

## CODE OF CONDUCT

# PROYECTOS INDUSTRIALES Y REPRESENTACIONES DE COAHUILA, S.A. DE C.V.



## Introduction

Since the founding of the Company, integrity, honesty, fair treatment, and full compliance with all applicable laws have guided the business practices of Proyectos Industriales y Representaciones de Coahuila SA de CV, hereinafter referred to as PIRCO. Since then, PIRCO employees have upheld and fulfilled this commitment in their daily responsibilities, while PIRCO's reputation continues to be one of the highest internationally.

PIRCO's Corporate Business Principles stipulate certain values and principles that PIRCO is assumed to adhere to nationally and internationally. This Code of Business Conduct specifies the Corporate Business Principles and contributes to their ongoing implementation through the establishment of certain non-negotiable minimum standards of conduct applicable to key areas.

The nature of this Code is not intended to cover all possible situations that may occur. The purpose of this is to provide a frame of reference against which to measure any activity. Employees should ask for advice if they have any doubts about the action plan in a given situation, since the absolute responsibility of each employee is (to do the right thing), the responsibility that cannot be delegated.

Employees should always be guided by the following basic principles:

- And avoid any conduct that may damage or endanger PIRCO or its reputation.
- To act legally and honestly.
- To preserve the interests of the Company over personal or other interests.

For the purposes of this Code, references to the term include employees, associates, officers, and directors of Proyectos Industriales y Representaciones de Coahuila SA de CV.



## Mission.

Our commitment is the total satisfaction of our customers in their manufacturing projects, meeting all their specifications and manufacturing requirements, and offering our customers leadership in cost, performance, precision, and accuracy in our various manufacturing products through cutting-edge technology.

## Vision.

Since our foundation in 2002, our vision has been the constant growth and development in the metal mechanical market of our organization offering sustainable solutions with service and standards worldwide.

## Values and Strengths.

The values and strengths that guide the performance of our employees are:

- Leadership.
- Social and environmental responsibility.
- Operational excellence.
- Adaptability to change.
- Confidentiality.
- Ethics.
- Transparency.
- Innovation.
- Assertive communication.
- Competitiveness.

## Who are we?



We are a company located in Mexico in the central region of the state of Coahuila, developed in the metal-mechanical branch focused on the manufacture of equipment components and machinery for the Industry in general.

We specialize in the design and manufacture of metal structures and equipment for different types of industries, such as the mining, cement industry, power generation, steel, and railway industry, among others.

Our company has an area of 40,000 m<sup>2</sup> of land for structural fabrications, sandblasting, painting, and storage of materials and 8,500 m<sup>2</sup> in 10 industrial warehouses equipped with machinery of the highest technology, in addition to traveling cranes up to 15 tons of capacity for material handling.



LET'S LIVE BY THE GUIDELINES AND STANDARDS OF HONESTY AND  
INTEGRITY

## Article 1.

### Compliance with Laws, Rules, and Regulations.

We respect the law at all times.

PIRCO and its employees are governed by law. Compliance with all applicable laws and regulations should never be compromised. In addition, employees must adhere to internal rules and regulations as they are applicable in a given situation. Such internal rules are specific to the Company and may go beyond the requirements of the law.

Likewise, in order to guarantee the regulation of child labor, the provisions of the Federal Labor Law in force, in its Articles 22 and 22 bis, will be complied with. At all times it is indicated and applied in PIRCO the adherence to the Federal law of minimum age of Work. Considering the activities of the company, any applicant must meet the following requirements in accordance with the provisions of the Human Resources Procedure manual.

- Birth Certificate
- Current official identification
- CURP
- Taxpayer ID (R.F.C.)
- Social Security Number.
- Proof of Address.

In the assignment of the labor category, the daily wage is according to each category, in the case of a base category to Minimum Wage, this will be regulated by the general commission of Minimum Wages of the country, which will be adjusted each year according to the increases approved and published in the Official Gazette of the Federation. , likewise, the working days are established in accordance with the provisions of article 61 of the Federal Labor Law. In the same way, it is an obligation for PIRCO that forced or bonded labor is not used in the production of any product of its organization.

PIRCO ensures that the working hours and overtime of employees comply with applicable laws, industry standards or relevant collective agreements, with all evidence available and delivered to employees.

In the same manner, PIRCO guarantees that no form of deposit, recruitment fee or equipment advance is made by employees, either directly or through recruitment agencies, through the constant monitoring system and complaint system.



## Article 2.

### Conflicts of Interest.

We will always act in the best interests of PIRCO.

A Conflict of Interest occurs when the personal interests of an employee or the interests of a third party compete with the interests of PIRCO. In this situation, it may be difficult for the employee to act fully in the best interests of PIRCO. Whenever possible, employees should avoid Conflicts of Interest. If a Conflict of Interest has occurred or if an employee is faced with a situation that may involve or give rise to a Conflict of Interest, the employee must communicate it to his immediate superior and/or the head of the Human Resources area or Legal Department in order to resolve the situation in a fair and transparent manner.

