



PPI Code of Conduct

Document No.: Guideline-114
Rev. Level: 0
Revision Date: August 28, 2015

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Change Record

Rev	Date	Prepared by	Reviewed by	Authorized by	Description of Change
0	8/28/15	A Solis	Ethics Committee	PPI Board of Directors	New Release

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Section I: Behavior Compliance

1. Personal Relationships within PPI.

Behavioral Overview:

Directors and employees must show institutional loyalty, must comply with established rules and guidelines, and must be honest in their relationships with superiors, peers and hierarchical dependents.

Relationships between Directors and employees must always be based on mutual respect. Each must treat the other with equality and non-discrimination.

Desirable behaviors:

- Personnel must be consistent in their daily behavior, as well as with the principles stated in PPI's Code of Ethics
- Personnel must be aware of labor rights and obligations and apply them in their relationships.

Recommendations:

- Recognize the achievements of others; avoid appropriating their ideas or initiatives.
- Listen to proposals objectively; eliminate emotions brought on by others' contributions.
- Offer positive contributions in meetings.
- Establish efficient communication; active transmission and reception
- Maintain work environments free of violence, harassment, sexual harassment, and discrimination.
- Assess whether the situation being addressed is ethical and legal.
- Turn to the Ethics Committee for guidance in situations where there may be an ethics conflict.

2. Protection of assets and their use.

Behavioral Overview:

- Employees must protect assets owned by PPI against loss, damage, abuse and misuse.
- The employees are responsible for the assets they have been assigned for achieving the goals of the company.

Desirable behaviors:

- Use the company's assets exclusively for purposes related to PPI activity.
- Use information technology (IT) systems and, in particular, Internet services, based on the needs of PPI and not for personal interests.
- Consult on the use of intangible assets, including property rights, and the use of the PPI trademark, as only authorized personnel should use them.
- Recognize that the technology developed by PPI employees is owned by the company and will be protected as one of its main assets.
- Protect the information produced and stored in the PPI TI systems, as it is a PPI asset.
- Back up all information generated by PPI operations.

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Recommendations:

- When using a company asset for purposes other than those established, whether in an emergency or in a cause of exception, notify your superior.
- PPI-owned computer equipment should not contain personal information.
- Immediately report any imminent risk, act or unsafe condition observed at work to the IT group in case of computer equipment, and to your supervisor for other matters.

3. Confidential, privileged and / or third party information.

Behavioral Overview:

The undue use and/or disclosure of confidential or privileged information to which the directors and employees have access, or that is under their custody due to their position or functions, constitutes a breach of this Code of Conduct regardless of the civil and / or criminal liability incurred for the improper benefits obtained, as well as for damages and losses caused to PPI.

Desirable behaviors:

Use third party information with the same care and prudence as you would when handling confidential and /or privileged information. The information of third parties being referred to are: personal data, information of its employees, their references, as well as financial and data of assets.

- Consider as privileged information all information that is generated in the process preparing a commercial or labor proposal.

Recommendations:

- Safeguard, in a confidential manner, customer and supplier information in connection with transactions entered into with PPI.
- Only provide client information when expressly requested to do so by the appropriate authorities, and according to the terms of the applicable regulations.
- Safeguard the documentation generated or to which access is granted by preventing and / or reporting to the appropriate authorities those cases where it is used for purposes other than the normal operation, or when provided to persons outside the operation of PPI.
- Refrain at all times from obtaining personal benefit, or benefiting any third party, through its use or disclosure.

4. Gifts and invitations.

Behavioral Overview:

- Before accepting a gift, it is necessary to identify and consider, taking into account ethical principles, whether it is acceptable or not, since the interests of PPI must always prevail.
- Invitations to social events or meals can be accepted as long as there is a reason for it to benefit PPI.

Desirable behaviors:

- Keep travel expenses for accommodations and any other expenses arising from invitations from business partners, clients, investors, contractors, suppliers or third parties within the established limits.

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- Only use expenditures that have been authorized, to spend for travel, accommodation and other costs, in terms of applicable provisions, to attend meetings with business partners, clients, investors, contractors, suppliers or third parties. Consider all aspects that could affect the business relationship, before responding to an invitation where your participation may be questioned.
- Participate with propriety as a representative of PPI in all international or national events related to presentations of products and / or policies to be implemented, equipment demonstrations, new technologies, visits to plants and invitations in general for getting to know business opportunities or better practices.

