
Ethical Code Guidelines

WINTERMAR OFFSHORE MARINE GROUP
(WINS)

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1. What is Ethical Code?

The Ethical Code Guidelines are established to set rules and requirements to define acceptable and unacceptable principles to guide the conduct of personnel in business practices, communities and the internal corporate environment. This Code is also vital to support the Company's value of Integrity and its Anti-Corruption Practices Policy.

These Ethical Code Guidelines must be put into practice within WINTERMAR OFFSHORE MARINE GROUP environment to support Company's reputation and authority. The Company recognizes that the Company's personnel's actions in business conduct will affect how other stakeholders view the Company. It is therefore imperative that the Code is adhered to by every personnel in the Company.

The Company in this document refers to all companies within the WINTERMAR OFFSHORE MARINE GROUP. The personnel in this document refers to personnel at all levels of hierarchy including offshore crew and officers as well as shore-based office staff, managers, directors and commissioners. These Ethical Code Guidelines not only apply within the company working environment, but they are enforced in every operational area of our business.

Ethical behaviour must be an integral part of the duty of every personnel. The Company takes a serious view to ensure that the values embodied in this Code are implemented in practice. Disciplinary actions, which may include termination of employment, will be taken for any serious violation of the Code or prevailing laws and regulations.

This Code has been modified to take into consideration the Company's clients' Anti Bribery and Corruption Policies with which the Company is contractually bound to comply.

The Company requires all Vendors/Suppliers and Subcontractors to be aware of the Company's Ethical Code and to comply with section 3 of this Ethical code and reserves the right to audit for Ethical Code compliance.

2. Understanding Bribery, Corruption and Conflicts of Interest

Although the Code cannot cover every situation of ethical behavior, it offers guidance for all personnel against acts of bribery, dishonesty and corruption for personal gain, and how to behave ethically in relation with fellow personnel in the Company, government officials, client, charterer, vendor, supplier, contractor, insurance, agent, shipyard, subcontractor, class bureau, consultant, bankers and other third parties that the Company may be in business with.

Employees and Crew are reminded not to accept any favours, gifts or entertainment which may place them in a position of obligation to the Giver. This will result in the receiving party losing their objectivity in future decisions or actions relating to the Giver of the gift, favour or entertainment. This includes improper payments to government officials to achieve a desired outcome.

Most countries have a legal system that prohibits corrupt practices including within the jurisdiction of The Republic of Indonesia. The violation of these laws shall be considered as a serious violation and may inflict fines to the Company and jail term for the perpetrator. Even an allegation of bribery or corruption is enough to cause damages to the reputation of the Company.

2.1 BRIBERY, CORRUPTION AND CONFLICT OF INTEREST:

BRIBERY means to give or accept anything, whether monetary or in kind as a compensation to influence a certain behaviour or decision or to acquire profit for the perpetrator, whether or not it causes a loss to the Company.

CORRUPTION means to acquire a personal benefit through using one's position in the Company.

CONFLICT OF INTEREST:

A situation where the employee or crew's personal interest is opposed to the interest of the Company, which would put the individual in a position where the decision made is not objective and could result in a personal benefit.

In a situation of Conflict of Interest, the affected individual is required to disclose the nature of the conflict to the Company and remove themselves from the decision-making process.

Prohibitions:

1. It is prohibited to solicit, give or accept personal favours or gift of any value in any way, including parcels for special occasions such as Lebaran/Christmas. This also includes items of value or any cash unless in circumstances where such refusal will lead to awkward business situation. When such an occasion arises, such gift or service must be immediately reported to personnel's superior and the gift declared in accordance with Company procedure (42-E-SPK-OPM).
2. Clients/charterer, supplier, vendors, contractors, subcontractors, agents, shipyard and partners are prohibited to:
 - a) Offer or receive any cash or gifts to employees or crew of the Company
 - b) Provide additional favours or services to employees for their personal benefit.
3. It is prohibited to pay "facilitation payments" to government officials to accelerate a process, or "illegitimate payments" which are not official payments and for which there are no receipts. It is prohibited to accept anything from fellow personnel either offshore or shore for personal favour or gain or to cover-up misconduct.

4. It is prohibited to use a vendor, supplier or sub contractor for the Company which has a personal relationship with the Company's employee or crew without disclosing the relationship and without going through proper procedures for selection or vendor evaluation.
5. It is prohibited to recruit crew who has a personal relationship with the recruiter without disclosing the relationship or going through the proper process of recruitment.

Each of the above violations constitutes a breach of the Company's Ethical Code and will be dealt with according to prevailing regulations. This could lead to immediate termination of employment without compensation and/or immediate termination of contract with the Vendor or Subcontractor. All relationships should be disclosed using the Declaration of Interest Form.

