in any form, is unacceptable behaviour
- Ensuring that employees understand they are expected to avoid personal and financial activities which could result in a conflict of interest between personal and company business interests. Bribery, fraud, theft and insider trading or other forms of market abuse of any sort is unacceptable.
- Being socially responsible and committed to respecting the environment and cultural diversity, and minimising ecological impact in the communities where we develop and operate our business and will:
 - ✓ Consult with the relevant communities to achieve mutually acceptable outcomes; and
 - ✓ Seek to create lasting relationships built on mutual respect and trust.
- Paying attention to customer satisfaction, based on honouring commitments, an open dialogue, procedural transparency, and respecting the rules of competition.
- Communicating openly about our achievements and challenges and cooperating with environmental and humanitarian non-governmental organisations (NGOs).
- Making appropriate resources available to implement this policy.
- Ensuring the policy and related procedures are easily accessible to, and understood by, all workers and other stakeholders.
- Supporting the policy with adequate training, mentoring, advice and support systems.
- Ensuring that everyone, whatever their role, understands they are personally responsible for their own behaviour and actions and the consequences of their choices. If an employee violates or does not comply with this policy they may face disciplinary, administrative, civil and/or criminal sanctions.

- Communicating our ethical principles and commitments to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforcing this as appropriate thereafter.
- Working with suppliers, vendors and business partners who have comparable and compatible values and standards in relation to:
 - ✓ Business ethics
 - ✓ Rejection of corruption and bribery
 - ✓ Avoidance of market abuse, including insider trading
 - ✓ Supply chain management,
 - ✓ Protection of intellectual property and company assets
 - ✓ Regulatory compliance,
 - ✓ SHEQ
 - ✓ Human rights and labour rights
 - ✓ Eliminating slavery and human trafficking in the supply chain.
- Identification and review of the risk of ethical infringements in our operations and supply chain risks at regular intervals (at least annually).
- Including ethics investigation and validation in pre-qualifying and approving contractors & suppliers where risk assessment indicates this is appropriate. This includes:
 - ✓ Employment and recruitment agencies and other third parties supplying workers to our organisation,
 - ✓ Suppliers engaging workers through a third party.
- Ensuring our employees and contractors exhibit the highest standards of propriety in their dealings with, and on behalf of, the company whether in their place of employment or on assignments or business trips.
- Encouraging employees, and other stakeholders, to comment on this policy, the effectiveness of its application, and any concerns or suspicions that our ethical principles are not being met at the earliest possible stage.
- Taking seriously any allegations that the company's ethical principles are not properly respected and ensuring such allegations are fully investigated and remedial action is taken promptly.
- Protecting whistle-blowers, acting in good faith, on ethical incidents in accordance with our Disclosure / Whistleblowing Policy (WEL-HR-POL-00002).
- Protecting employees refusing to carry out an act which they believe goes against the company's ethical principles.
- Ensure that lessons learned reviews take issues associated with the company's ethical principles into account.
- Including ethical principles and standards in audit scopes where risk assessment confirms this is an appropriate strategy. Providing clear audit trails to meet the requirements of internal and external audits.
- Maintaining intelligence on the upstream industry supply and services market to establish and monitor any emerging ethical risks in the supply chain that might necessitate alternative commercial options and contracting strategies.
- Avoiding supporting political parties and making contributions to the funds of groups whose activities are calculated to promote partisan interests.

This policy shall be implemented having regard for other relevant WEL policies (SHEQ, Anti-Bribery & Corruption, Sustainability, Disclosure/Whistleblowing, Anti-Slavery & Human Trafficking, Supply Chain, Human Rights etc).



 Paul Warwick, Executive Chairman & CEO

1ST MARCH 2019

 Date