

Code of Conduct and Ethical Standard

PES-IMP-COP-37 Rev.2.3

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Change Action Code	Description				
N/A	First Issue				
1	Typographical / grammatical correction; formatting change; text clarification <i>(No action required)</i>				
2	Change requiring minor adjustment to process and / or records <i>(Users to be informed, no retraining required)</i>				
3	Major change to the process and / or records <i>(Retraining of involved personnel to be conducted)</i>				
Revision	Date	Description of Changes	Change Action Code	Approval Name	
0	22/09/2017	First Issue	N/A	Peter Duthie	
1	17-05-2017	Addition of Human Rights and Statement of Anti-Discrimination	3	Peter Duthie	
2	01-09-2019	Addition of Clause 12- Human Trafficking	2	Peter Duthie	
2.1	16-02-2020	Section 8.0 updated	2	Peter Duthie	
2.2	28/08/2020	Gifts & Entertainment approval and Register added under clause 8	2	Peter Duthie	
2.3	22-09-2020	Section 16	2	Peter Duthie	

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1.0 Purpose

- 1.1. This procedure describes how Pioneer Engineering will adopt the Code of Conduct. These principles are our reference point and go in hand with the objective of continued growth, benefiting Shareholder, Customers and employees and contributing to the economic and social development of the countries we operate.

2.0 Scope

- 2.1. This document is applicable to all Pioneer Engineering operations.

3.0 Description

Pioneer Engineering was built by people with sound character and a long history of good business practices. The relationship of Pioneer Engineering and its stakeholders (such as customers, employees, business partners, suppliers) is established on trust and respect amongst them.

Pioneer Engineering, its subsidiaries and affiliates aims that all business transactions must be based on ethical business standards. The reputation of the company thereby lies upon the careful compliance and adherence of its Team Members to the laws of the country in which it does operate and regulations of the company. As well as their commitment to the highest standards, personal and professional conduct. Pioneer Engineering Team Members have the shared responsibility in supporting the goals and objectives of the company and to act in a manner that will always merit the continued confidence of its stakeholders.

4.0 Honest and Ethical Conduct –Anti Bribery and Corruption

Pioneer Engineering rejects all forms of bribery and corruption.

Pioneer Engineering will not resort to bribery or corruption “in order to obtain or retain business or other improper advantage in the conduct of international business,” as outlined in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Pioneer Engineering Team Members shall exhibit and promote the highest standards of honesty and ethical conduct, thereby:

- Encouraging and rewarding professional integrity by eliminating coercion, fear, reprisal from the Company itself, which can act as barriers and inhibit responsible and ethical behavior.
- Avoiding, prohibiting and eliminating any conflict of interest or appearance of a conflict of interest between the Company and what could result in personal gain for any Team Member.
- Demonstrating their personal support for such policies and procedures which will be encouraged by periodic communication from senior management reinforcing these ethical standards throughout the Company
- Acting in the best interest of the Company in preserving the Company's image as a professional Company operating with integrity and good character.
- Team Members, Agents Representatives, immediate family members and friends may not receive or collect personal compensation (cash, gift certificates/cards, instruments/equipment, or credit/personal arrangements) in connection with services provided by the Company.
- Team Members, Agents Representatives, immediate family members and friends may not charge, demand, or collect compensation for the transportation of property and for any service related thereto except according to the rates, tariffs, tolls and other charges as shown in the company sheets or filed service contracts. As such, any solicitation (cash, gift certificates/cards, instruments/equipment, or credit/personal arrangements) received from a customer or other person by Team Members, Agents and Representatives for a rebate either directly or indirectly must be declined.

5.0 Anti-Competitive Conduct

Team Members shall not enter into any agreement, understanding or arrangement with any competitor about prices, territory restrictions, and refusals to sell, allocation of business or collaborative bidding or engage in any other type of anti-competitive practice in violation of applicable laws or regulations.