2.2 DISHONESTY (Including Breach of Financial Integrity):

All Employees are expected to keep accurate and honest records. Any false records constitute an act of Dishonesty and will be a Breach of Financial Integrity.

Examples of breaches:

Whether intentionally or unintentionally, fabricating, imitating, damaging, erasing or concealing any property, logs, records or documents (including electronic documents) or any counterfeiting, manipulation or misuse of authority with the purposes of:

1. Generating money, possession, service or information which would not be acquired without these practices.
2. Altering or making false reports whether financial or non financial. This includes false data on expenses, fuel, engine hours, sounding and incident reports.
3. Marking up invoices for personal gain.
4. Inflicting losses on the Company and damaging the Company's reputation.

Dishonesty may arise from Company's internal environment as well as external which are not always involving the personnel. Any dishonest practice may result in termination of personnel and legal action may be taken by the Company against the perpetrator.

3. Ethical Code Guidelines in dealings with Vendor & Subcontractor

This guideline is created to provide examples and to clarify the Company Ethical Code and the expectation of ethical behavior by our Employees, Vendors and Subcontractors. It, however, does not cover every situation for which the Code applies. It also defines the disciplinary procedure imposed for violation.

3.1 GIFTS, REBATES OR COMMISSIONS FROM THE SUPPLIER/BUSINESS PARTNERS

Gifts which are prohibited refers to any kind of money, goods, service or treatment given or received by personnel with the purpose of personal gain, or with the intention of changing an outcome.

Rebates, Discounts or Commissions

All rebates or discounts given by vendor, supplier/subcontractor/third party belongs to the Company. All Crew and Employees are prohibited to accept any commission/complimentary in cash or in kind, directly or indirectly (via bank transfer or third party) for personal gain.

Vendors and Subcontractors are expected to comply by not offering or giving any gifts, favours, entertainment, rebates, commissions or discounts to the Company's employees or crew outside the acceptable norms defined in this Code.

The guidelines include goods and services provided by the supplier/business partner to the company personnel unless given to on behalf of the company, not individually or personally.

Examples of prohibited gifts are as follows:

1. All gifts received at home and office including hampers, parcels of food
2. Commissions, discounts, rebates or “thank you” gifts to employees or crew
3. Any sexually oriented or immoral activity or gift
4. Service for free or special offers from vendor, supplier/subcontractor/third parties
5. Cell phone vouchers or credit
6. Cash

Examples of allowable gifts are as follows:

1. Donation or sponsorship for company event from vendor, supplier/subcontractor
2. Compassionate gift of modest value that is given to a personnel during illness/maternity (such as bouquet, cake, fruits) gifts that has been declared by the personnel to the superior.
3. Promotional merchandise such as calendars, agenda, pens and t-shirts bearing the logo of the vendor , supplier/subcontractor

3.2 BUSINESS TRIP / ACCOMMODATION EXPENSES

Example of prohibited actions:

1. Accept payment for business trips, hotel expenses, domestic or international by vendor, supplier, shipyard or subcontractors that has not been previous approved and agreed in writing between the Companies
2. Providing fake receipts of any purchases, expenses, including hotel bills, meals, transport etc.
3. Marking up actual costs
4. Conduct unnecessary trips during business trip
5. Giving to or receiving money or gifts from vessel crew
6. Include as company expense, unrelated personal or family member expenses during business trip

Example of non- prohibited actions:

Business trip expenses where a charterer/business party requires for the personnel to be represented by the company. Such trip is allowed after proper procedures have been carried out.

3.3 ENTERTAINMENT

Although general modest/reasonable entertainment are normal business/social behaviour, personnel should refuse a dining invitation or other treats which are offered either in excess of social norm or too frequent in order to avoid dishonour or to maintain objectivity in carrying out Company duties.

In cases where it would be impolite to refuse an invitation, personnel must seek prior approval from direct superior before accepting.

Examples of prohibited entertainment are as follows:

1. Accepting any ticket to events with or without the provider present
2. Using provider's facilities such as: house, villa for personal use
3. Any kind of entertainment (meals, services, tickets) outside the limits of proper business hospitality
4. Any form of sexual or immoral activity

Examples of non- prohibited entertainment are as follows:

1. Business related, modest and infrequent meals
2. An entertainment with the presence of the giver and within the limits of proper business hospitality eg. modest dining.
3. Entertainment should be reported in the entertainment register

3.4 LOAN TO/ FROM THE VENDOR, SUPPLIER OR SUBCONTRACTOR

All personnel or his/her relatives are prohibited to offer, guarantee or receive a loan to or from any business entity or their intermediary or anyone who has a business relation with the Company.

3.5 NO TOLERANCE FOR HARASSMENT

Company will not tolerate any harassment between personnel or external parties who are in business relation with the Company. Details on harassment may be found in our Company Anti-Harassment Policy.

