



Pioneer Marine Inc.

# Whistleblower Policy Service Charter

***Approval Authority:***

**Audit Committee & Board of Directors  
October 2018**

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## 1. Introduction

Pioneer Marine (the “Company”) is committed to high standards of ethical, moral and legal business conduct. The Company values input from its employees and expects all its Directors, Officers and Employees to adhere to a high standard of personal and professional integrity and to avoid any conduct that might reflect unfavorably upon the Company’s personnel or upon the Company itself.

In line with the Company’s commitment to open communication, the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company and the Board of Directors (the “Board”) have adopted and approved this Whistleblower Service Provider Charter (the “Charter”), in an effort to strengthen the Company’s defenses against illegal and/ or unethical behavior and provide an avenue for Employees, Directors, Officers, Contractors, Subcontractors and Agents (the “Employees”) to raise concerns at an early stage, without fear of reprisal by their superiors and/ or other employees. It governs the rights and obligations of PricewaterhouseCoopers Business Solutions S.A. (hereinafter “PwC”), acting as an independent, external third party Whistleblower Service Provider (the “WSP”) to the Company.

## 2. Scope

- 2.1 This Charter is drafted in order to encompass/ establish the Company’s procedures for the receipt, treatment and reporting of concerns raised both internally and publicly, regarding:
- a. Matters of accounting, internal accounting, auditing nature (the “Accounting Matters”),
  - b. Matters related to vessel operations, with a particular focus on issues of environmental management nature (the “Environmental Matters”),
  - c. Matters related to, inter alia, breaches of the Company’s established Code of Ethics (the “Ethics Matters”),
  - d. All other relevant matters that could result in harming the Company’s interest in any way, shape or form (the “Business Matters”).
- 2.2 The “Accounting Matters” shall include but not be limited to, the following:
- ✓ Fraud or deliberate error or omission in the preparation, evaluation, review or audit of any of the Company’s Financial Statements,
  - ✓ Fraud or deliberate error or omission in the recording and maintaining of the Company’s financial records,
  - ✓ Deficiencies in or non-compliance with the Company’s internal accounting controls,

- ✓ Misrepresentation or false statement to or by a Senior Officer or Accountant regarding a matter contained in the Company's financial records, Financial Statements or audit reports,
- ✓ Deviation from full and fair reporting of the Company's financial condition.

2.3 The "Ethics Matters" shall include but not be limited to, the following:

- ✓ Discrimination in any way, shape or form in the hiring process or in the daily business practice,
- ✓ Bribery and/ or Corruption both directly and indirectly,
- ✓ Fraudulent activities (not related to Accounting Matters) such as the profiteering due to insider knowledge of the company's activities; or the acceptance of material value from the company's vendors and/ or contractors, with the intent or result of personal gain,
- ✓ Insider Trading i.e. trading in securities of the Company or its affiliates, based on material, non-public information regarding the Company and/ or its vendors and customers,
- ✓ Activities that may provoke actual or potential conflicts of interest (e.g. election to public office, owning and/ or operating and/ or being employed by any business that competes, directly or indirectly, with the Company etc.),
- ✓ Any other activities related to breaches of and/ or non-compliance with the Company's established "Standards of Business Conduct & Ethics".

2.4 The role of the 3rd party (PwC) serving as the independent external WSP, is to facilitate the process of receiving all complaints, raised both internally by the Company's employees, or publicly and the reporting of all complaints relevant to the aforementioned matters to the Audit Committee. Upon communication of the complaints, the Committee shall proceed with the further investigation of such concerns and, if necessary, take all remediating actions required, in order to resolve the issue.

2.5 All matters reported to the independent external WSP, within the scope of this Charter, shall be treated with the utmost severity and professionalism. Upon receipt of complaints and pertinent personal information of the Company's Employees relating to such concerns, the independent WSP will act as the data processor, thereby inheriting all responsibilities associated with the General Data Protection Regulation 2016/679, an EU law on data protection and privacy for all individuals within the European Union and the European Economic Area.

### 3. Whistleblowing Process Description

#### 3.1 Submission & Receipt of Complaints

- 3.1.1 The Company encourages all its Employees, regardless of their tenure, level or experience to take all appropriate actions instantly, to stop any known or alleged misconduct by fellow Employees or other individuals belonging to the Company's personnel. The act of knowingly neglecting to communicate such a misconduct/ breach of the Company's policies, standards and general principles, as stated in the Company's "Standards of Business Conduct & Ethics", shall not be tolerated.
- 3.1.2 All employees, regardless of their tenure, level or experience are encouraged to address their concerns in the first instance to the designated e-mail address ([pioneerwhistleblower@qr.pwc.com](mailto:pioneerwhistleblower@qr.pwc.com)), hosted by the 3<sup>rd</sup> party (PwC), acting as an independent, external WSP. The e-mail address will be set-up, hosted and monitored on a 24/7 basis by the independent WSP.
- 3.1.3 This 3<sup>rd</sup> party shall treat as confidential all information and relevant documents received, for the purposes described within this Charter. Access to such information and documents will be restricted only to those individuals of the independent WSP, immediately associated with the monitoring of the designated e-mail address.
- 3.1.4 The Company will not discharge, demote, suspend, threaten, harass (directly or indirectly) or in any manner discriminate against any Employee in the terms and conditions of employment based upon any lawful actions of the Employee with respect to reporting of complaints. Any victimization of a member of staff who "whistle-blows", or any attempt to deter him/her from reporting, will be regarded as a serious disciplinary offense and will not be tolerated.

#### 3.2 Reporting of Complaints

- 3.2.1 Upon receipt of a complaint or a report, that is relevant to the scope of this Charter, the independent, external WSP will communicate these to the Audit Committee.
- 3.2.2 A log shall be maintained by the independent WSP, containing all complaints received to the designated e-mail address, pertinent to the Scope of this Charter. On an annual basis, this log shall be reported by the WSP to the Audit Committee, in the form of a cumulative-complaints report. This report will include the date, sender and subject of all complaints received and shall be constrained by the same principles of confidentiality and anonymity applied to all complaints received individually.

### **3.3 Treatment of Complaints**

- 3.3.1 Complaints of all nature (i.e. accounting, environmental, ethics and business matters) shall be dealt with by the Audit Committee. The Audit Committee may proceed with the delegation of such process to another party, independent from the subject of the allegations. The Committee may delegate the investigation of such complaints to the CEO, CFO, Internal Auditor, Company Counsel or such other 3<sup>rd</sup> party it deems appropriate. The person(s) investigating the complaint shall report to the Audit Committee in a timely manner all findings of fact, conclusions and proposed recommendations for remedial action, if any. Confidentiality shall be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- 3.3.2 The Company's Committee is also responsible for investigating and resolving all reported complaints and allegations brought up by members of the public concerning violations of the Company's established and publicly available "Standards of Business Conduct & Ethics" and/or illegal actions by any Employee of the Company.
- 3.3.3 The Company's Committee will maintain the anonymity of all Employees and third parties reporting a concern of a known or suspected misconduct and/or breach of the Company's policies, General Principles etc. In case the identity of the individual addressing his/her concern is expected to be disclosed, he/she will receive a relevant notification by the Audit Committee promptly.

## **4. Revision**

- 4.1 On an ongoing basis, the independent 3<sup>rd</sup> party (PwC), acting as an external WSP shall review and assess the adequacy of this Charter and may proceed with any recommendations to the Board or the Audit Committee, for revisions or amendments, in order to improve the Company's Whistleblower Policy as well as the pertinent procedures. Finally, the updated version of the Company's Whistleblower Policy will be approved by the Audit Committee and the Board of Directors.