

SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct articulates Pars Flame Controls expectations of the conduct of suppliers and business partners doing business with PFC (“suppliers”). Suppliers are expected to understand and act consistent with PFC’s approach to integrity, responsible sourcing, and supply chain management. PFC expects that its suppliers will cascade similar expectations through their own supply chain. PFC expects to do business with suppliers that meet our standards and behave consistent with, and positively reflect, PFC’s values throughout the supply chain. PFC chooses its suppliers carefully, and expects that they will satisfy contractual requirements, comply with laws, regulations, and act in a way consistent with principles and values of our PFC Code of Conduct, winning with integrity, and this Supplier Code of Conduct. We require that all Suppliers, at minimum, comply with the Supplier code.

Governance/Compliance

- **Quality**

To ensure supplier’s operations and the products and/or services supplied to PFC comply with PFC specifications and all national, local and other applicable laws and regulations.

- **Confidentiality**

Safeguard, respect and not use any non-public PFC confidential information for personal gain or share with others for their gain.

HUMAN RIGHTS

- **Forced Labour**

Supplier will not use slave, prisoner or any other form of forced or involuntary labour. Suppliers must take reasonable measures to ensure that all of their employees understand the terms of their employment.

- **Child Labour**

Suppliers will not use child labour. PFC has a zero tolerance policy regarding the employment of children where the age of employment is not in accordance with applicable laws.

- **Human Trafficking**

Suppliers will not engage, directly or indirectly, in human trafficking. PFC prohibits human trafficking abuses.

- **Conditions of Employment**

Suppliers will comply with applicable laws regulating work hours, wages and benefits. Employees must be paid in a timely fashion that meets or exceeds legal minimum standards.

- **Labour Brokers**

If necessary for a supplier to use a labour broker, the supplier will ensure the broker employs ethical recruitment practices, complies with applicable laws, and does not withhold identity documents.

- **Harassment & Discrimination**

Suppliers will not discriminate on the basis of gender, colour, race, national origin, religion, sexual orientation, age, veteran status, disability or gender identity. Harassment or discrimination of any kind will not be tolerated.

- **Freedom of Association and Collective Bargaining**

Suppliers will comply with applicable laws that recognize and respect the rights of employees to

freedom of association and collective bargaining.

- **Wages & Hours**

Observe applicable laws and regulations governing wages and hours.

HEALTH & SAFETY

- **Workplace**

Suppliers will provide clean, healthy and safe environments for their employees that meet or exceed legal standards. Suppliers will have safety procedures for their employees and tracking tools that drive to a goal of zero workplace safety incidents. Suppliers employees will have the right to refuse work and report any conditions that do not meet these criteria.

- **Vehicle**

Supplier and contracts will promptly communicate any safety concern related to PFC products. "Speak Up for Safety" is a program that suppliers and contracts working on behalf of PFC can use to report product safety concerns and make suggestions to improve safety and quality.

- **Drug**

Have and enforce a written policy prohibiting the use of drugs and alcohol in the workplace.

ENVIRONMENT

- **Continuous Improvement**

Suppliers will increase efficiency throughout our Company. Over time, PFC expects suppliers will establish targets and be transparent in their progress toward their targets. Design, implement and maintain effective management system, with appropriate objectives and targets, to ensure compliance with applicable regulations and requirements of PFC related to Supplier's operations, products, and services.

BUSINESS INTEGRITY

- **Anti-Corruption / Anti-Bribery**

Suppliers will not tolerate corruption, bribery, embezzlement or fraud in any form. This includes giving or receiving anything of value, including money, gifts or unlawful incentives to improperly influence negotiations or any other dealings with officials, customers, or any other third parties.

- **Ethical Behaviour**

Suppliers will avoid conflicts of interest and operate honestly and ethically throughout the supply chain and in accordance with applicable law, including those laws pertaining to: anti-competitive business practices, respect for and protection of intellectual property, company and personal data, export controls and economic sanctions.

- **Reporting and Non-Retaliation**

Suppliers will provide an adequate mechanism for their employees to report integrity concerns, safety issues and misconduct without fear of retaliation. Suppliers will also appropriately investigate reports and take corrective action, if needed. Suppliers will prohibit retaliation.

- **Stakeholder Engagement**

Suppliers will communicate these or substantially similar codes to their supplier and subcontractors.

tors. Suppliers will continuously improve their sustainability and stakeholder engagement progress. PFC also encourages suppliers to work closely with local communities to implement projects and strategies that improve community of those who live there.

Suppliers will develop and implement appropriate internal business processes and policies to ensure compliance with applicable law and this Supplier Code of Conduct. Suppliers will be able to demonstrate compliance with this Code upon our request and will take any action to correct any non-compliance.

■ **Reporting Integrity Concern to PFC**

Subject to any restriction posed by law, suppliers will promptly inform PFC of any concern related to issues governed by this Supplier Code of Conduct. PFC policy prohibits retaliation against any person reporting such a concern. To report a concern, suppliers can always speak directly to their PFC Purchasing and Supply Chain representative. In addition, the PFM

Ethical Behaviour

Relations with suppliers are based on a long term cooperation that is based on fairness in negotiations, integrity and contracts. PFC requires its suppliers to be able to improve their production facility so that the most optimized quality/price ratio can be achieved.

Furthermore, it is PFC strategic plan to share its Code of Business ethics and its charter of values.