## Article 3.

### Management and other external activities.

We are proud of PIRCO's reputation and also take into account PIRCO's best interests in our external work and activities.

Activities outside of PIRCO should not be carried out if they interfere with employees' responsibilities towards PIRCO, if they involve a risk to PIRCO's reputation or if they otherwise conflict with PIRCO's interests.

If they have any doubts about whether an activity is allowed, employees should consult the head of the Human Resources area or Legal Department.

Authorization may be refused if the position or activity conflicts with the interests of PIRCO or with the responsibilities of employees.

Unless requested by the Company to assume a particular position or activity, employees shall carry out the activities and exercise the external positions at their own risk and cost, and only in their spare time.



## Article 4.

### Relatives and Relatives.

**Our recruitment and staff development decisions will be fair and objective**

Immediate family members and partners of employees may be engaged as employees or consultants only if their appointment is based on their qualifications, performance, competencies, and experience, and if there is no direct or indirect employment dependency relationship between the employee and his or her family member or partner. These fair hiring principles shall apply to all aspects of the employment relationship, including remuneration, promotions, and transfers, as well as in the event that the relationship develops after the respective employee has joined the Company.

## Article 5.

### Corporate Opportunities.

**We are committed to fostering professional growth inside and/or outside of PIRCO.**

Employees shall not compete with the Company or take personal advantage of business opportunities presented to them during their employment relationship unless the Company has expressly abandoned its interest in pursuing a such opportunity.

If employees wish to pursue business opportunities that may be of interest to the Company, they must communicate it to their immediate superior who will obtain a management decision regarding whether or not the Company wishes to pursue the opportunity. Only in the event that the Company decides not to pursue the opportunity, the employee may do so for his own benefit only if it is clear that this will not generate direct or indirect competition with the Company's operations.



## Article 6.

### Work Environment.

All employees understand that their roles and responsibilities are subject to the professional and ethical requirements defined by the company.

PIRCO employees have the same opportunities for development while developing in a harmonious and respectful environment, which reaches our customers and suppliers. We want our work to be a satisfying and rewarding experience.

We are inclusive and respectful, we take care of our words and actions, we do not harass, and we make our differences our strengths, we support and welcome all people, with different religious beliefs and sexual preferences without any distinction of any kind.

## Article 7.

### Privacy and Confidentiality of Information.

We value and protect our confidential information and respect the confidential information of third parties.

Confidential information is information that is not public knowledge or is not yet public. It includes trade secrets, business plans, marketing and services, customer views, engineering and manufacturing ideas, designs, databases, records, salary information, and any other unpublished financial or other information.

The continued success of PIRCO depends on the use of your confidential information and its non-disclosure to third parties. Unless required by law or authorized by Company Management, employees shall not disclose confidential information or permit its disclosure. This obligation subsists once the employment relationship has ended. In addition, employees should use their best efforts to prevent unintentional disclosure of information by taking special care when storing or transmitting confidential information.

PIRCO respects the fact that third parties have a similar interest in protecting your confidential information. If third parties such as suppliers or customers share confidential information with PIRCO, such information will receive the same care as confidential information from PIRCO. In this same sense, employees will protect the confidential information they have obtained during their previous employment.

## Article 8.

### Fraud, protection of Company assets, accounting.

We emphasize honesty and respect the Company's assets and assets.

Employees shall never be involved in fraudulent action or other dishonest conduct involving the property or assets or financial records and accounting of PIRCO or a third party. This can not only lead to disciplinary sanctions but also result in criminal charges.

PIRCO's financial records form the basis for managing the Company's business and for fulfilling its obligations to various stakeholders. Therefore, all financial records must be accurate and in accordance with PIRCO's accounting principles.

Employees must protect PIRCO assets and use them only properly and efficiently. All employees will attempt to protect PIRCO property against loss, damage, misuse, theft, fraud, embezzlement, and destruction. These obligations cover tangible and intangible assets, including confidential or privileged information and IT systems. To the extent permitted by applicable law, the Company reserves the right to monitor and inspect the manner in which employees use its assets, including the right to inspect all emails, data, and files maintained on the Company's computer network.

## Article 9.

### Bribery and corruption.

We repudiate all forms of bribery and corruption.

Employees, directly or through intermediaries, should never offer or promise improper personal or financial favor or other favor to obtain or obtain a business or other advantage from a third party, whether public or private. Employees should also not accept such an advantage in exchange for preferential treatment from a third party. Likewise, employees must refrain from engaging in any activity or conduct that could give rise to the occurrence or suspicion of such conduct or an attempt to do so.