6.0 Compliance with Applicable Laws, Rules and Regulations

Team Members shall comply with all prevalent laws of the Local government and other applicable to its business operations.

7.0 Conflict of Interest

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Team Members are required to conduct their non-work activities in a manner that would not be a conflict with the best interest of the Company or detract from the performance of their responsibilities. Team Members shall follow the general guidelines set forth below. Failure of any Team Member to adhere to these general guidelines may result in disciplinary action, including termination of employment.

- All Team Members shall not have directly or indirectly, any financial or other interest in any entity which is a supplier or customer of the Company.
- Team Member shall not be employed by another entity, participate in self-employment or serve another entity in any manner where such activity affects work's efficiency or interferes with the employee's ability to act in the best interest of the Company. Team Members whose job functions involve coordination with commercial institutions shall not conduct similar business with such institutions for such Team Member's own personal affairs or business.

8.0 Personal Gain /Gift Policy

All of the business affairs of the Company with all parties, including government officials, suppliers, customers, and competitors shall be conducted on an ethical, legal and arm's length basis.

Business entertainment and small business gifts can build goodwill and are a part of normal relationships with our business partners. However, gifts can also create a perception of conflict of interest that can undermine the integrity of our business relationships and could be subject to potential abuse.

This Gift Policy applies to the giving and receiving of Gifts by Pioneer Engineering employees, their family members and relatives and any other person or entity acting at the direction of any Pioneer Engineering employee. Any such person may give or accept Gifts (defined below), either directly or indirectly, only in compliance with this Gift Policy. However all Gifts given must be recorded and explained, in a proper and timely manner, in the Company's accounting records (for example, on your expense report), and must comply with all applicable rules, laws and regulations.

- Team Members shall not provide or accept payments, gifts or favorable, business arrangements for the purpose of securing preferential consideration for the Company or as inducement to enter into any transaction. The giving and acceptance of gifts, entertainment or services from a person or organization may be acceptable only if it meets the following guidelines.
 - a) Any Gifts and Entertainment requires a prior approval from the Senior Management.
 - b) It does not impose on the recipient any sense of obligation and does not result in special or favored treatment for the giver.
 - c) It is not viewed as extravagant, excessive or too frequent considering all circumstances.
 - d) It is not Cash, Gift Certificates, Gift Cards, Instruments or Credit Arrangements
 - e) It is not entertainment or an item or benefit of more than the nominal value of US\$100.00. (Sales promotional items acceptable: mugs, calendars, appointment books, T-shirts).
 - f) It is not a meal of more than US\$250 and is unsolicited.

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- g) It does not involve materials, equipment, services, repairs or improvements at no cost or at unreasonably low prices.
- h) It is not in exchange of employment opportunities for the recipient, friend or family members.
- i) A Gifts and Entertainment register shall be maintained by the Finance & Accounts department.

9.0 Impartiality and Independence

Impartiality and objectivity are the basic prerequisites for effective and consistent Inspection service.

All the inspectors shall be responsible for the impartiality of its inspection activities and shall not allow commercial, financial or other pressures to compromise impartiality.

All the inspectors shall be responsible in contributing in identification of risks to its impartiality on an ongoing basis for the appropriate mitigation measures by the Pioneer Engineering management. This shall include those risks that arise from its activities, or from its relationships, or from the relationships of its personnel.

Pioneer Engineering has in place safeguards that mitigate or eliminate threats to impartiality. Safeguards may include prohibitions, restrictions, disclosures, policies, procedures, practices, standards, rules, institutional arrangements, and environmental conditions. These shall be adhered and regularly reviewed their continuing applicability.

