



## CODE OF ETHICS

MCO-RES-A-SUP-IV  
REV 02  
06-09-2021

### INTRODUCTION

The continuing existence of **MACOSNAR CORPORATION (MCO)** depends on its reputation of competence and integrity.

As a reputable organization, MCO is dedicated to conducting all of its operations in a safe, responsible, impartial and ethical way.

This reputation is one of the most valuable assets for the MCO society worldwide and is reflected in our core and business values.

It is therefore imperative that we should all keep in mind that any violation of the Code of Ethics principles or norms is a serious matter which could have damaging consequences (whether for individuals or the entire Society) and may also adversely affect the reputation of MCO as a whole.

MCO Class Code of Ethics is established to help ensure that everyone who works for MCO understands that unlawful or unethical business practices will not be tolerated and also that they should strive to be professional and accountable in everything that they do under their professional capacity.

Accordingly, MCO Code of Ethics describes the ethical values, principles and rules for the Society which aims to base its growth and development, while at the same time building up relationships based on trust with its clients, employees and business partners or associates.

Therefore, all MCO employees must act in accordance with the Code of Ethics and actively defend its values, principles and rules stay in Code of Ethics and must ensure that their day-to-day decisions are taken in conformity with the requirements of the Code of Ethics.

Our business partners and associates are also required to act in compliance with our Code of Ethics when dealing or acting on behalf of the MCO Class society.

MCO reaffirms its commitment to the highest standards ethical conduct.



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### I. OUR VALUES & PRINCIPLES

#### **Integrity - Item 2.5 RO CODE**

The professional practices and activities of MCO:

- Are delivered in good faith, honesty and fairness;
- Follow our adopted corporate policies and procedures;
- Are delivered based on defined standards and internationally accepted criteria;
- Have a respect for local and international ethics while delivered in different environments throughout the world.

#### **Credibility**

MCO shall be committed to the highest standards of legal and ethical conduct in all its business activities.

MCO shall refrain from any improper or questionable actions in connection with its work and shall decline to pay or accept commissions or gifts. MCO shall not use unethical means to obtain advancements.

#### **Impartiality - Item 2.4 RO CODE**

MCO is responsible for the impartiality of its activities and shall not allow commercial, financial or other pressures to compromise impartiality.

#### **Independence - Item 2.3 RO CODE**

No objective shall justify deviation from the rules.

This is to denote that MCO members:

- Shall not engage in activities that may conflict with their independence of judgment and integrity in relation to their service activities.
- Shall not be influenced when making decisions, by corporate hospitality or by any kind of gifts.
- Shall not use their knowledge or position within the MCO society for own private or personal advantage.
- Shall not accept anything that could be construed as a bribe, anything that is of more than a nominal value or that is not normal in the course of doing business.

The Society and its officers, employees, representatives, surveyors and staff, shall not be affected by the designer, manufacturer, supplier, installer, purchaser, owner, user or maintainer of items subject to the MCO's delivered services and shall perform fairly and objectively from independent position.



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### **Transparency - Item 2.8 RO CODE**

MCO conduct shall be governed by the principles of honesty, fairness and transparency, at all times. All potential clients shall have access to the services of the Society.

No MCO member may act in a manner which infringes our ethical principles and ethical norms or involves committing a violation of applicable laws or regulations on the grounds that they act in the interest of MCO to do so.

### **Competence - Item 2.6 RO CODE**

MCO shall perform statutory certification and services by the use of competent surveyors and auditors duly qualified, trained and authorized to execute all duties and activities incumbent upon their employer, within their level of work and responsibility.

MCO through the surveyor/auditor application process ensure that their approved surveyor and auditors are duly qualified, trained to perform our services – refer to Work Instructions Suppliers/ MCO-RES-WI-SUP-01.

### **Responsibility - Item 2.7 RO CODE**

MCO through Job profiles, defines and document the responsibilities, authorities, qualifications and interrelation of personnel whose work affects the quality of its services.

### **Respect for Individuals**

MCO Class spends all possible efforts so as to enable our people achieve objectives, manage risks, comply with standards and improve quality.

We acknowledge that each one of us contributes to the effectiveness of our services, and the impression our customers acquire when working with us, so we reinforce every individual's ability to consistently deliver the positive customer experience that we strive to offer.

### **Social/Environmental policies**

While managers are accountable for eliminating and minimizing health and safety risks for our employees and visitors, we are all responsible for keeping ourselves and those around us safe.

We expect everyone to take a lead in improving safety by setting a positive example and intervening when seeing an unsafe situation

## **II. OUR BUSINESS CONDUCT**

With the diverse personal backgrounds of our employees, agents, representatives and business associates, we do not assume that those rules are self-evident to anyone. It is therefore appropriate to present a Code of Ethics for MCO.

Ethics is a set of rules of conduct people agree to abide by.



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The three ideas that would capture the essence of our ethical principles: Integrity, good faith and excellence.

### **Applying the Code of Ethics**

Managers have a duty to provide guidance in ethical business conduct, and their doors are always open.