All employees have the right to be respected regardless of race, ethnicity, gender, sexual orientation, age or position. The Company expects everyone to be treated with dignity.

4. Declaration of Gifts, Entertainment & Disclosure of Interest Form

4.1 DECLARATION OF GIFTS & ENTERTAINMENT FORM

Employees are expected to fill in a Declaration form to Disclose any Gifts or Entertainment, whether given or received, which arises in the course of doing business, for example from a vendor, supplier, sub contractor, crew, government official, client, regulator, auditor, inspector, surveyor or colleague. All gifts or entertainment should be reported using the declaration of gift & entertainment form.

4.2 DECLARATION OF INTEREST FORM

Should an employee find themselves in a situation where they have a relationship with a party that has a connection to the Company, this may constitute a potential conflict of interest. In this case, he or she should make a declaration to their superior by filling in the Declaration of Interest Form, stating the nature of the conflict and the relationship with the other party which may create a conflict of interest. They should remove themselves from the decision-making process. **Any relationships with vendor, subcontractors, government officials, other crew, employees or clients must be disclosed.**

All Declaration Forms for Gift and Entertainment as well as Conflict of Interest have to be submitted to the Head of General Affairs Division for filing and who will determine if there is any further action to be taken.

5. Related topics on Ethics

5.1 OFF DUTY

Where any personnel wishes to work elsewhere with or without remuneration, routinely or as a part time consultant, s/he should obtain prior written approval from his/her superior or the Managing Director.

5.2 CONFIDENTIAL INFORMATION

Personnel are prohibited to disclose or expose confidential Company information in any manner to anyone outside the Company, without prior written permission from Managing Director. Confidential information refers to all information related to Company's business activities that are unknown to parties outside the Company.

5.3 NEGATIVE PERSUASION

All personnel are prohibited to persuade or influence other people in a way that violates regulations.

5.4 MISUSE/ SALES OF COMPANY'S PROPERTIES

All sales profit of Company properties of any kind belongs to the Company. Company assets include, but not limited to fuel, oil, rental, space, sale of company rights on a contract, collecting rights, recycleable waste and used equipments.

5.5 ANTI – MONEY LAUNDERING

All personnel should abide by anti – money laundering laws and avoid receiving or being involved in an arrangement or transaction that relates to funds that may be the proceeds of crime.

5.6 DEALING WITH GOVERNMENT

All personnel must make sure that any information given to the government or regulatory officials is true and accurate and that the companies legitimate business interests are protected including information in connection with government inquiry or investigation.

5.7 POLITICAL ACTIVITIES

All personnel should not involve the Company in Political activities, including making any political contributions – either in cash or in kind. Employees who take part in political activities must make it clear that they do not represent the Company.

6. Sanctions for Violations of Ethical Code

Violations of the Ethical code may lead to sanctions by the Company, including termination of contract for Vendors and disciplinary penalties and termination of employment for Employees. Infringement of laws may lead to prosecution and legal action. For more information please refer to the Company Regulation.

DISCIPLINARY PROCEDURE

The non-compliance of the above guidelines is a violation of the regulation in effect, therefore proper disciplinary measures will be taken accordingly as stated in the Company Regulation and Company procedures and this may lead to the termination of employment.

7. WHISTLEBLOWER POLICY (Reporting Breaches of Integrity)

This Whistleblower Policy **protects the identity and the confidentiality of the person who reports a breach of Ethical code or other illegal practice** through the specific email addresses: “integrity@wintermar.com or “ayolapor@wintermar.com”. All reports will be investigated and action will be taken if necessary.

The Company takes seriously the protection of the witness/personnel’s interest. Therefore, all reported evidence is treated with strictest of confidence and will be investigated without revealing the source of the information. Personnel should immediately report to the superior whenever there is an indication of dishonesty or corruption directly or indirectly committed by the personnel or other personnel for immediate action.

If for any reason personnel is hesitant or feels unsafe to talk about dishonesty/corruption to the superior in the Company, s/he may report it directly to the following emails provided specifically for anonymous reporting:

integrity@Wintermar.com

ayolapor@wintermar.com

The Company guarantees that there will be no termination, demotion, threat, prosecution or discrimination for those who report a violation of this Ethical Code. The personnel/witness will be fully protected due to the confidential nature for the witness’s peace of mind.

The above email channels may also be used by third parties including Vendors, Sub Contractors, Clients and others, who wish to report any breaches of this Ethical Code.

8. Procedure “When in doubt”

Whenever personnel are in doubt, s/he can ask for clarification from her/his superior or the Managing Director.

When a compromising position is encountered, the personnel are strongly encouraged to report the case before any action taken.

Declare to direct superior and hand over the gift to head of GA Division for settlement.

Write an appreciation letter using official letter head to the giver on behalf of the Company's gratitude and reminding them of the Company's policy not to accept any gifts.