All the inspectors shall be independent of the parties involved, shall demonstrate that it is not linked to a party directly involved in design, manufacture, supply, installation, purchase, ownership, use or maintenance of the items inspected or similar competitive items by:

- a) common ownership (except where the owners have no ability to influence the outcome of an inspection),
- b) common ownership appointees on the boards (or equivalent) of the organizations (except where these have functions that have no influence on the outcome of an inspection)
- c) directly reporting to the same higher level of management
- d) contractual arrangements, informal understandings or other means that may have an ability to influence the outcome of an inspection

10.0 Statement of Non Discrimination.

The Company is committed to provide a work environment that is free of inappropriate behavior of all kinds and harassment on account of age, physical disability, marital status, race, religion, caste, sex, sexual orientation or gender identity. Employees are responsible for supporting the Company in its endeavor to protect others from any form of such harassments.

In the course of business conduct of any Employee, wherever harassment occurs to any such Employee as a result of an act or omission by any third party or outsider, the Company shall take all steps necessary and reasonable to assist such affected Employee in terms of support and preventive action.

11.0 Human Rights

Pioneer Engineering continuously upholds Human Rights Standards within its sphere of activity and internationally recognized human rights, those included in the "International Bill of Human Rights" and principles

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related to the rights included in the eight Fundamental Conventions of the International Labor Organization, according to the declaration on fundamental principles and rights at work.

The responsibility to respect human rights includes:

- Maintaining with its employees labor practices consistent with the international regulations.
- Eliminating all forms of forced labor.
- Eradicating the use of child labor.
- Facilitating the freedom of association and collective bargaining of employees.
- Treating all employees with dignity and respect, refraining from any offensive conduct or that entails any kind of discrimination on grounds of race, religious, political or union ideas, nationality, language, gender, marital status, age or disability.
- Ensuring that working conditions and environment (including: salaries, working hours, protecting maternity, encouraging a safe working environment free from alcohol and drugs, etc.) are consistent with internationally applicable labor regulations, and which promote and maintain a high level of the physical, mental and social well-being of employees.

12.0 Policy against Human Trafficking

Pioneer Engineering prohibits trafficking in persons and slavery. Pioneer employees, contractors, subcontractors, vendors, suppliers, partners and others through whom Pioneer Engineering conducts business must not engage in any practice that constitutes trafficking in persons or slavery. This includes, but is not limited to, the following activities:

- Engaging in any form of trafficking in persons;
- Procuring commercial sex acts;
- Using forced labor in the performance of any work;
- Destroying, concealing, confiscating, or otherwise denying access by an individual to the individual's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- Using misleading or fraudulent practices during the recruitment of candidates or offering of employment/contract positions; such as failing to disclose, in a format and language accessible to the potential candidate, basic information or making material misrepresentations during the recruitment of candidates regarding the key terms and conditions, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if provided by Pioneer), any significant cost to be charged to the candidate, and, if applicable, the hazardous nature of the work;
- Using recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- Charging applicants/candidates recruitment fees;
- If required by law or contract, failing to provide return transportation or failing to pay for the cost of return transportation upon the end of employment;
- If required by law or contract, failing to provide or arrange housing that meets the host country housing and safety standards; or
- If required by law or contract, failing to provide an employment contract, recruitment agreement, or other required work document in writing.

13.0 Supplier and Service Providers.

Pioneer Engineering Policy regarding our suppliers and our service providers is to:

- Respects each party's interests, with transparent and fairly negotiated contract terms.
- Expect them to adhere to principles equivalent to those in our Code of Conduct.
- Expect them to improve, on ongoing basis, their Human Rights Standards and Procedures.

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- Participate in verification activities of this code that may be established by Pioneer Engineering
- Implement the corrective actions, if necessary, resulting from any verification activity carried out by Pioneer Engineering in the organization
- Notify Pioneer Engineering of any information considered relevant regarding the requirements set forth in this code.

14.0 Confidentiality of Information

It is vital that the Company's confidential information is protected at all times. Confidential Information includes proprietary, technical, business, financial, joint venture, customer and employee information that is not available publicly. It is the employee's responsibility to know what information shall be treated as confidential and to obtain clarification when in doubt.