Employees should be aware that offering or delivering improper benefits in order to influence the recipient's decision, even if the recipient is not a government official, may not only result in disciplinary sanctions but may also result in criminal charges. Improper benefits can include anything of value to the recipient, including employment or consulting contracts for very closely related parties.

## Article 10.

### Non-compliance.

We will consult the Code, comply with its provisions, and seek assistance if necessary.

It is the responsibility of each employee to ensure full compliance with all provisions of this Code and if necessary to seek assistance from his immediate superior or head of the Human Resources area or Legal Department and ensure the highest standards of integrity is the personal responsibility of each employee and cannot be delegated.

In case of doubt, employees should always be guided by the basic principles set out in the introduction to this Code.

Any failure to comply with this Code may result in disciplinary measures, including the possibility of dismissal and, if applicable, the initiation of legal proceedings or the application of criminal sanctions.

## Article 11.

### Communication of illegal or violating conduct.

We take responsibility for ensuring that we all act with integrity in all situations.

The collaborators will communicate to their immediate superiors or to the person in charge of the Human Resources area or Legal Department any practice or action that they believe inappropriate or even illegal, under this code. If inappropriate, taking into account the nature of the reported event, reports of violations may be submitted directly to higher levels, including Directorate-General.



If applicable, claims may be made confidentially or through PIRCO's employee service lines. All complaints should be properly investigated.

PIRCO prohibits retaliation against any employee with respect to claims filed in good faith while protecting the rights of the incriminated person.

**Everything mentioned above is the Human Resources department of PIRCO with access without any restriction, and at any working time for any employee, supplier, customer, partner, contractor, or collaborator. It is of vital interest the conformity and adherence to Mexican and International law of all the above points mentioned in all parts pertinent to PIRCO.**

**For any relief as means of contact are our phones +52 866 639 06 90 and +52 866 639 0969. As an anonymous hotline, we have the telephone + 52 866 6392445, or anonymous complaints system.**

**In the same way, you can contact us at our email: [recursoshumanos@pirco.com.mx](mailto:recursoshumanos@pirco.com.mx) or our anonymous suggestion box.**

## Message from the C.E.O.

Dear PIRCO family,

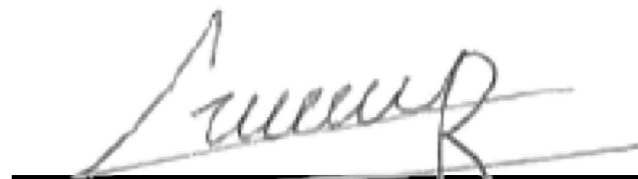
The Code of Conduct reflects the way we live our values in daily practice:

- Leadership.
- Social and environmental responsibility.
- Operational excellence.
- Adaptability to change.
- Confidentiality.
- Ethics.
- Transparency.
- Innovation.
- Assertive communication.
- Competitiveness.

It is a guide to the way we relate to our co-workers, customers, suppliers, and each of the actors with whom we have contact when conducting business.

It is important that all of us who collaborate in this company work together and strive to consolidate the culture of integrity. Our success and growth depend on the commitment to the principles and values expressed here and it is everyone's obligation to respect them. No collaborator is above the Code, its compliance applies to everyone equally, regardless of the hierarchical level.

If you have any questions about the content of this document, especially when making a decision, contact the personnel designated to guide and support in Code issues or your immediate boss.



GILBERTO RODRIGUEZ Y RODRIGUEZ

Chief Executive Officer

 **PROYECTOS INDUSTRIALES  
Y REPRESENTACIONES  
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## INTERNAL RULES OF WORK

### REASONS FOR REPORTING OR PENALTIES

- 1.- Arriving late to the workplace at check-in time.
- 2.- Arrive late to the workplace after lunchtime.
- 3.- Leave your work area early.
- 4.- Disrespect your supervisor.
- 5.- Disrespect for your colleagues.
- 6.- Arrive at work in an inconvenient state.
- 7.- Refuse to undergo medical or anti-doping tests when the company requests it.
- 8.- Withdraw from your work area without permission.
- 9.- Do not sign the production report. (When this applies. )
- 10.- Perform poor-quality work.
- 11.- Failure to comply with the amount of work and/or parts established.
- 12.- Do not use assigned personal protective equipment.
- 13.- Pass under a piece suspended in the air.
- 14.- Pass a piece over one to more companions.
- 15.- Joking and/or playing with your teammates.
- 16.- Play with the security or work team.
- 17.- Reading newspapers, magazines, and brochures.
- 18.- Material damage to machinery, equipment, materials, etc.
- 19.- Compromise by carelessness in the security of the establishment.



- 20.- Disobeying the immediate boss without just cause.
- 21.- Do not register entries and exits. (When this applies.)
- 22.- Use of cell phones within the facilities
- 23.- Smoking inside the facilities.
- 24.- Do not use the appropriate personal protective equipment at all times.

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Worker's name and signature  
Awareness

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Supervisor