



CODE OF CONDUCT

FSC Oceans Guideline

1 ADHERENCE TO THE CODE OF CONDUCT

This Code of Conduct applies to every affiliate of the FSC Oceans organisation and its staff. FSC Oceans business is subject to the different laws and regulations of every country. However, irrespective of the regional distinctions between the national laws, this Code establishes the general principles of FSC Oceans's business conduct, anywhere in the world. Precedence must always be given to the highest standards, i.e. either this Code of Conduct or local legal requirements should they set even higher standards of compliance.

This Code of Conduct applies to every Board Member and staff member (collectively referred to as "Members" thereafter) of our organisation. Every Member is personally obliged to adhere strictly to the rules and principles set out in this Code. In cases of doubt, exercising good judgment in line with the spirit of this guide is expected. It is important to create a culture of compliance where staff members understand their responsibilities and feel comfortable raising concerns without fear of negative repercussions. An example must be set for subordinate staff members in personal behaviour, social competence and lawfulness.

1. What is the obligation of a FSC Oceans members?

It is the duty of a FSC Oceans members to comply with the rules and principles set out in this Code. Details of policies relevant to individual jobs should be learned and a basic understanding of the policy requirements formulated in this Code gained. Failure to follow this Code may result in disciplinary action. Furthermore, violations of this Code may also be violations of the law and may result in severe civil or criminal penalties for staff members, their superiors and/or FSC Oceans.

2. Reporting of Violations

FSC Oceans Member who becomes aware of any issue or practice that actually or potentially violates the law or any misconduct of this Code is encouraged to report it to a person of trust, e.g. manager and or managing director.

Members reporting any such incidents should not fear any negative repercussions and will be under the protection of the FSC Oceans Management.

2 BUSINESS POLICIES AND PROCEDURES

2.1 Employment Practices

The knowledge, experience and entrepreneurial spirit of our employees determine the success of FSC Oceans.

FSC Oceans provides a working environment which creates and fosters professional development opportunities. Our employment conditions, as well as our remuneration structure, aim to stimulate high performance and to consistently reward excellent results. FSC Oceans assumes social responsibility and seeks to ensure an excellent working environment.

The FSC Oceans Values, Core Principles and Code of Conduct give clear direction in the appropriate behaviour of managers and employees.

The cornerstones of our culture include: Trust, loyalty and integrity which respects and supports cultural diversity, open and honest team co-operation and an environment free from intimidation and harassment.

2.2 Health, Safety and Environment

We provide highest possible levels of safety, health and security for all parties involved by preventing risks to persons, the environment and property.

FSC Oceans is committed to offering environmentally sound, sustainable and innovative supply chain solutions that continually reduce our impact on the environment.

Environmental considerations form an integral part in the formulation of strategy and in decision making.

2.3 Handling of Company Property

It is the obligation of every Member to protect FSC Oceans's property against any improper handling such as carelessness, waste or destruction as well as against theft or other forms of unauthorised removal. The use of FSC Oceans assets is only allowed for legitimate FSC Oceans purposes. Unauthorised personal use of business equipment is prohibited.

The devices and equipment in offices and any FSC Oceans facility are to be used as efficiently as possible and for FSC Oceans's business only.

Any suspected case of theft must be reported directly to the regional Compliance Representative.

2.4 Company Records

We are obliged to respect the integrity of FSC Oceans's record keeping and reporting systems at all times. FSC Oceans requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions.

All of FSC Oceans's records, accounts and financial statements must represent the activities they record, in compliance with the company's policies and in a manner that reflects the nature and purpose of the activity. They must be maintained in reasonable detail and should not include any inaccurate events, exaggeration, derogatory remarks, estimations or any other misleading information.

Records and documents must be kept in compliance with applicable document retention laws and FSC Oceans policies.

Documents relevant to any pending, threatening or anticipated litigation, investigation or audit must by no means be destroyed for any reason; until expressly authorised by the responsible regional manager or the responsible member of the Management Board.

2.5 Confidentiality

Notwithstanding FSC Oceans's contractual obligation of confidentiality, it is also compulsory to maintain the confidentiality of proprietary information of FSC Oceans, our customers and our suppliers. Members are not allowed (neither during nor after their employment) to disclose any confidential or proprietary information which was received during their employment at FSC Oceans to anyone not employed by FSC Oceans.

Confidential or proprietary information may only be disclosed to a third party upon respective written authorisation given by the responsible manager, or if disclosure is required by law.

Such confidential information includes all non-public information that might be of use to competitors or harmful to FSC Oceans, our customers or our suppliers if disclosed.

2.6 Conflicts of Interests

All Members are required to maintain high ethical standards while handling conflicts of interest. A conflict of interest exists when a position within FSC Oceans is used for personal gain aside from the normal compensatory rewards of employment. A conflict of interest also exists when business connections are entertained with competitors, customers or suppliers outside the regular working mandate. The rules prohibiting conflicts of interest can also apply when a family member or friend of an employee has an interest in an outside entity, affiliated with FSC Oceans.

As a basic rule, situations where your personal interest could conflict with FSC Oceans's interests must be avoided. Whenever a relationship could create such a conflict of interest, a superior must immediately be informed.