- Team Members must not disclose information outside to any person outside of the Company, unless authorized to do so. This includes, as prohibited, any disclosure of confidential information to family and friends. Where confidential information is entrusted to person outside of the Company, efforts must be made to ensure the continuing protection and confidentiality of that information. Within the Company, confidential information should be disclosed only on a "need to know" basis.
- Team Members must not use confidential information for unauthorized purposes. They must also take reasonable care to protect confidential information for unauthorized purposes. They must also take reasonable care to protect confidential information against loss, theft, unauthorized access, alteration or misuse.
- Team Members leaving the Company who have had access to Company confidential information will be reminded of their continuing responsibility to protect and maintain its confidentiality. The Company expects that employees joining it from other companies will not disclose the confidential information to those companies.

All the inspectors are responsible, through legally enforceable commitments, for the management of all information obtained or created during the performance of inspection activities.

Pioneer Engineering shall inform the client, in advance, of the information it intends to place in the public domain. Except for information that the client makes publicly available, or when agreed between the inspection body and the client (e.g. for the purpose of responding to complaints), all other information is considered proprietary information and shall be regarded as confidential.

When the Pioneer Engineering is required by law or authorized by contractual commitments to release confidential information, the client or individual concerned shall, unless prohibited by law, be notified of the information provided.

Information about the client obtained from sources other than the client (e.g. complainant, regulators) should be treated as confidential.

15.0 Health, Safety and Environment

All Employees shall comply with the company health, safety and environmental norms as communicated to them from time to time. Employees shall bring to the management's attention any workplace safety, health hazard and Environmental aspects.

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16.0 Speak Up

Company shall promote a "Speak-Up" culture that doesn't tolerate retaliation. A system of Observation Card meant for employees, customers and suppliers to Speak-Up if they observe something that is unsafe, unethical or potentially harmful involving business or activities.

17.0 Reports and Periodic Records

Team Members to extend applicable care within the scope of their job functions, shall ensure that:

- Business transactions are properly authorized and completely and accurately recorded on the Company's books and records in accordance with Generally Accepted Accounting Principles (GAAP) established Company financial policy.
- The retention period and proper disposal of Company records shall be in accordance with established Company policies and applicable legal and regulatory requirements.
- Any employee who is requested to engage in any activity which is or may be contrary to this Code will promptly report such information to the Line Manager whom the individual reports or if the employee was so directed by the Line Manager then to the respective Business Unit Human Resources Personnel.
- Any Team Member who acquires information that gives the employee reason to believe that any other employee is engaged in conduct forbidden by the Policy will promptly report such information to the Line Manager to whom the employee reports or if the Line Manager is engaged in such conduct then to the Respective Business Unit Human Resources.

18.0 Disciplinary Action

Violations of the policy are grounds for disciplinary actions, dismissal or termination of contract depending on the severity of the particular violation and having a primary objective furtherance of the Company's interest in preventing violations and making clear that violations are neither tolerated nor condoned. Disciplinary action will be taken not only against individuals who authorize or participate directly in a violation of the policy.

- Any Team Member who may have deliberately failed to report a violation of the Policy.
- Any Team Member who may have deliberately withheld relevant and material information concerning a violation of the Policy and.
- The Violator's Line Manager to the extent that the circumstances of the violation reflect inadequate leadership and lack of diligence.
- Where an employee is accused of violating the anti-trust law and the employee has relied in good faith on the advice of the Company legal counsel after full disclosure of the material facts, no disciplinary action may be taken against the employee under this Policy and the Company may within the limits permitted by law, assist in the employee's defense.

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Violations by the supplier of the content of this code may have different consequences in their contractual relation with Pioneer Engineering. According to the severity of the violation, these can range from a simple warning to disqualification as a Pioneer Engineering supplier; without prejudice to other applicable legal or administrative actions.

Pioneer Engineering provides its suppliers with a channel through which they can report events that may be considered infringements or violations of this code.