All officers, managers or other appropriate supervisory personnel shall be responsible and accountable for the enforcement of this policy within their specific areas of supervisory responsibility, including the periodic review of these Codes with employees under their supervision.

Failure to intentionally comply with any aspect of this Code of Ethical Business Conduct may subject the employee to disciplinary action, up to and including termination of employment or cease of co-operation.

Any employee who discovers a questionable, fraudulent or illegal event, or who knows that this code has been violated, should immediately report the event to the Managers.

### **Compliance with Laws and Regulations**

MCO shall at all times strive to comply with all applicable laws and regulations and to the ethical practices as required by Flag Administrations which delegated authority to MCO

### **Quality Norms-Ethics of Quality**

Our Quality assurance system is the foundation of our growth and business success. It is built from guiding principles and underpinned by a set of quality procedures and normative documents that enable MCO to act responsibly and consistently, whilst supporting us to continuously improve what we do for our customers and for the wider stakeholders of the marine industry.

The MCO Quality & Environmental Policy encourages us to perform our services with consistent precision, working efficiency, with greater ability to know, and quickly respond to our customers' changing needs.

Quality involves us all - how we serve each other, as internal customers, and how we serve our external customers. Quality Management, the extra effort we make to better our services, lets us actively demonstrate, to ourselves and others, our integrity, good faith and excellence

MCO has adopted and implements a fact-based approach for measurement of performance and quality improvement while applying decision making upon verified facts wherever feasible.

Integrity of Services, reports and Information-Issuing documents without appropriate action



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MCO aims to provide impartial and integral classification and statutory services to ships and offshore installations, for the promotion and safeguarding of the safety of life and property at sea and for the prevention of pollution to the marine environment, under its capacity as a Classification Society and a Recognized Organization (RO) / Recognized Security Organization (RSO).

MCO shall offer its services in accordance with sound business and ethical practices. Deliberate misrepresentation of facts and capabilities in order to obtain business shall be scrupulously avoided.

MCO shall not compromise the quality of its services in order to compete.

MCO shall respect its competitors and never shall engage in the dissemination of false, incorrect or biased information to their detriment.

Our reports and certificates must accurately state the actual findings, professional opinion or results obtained in the course of delivery of our services.

Data, tests results and other statements of facts shall be reported in good faith and from an independent and unbiased position.

### **Issuing Documents without Appropriate Action**

MCO shall not issue, stamp or endorse documents without performing the respective services required by Flag Maritime Administrations requirements, having authorized the MCO or other applicable standards.

### **Confidentiality**

Every employee has a duty to safeguard the confidential information of our customers and the intellectual property of MCO, as if it were our own.

Subject to any obligations to the Flag State Authorities, MCO shall consider all information and documentation received in the course of provision of its services as confidential and may be passed unto third parties solely upon the written consent of the party entitled thereto. The aforementioned duty of confidentiality shall not apply to the extent that there is a duty of MCO to disclose according to applicable law, or where disclosure is made to a person professionally bound by a duty of confidentiality, or under a court order or by law or arising out of international conventions. Technical information, systems, inventions or know-how practices as may be developed or acquired by the MCO as well as information governed by non-disclosure agreements shall also be subject to confidentiality provisions. Employees, representatives, agents and business associates of the MCO shall be committed to protect and observe confidentiality provisions for information in their possession. Employees shall protect from harm or loss MCO property made available for their use. Such property includes information or intellectual property that, in the possession of outsiders, could damage our competitive position or otherwise injure MCO. Examples include strategies, business plans, customer lists, marketing



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plans, service delivery processes, pricing schedules, inventions and technical formulae. Every employee has a duty to safeguard the confidential information of our customers and the intellectual property of MCO, as if it were our own. Employees shall respect the confidentiality of information about customers obtained by MCO in connection with rendering a service. Examples include plans, drawings, specifications, trade secrets, assessment reports and results of special studies. MCO shall honor the confidentiality provisions contained in, ISO 9001:2015, ISPS Code and the IMO RO code.

### **Conflicts of Interest - Anti-Bribery policies**

Outside Employment and Activities every employee shall devote his or her full time and energy, during working hours, to MCO assignments

Every employee shall act with loyalty to the MCO mission. Participation in an outside activity that acts against the MCO mission is also considered a conflict of interest. Special circumstances in this connection must have the approval of MCO management. In case of doubt, Human Resources can provide guidance. No MCO employee shall have any investment in, or enter into any relationship with (including the acceptance of gifts from) an outside party that might possibly conflict with the best interests of MCO Requests for clarification and exceptions to this Policy shall be referred to the attention of the MCO Executive Committee.

### **Gain from Outside Businesses**

No MCO employee may gain financially, or accept gifts of substance, services or privileges, from an organization, its representatives, or an individual who is in competition with MCO and/or has interests that may be substantially affected by the performance of the employee's job. Employee ownership of a substantial interest in one of the organizations described above could be considered a conflict of interest. The MCO's Board of Directors will evaluate the facts in each case to determine if the ownership constitutes a substantial interest in the above described organizations and if the individual's work places him or her in a position to make decisions that may inappropriately favor the organization.