2.7 Money Laundering

We are committed to complying fully with all anti-money laundering and anti-terrorism laws throughout the world. We will conduct business only with reputable customers, involved in legitimate business activities with funds derived from legitimate sources.

We will neither enter into nor tolerate any arrangement which facilitates or appears to be used to facilitate any acquisition, retention, use, or control of any money payments intended to disguise the proceeds of crime.

Every Member has to collect and understand documentation about prospective customers and business partners to ensure that they are involved in lawful business activities and their funds are of lawful origin. Reasonable steps must be taken to prevent and detect unacceptable and suspicious forms of payment.

2.8 Fraud & Corruption Prevention

Fraud is defined as: "the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain". In addition, fraud can also be defined as: "the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to mislead or misrepresent".

Corruption is defined as: "the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person" and in addition: "the failure to disclose an interest in order to gain financial or other pecuniary gain."

Members should always be aware of the possibility that fraud, corruption or theft may exist in the workplace and must share any concerns with us. If for any reason, they feel unable to speak to their manager they must refer the matter to the Managing Director. Failure to report such knowledge or suspicions may be seen as condoning the act and treated as a disciplinary offence.

2.9 Gifts, Hospitality and Entertainment

We endeavour to win new business with the quality of our services. FSC Oceans prohibits the soliciting or offering of any gift, personal benefit or unjustified advantage to third parties connected with business dealing in monetary form or otherwise.

Gifts to customers or other business partners and their staff members must be selected so

as to avoid any appearance of impropriety in the mind of the recipient. Gifts, hospitality and entertainment are often a common and socially acceptable form of behaviour.

However, in some cases they could be suspected or misinterpreted as a form of bribery. Therefore, the following rules apply for gift-giving and receiving of gifts:

1. Members may only accept or offer an unsolicited non-monetary gift if the following conditions are fulfilled: the gift does not go beyond common courtesy and is accepted by local business practices; the value of the gift does not imply any obligation on the part of the recipient; the gift is appropriate with respect to the recipient.
2. You may accept or offer unsolicited entertainment if all the following requirements are met: the entertainment occurs infrequently and not in the ordinary course of business; it involves reasonable expenditures; it takes place in settings that are reasonably appropriate and fitting with the FSC Oceans business.

All Members must refrain from accepting or offering any gift or entertainment that does not meet such conditions. In cases of doubt, prior permission for the gift must be obtained from a superior.

2.9 Improper Payments

An improper payment to gain advantage in any situation is never acceptable and exposes Members and our company to possible criminal prosecution. We expressly prohibit all sorts of improper payments, whether to public officials or to private persons, active or passive.

All Members are strictly prohibited from either offering, paying, giving or otherwise transferring any funds or assets, directly or indirectly to someone in a public office or a person having a political influence, to someone applying for a public office, to a political party or any other third party, for the purpose of obtaining or retaining an improper advantage or otherwise securing or retaining business.

Not all bribery takes the form of cash payments. Alternatively, it can take the form of gifts, travel, entertainment or any other undue advantage. The Prohibition further applies to any contribution or payments made through consultants, suppliers, or other third parties on our behalf. Third parties engaged by FSC Oceans must be monitored periodically.

Nearly all countries have adopted laws prohibiting the bribery of government officials. Bribery equates to a criminal offence by the employee and the company involved. Violations of the anti-bribery laws can lead to costly enforcement actions and harsh

criminal penalties against our company and the individuals involved. Members found guilty of bribery possibly face imprisonment. Bribery always has a highly negative impact on reputation and business integrity.

Members must familiarise themselves with all applicable anti-corruption laws and conduct our business in strict compliance with these laws. Extreme caution must be taken when choosing partners, representatives, consultants and agents. Any transaction that could appear to be illegal or unethical should be rejected.

Any suspicion that a violation of any applicable anti-bribery law has happened, should be immediately reported to a superior or the Commercial or Managing Director.

2.10 Political Contributions

We recognise our employees' right to participate as individuals in the political process and play an active role in society, including activities in political parties.

However, FSC Oceans companies do not make any political contributions, whether in monetary payments or other donations in kind to any political party or their institutions, agencies or representatives, anywhere in the world.

2.11 Competition and Fair Dealing

We perform our business with honesty, fairness and integrity. We seek competitive advantage through excellent performance, never through unethical or unlawful business practices.

All our customers, suppliers, competitors and employees should be dealt with fairly and lawfully. Taking unfair advantage on anyone through any illegal trade practise like manipulation, abuse of privileged information or misrepresentation of material facts is prohibited.

FSC Oceans must offer customers the best prices and services, independent of what our competitors are doing. Every co-operation or alignment with a competitor for the purpose of gaining new business from a customer is strictly prohibited.

Each FSC Oceans staff member, Officer and Management Board Member must strictly act within the law, and must also avoid anything that might appear as collusion or improper action.

Due to the complexity of anti-trust law, FSC Oceans staff members and Officers are strongly advised to consult the Managing or Commercial Director with any questions.

FSC Oceans Limited

Shatha Aziz

Managing Director

Alan Hewitt

Commercial Director