### **Other Types of Activities Considered Conflicts of Interests**

Disclosure or use of confidential information for MCO and/or MCO clients for the personal profit or advantage of the employee or anyone else. Competition against MCO by an employee, directly or indirectly.

Any other arrangement or circumstance, which might dissuade or influence the employee from acting in the best interests of MCO in any MCO transaction.

### **Reporting**

For the protection of both MCO and the employee involved, it is essential that the employee make prompt and full disclosure to his /her superior, the Director of Human Resources and/ or MCOs Managing Director, concerned of any situation which may involve a conflict of interest or



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a violation of the MCO Code of Ethics or Code of Ethical Business Conduct. All information thus disclosed shall be treated on a confidential basis, except to the extent necessary for the protection of MCO interests. If the facts reported disclose a conflict of interest, the employee will be notified and will have the obligation to remedy the situation. Similarly, if the facts do not disclose a conflict of interest, the employee will be so informed. An employee failing to comply with this policy shall be subject to disciplinary action including possible termination

### **Corrupt Practices**

Avoid even the appearance of corruption. Never offer bribes and never accept them. Acceptable forms of business entertainment and charitable donations are covered later in this section, but the general rules of ethical business conduct are as follows:

### **Favors, Gifts of Substance, Services and Bribes**

No employee may accept financial rewards, gifts, services or privileges from any one with whom MCO has a business relationship, or anyone who is trying to establish a business relationship with or competes MCO

### **Offers of Favors, Gifts of Substance, Services and Bribes**

No MCO employee may offer private reward in the form of payment, favors, services, gifts or privileges to anyone with whom MCO has a business relationship, anyone with whom MCO competes, to any official or employee of a domestic or foreign government or instrumentality or to any domestic or foreign political party, party official or candidate for office.

### **Fair Treatment**

MCO does not tolerate any form of harassment or discrimination

#### **Policy Prohibiting Harassment and Offensive Conduct**

It is the policy of MCO not to discriminate against any employee, or applicant for employment, because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, affection preference, veteran status or citizenship status.

It is MCO' policy that the work place should be free from unlawful discrimination and harassment of any kind, including sexual harassment and the creation of a hostile work environment and, therefore, harassment of any type is strictly prohibited.

MCO does not condone and will not tolerate harassment of any employee or guest of MCO prohibits harassment of any employee by a supervisor, another employee, a vendor, a client or a customer. Anyone who violates this policy will be subject to disciplinary action up to and including termination.



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Harassment and other offensive conduct includes any conduct whether verbal, visual or physical, which has the purpose or effect of interfering with an individual's work performance, or which creates an intimidating, offensive, or hostile work environment (e.g., slurs, offensive remarks or jokes and lewd behavior). The work environment encompasses all work-related settings including business trips and business-related social events.

Each supervisor and member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Employees are responsible for respecting the rights of their co-workers.

### **Dealing with Business Associates**

No company can survive without honesty, no matter how hard it tries. Even a small violation of a law or standard can destroy the confidence of customers and business associates. MCO sets standards for others to live by. It must not fail to live by the standards it sets for itself.

Working as a team, we at MCO must be worthy of the trust of our colleagues and supervisors. Trust among employees is critical in a company like MCO, where great distances separate employees from one another.

### **Doing Business with Others Business**

Customs vary from country to country. Our business conduct must be kept within the bounds of laws and practices in each locality in which we operate. In every instance, honesty and fairness shall characterize our actions. All negotiations with a client shall reflect honesty, fairness and sound business practice. No employee shall negotiate on behalf of MCO without proper authority to do so.

The MCO Code of Ethical Business Conduct may not be circumvented through the use of agents, business cooperators or other non-MCO employees.

#### **The Use of Agents, business co-operators and Non-Employees**

Agents, business co-operators and non-employee representatives shall be subject to the provisions of the MCO Code of Ethical Business Conduct and shall be made aware of these obligations when retained. Agents, business co-operators or other nonemployees shall not be used to circumvent the Code of Ethical Business Conduct. MCO employees shall not under any circumstances retain agents or other representatives to engage in practices contrary to the Code or applicable law.

MCO employees shall avoid conflicts of interest when performing as directors, trustees, or officers of other organizations.

Outside Corporate Directorships, Trusteeships and Officer ships Any outside directorship of an employee in a corporation that compensates its outside directors shall require the advance approval of the MCO's Board of Directors, upon recommendation and endorsement, in writing,





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of the employee's supervisors at intermediate levels, and with the advice of the Managing Director, Human Resources and Law Department, as appropriate. In the case of an outside directorship of the Managing Director, the advance approval of the Board of Directors shall be required.

### **Media Handling**

Communications with media are under the exclusive prerogative of the MCO Head Office.

Relations with the Media are the sole and exclusive prerogative of the MCO Class Head Office. Any public announcements or press releases to be made being relevant to the MCO and its services shall be exclusively handled by the society's Board of Directors. Accordingly, all statements to the media or responses to inquiries from the media including any communications from analysts requesting information for MCO shall be handled and dealt with by the MCO Head Office. The above provisions apply also to the MCO regional and local network of survey stations and surveyors worldwide.