Recommendations:

Discuss and agree with your superior before accepting any invitations and / or gifts. When in doubt, request advice from the Ethics Committee for guidance in situations where a conflict in ethics may be present.

5. Conflict of interest and / or influence peddling.

Behavioral Overview:

Ensure and hold ourselves accountable so that there is no personal interest or influence peddling that can make it difficult to make a decision, or to be efficient and objective, in acting upon the interests of PPI.

A real or perceived conflict of interest exists when our interest as a Director or employee, or if that of our family, or related third parties, is contrary, interferes or may interfere in any way with the interests of PPI or when our roles and responsibilities relate directly to existing and / or potential private businesses.

Decisions should not be made under any external pressure (foreign or national public servants, national or foreign business sectors, ex-employees, etc.) or internal (superior, etc.).

Desirable behaviors:

- Align all acts and actions in favor of the interests of PPI; these come before personal interests or those of a third party.
- Grant career promotions or designations based strictly on professional factors, not on personal interest or influence peddling; respect the principles of equality and non-discrimination.
- Ensure that third-party interests related to Directors or employees (including in-line family members up to 4 times removed) are not involved in PPI-related purchases or sales transactions.
- Act impartially in all commercial transactions and do not give companies, organizations or individuals undue advantage.

Recommendations:

- Communicate in writing to the Chairman of the Board, and in special cases to the Ethics Committee, as a preventive measure, when a Director detects that he / she has a real or potential conflict of interest and has the power of decision or influence over a particular matter.
- Prior to the execution of any action, communicate in writing to your superior, and in special cases to the Ethics Committee, when there is a conflict of interest or influence peddling, so that you can receive written instructions on how to manage or resolve the issue, especially in cases where by the very nature of your function, you cannot refrain from participating in it.

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- Communicate conflicts of interest and / or potential traffic of influence, so that preventive action can be taken to mitigate possible risks in decision-making.
- Avoid getting involved in relationships that may lead to a real or perceived conflict of interest.
- Report to the Ethics Committee cases of conflict of interest or influence peddling, along with job designations or promotions that are not strictly based on professional factors.
- Prevent the appearance of a conflict of interest, if other people believe that you have one, they will doubt the ability of the Director or employee to act properly. The perception that you have a conflict of interest can damage both the reputation of the person, and that of PPI.
- Avoid accepting economic or in-kind benefits to mediate in matters where other interest rates prevail over PPI.

6. Transparency.

Behavioral Overview:

The directors and / or employees must fully assume the responsibility to perform their duties in an appropriate manner before everyone's eyes.

We have an obligation to comply scrupulously with the principles of truthfulness, accuracy, timeliness and legality in the production, preservation and protection of information records, whether in electronic form, hard copy, or any other modality that is used in the day to day business activities, and must refrain from making false, misleading or artificial entries in financial and non-financial books and records.

Desirable behaviors:

- Provide information in a timely, accessible, truthful, complete, reliable and clear manner to the internal and external individuals that are related to the work at hand.
- Provide free and transparent access to public information.
- Protect personal data.
- Take appropriate measures to ensure that PPI produces and maintains books and records that accurately and reasonably reflect any transaction involving PPI and any other form of disposition of its assets.
- Properly valuing company assets.
- Use valid criteria to interpret and record information on PPI's Financial Statements.
- Responsibly maintain in an orderly way the electronic records in your corresponding files and / or directories.
- Process, download, store, or disseminate only information that may be considered legal, harmless or appropriate for the development of the company's activities.
- Classify, preserve and protect information that is related to the development of company operations.

Recommendations:

- Safeguard classified information and not to use it for your own benefit.
- Restrict the delivery of information considered as a commercial or industrial secret, privileged, or belonging to a third party.
- Clarify information records as well as the systems and methodologies used for the valuation of assets.
- Verify sources of information and comply with the principles of truthfulness, accuracy, timeliness

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and legality.

- Use audit mechanisms in all records that are possible for the issuance of Financial Statements and institutional reports
- Involve external auditors to verify the accuracy, timeliness, and legality of the records generated.
- Back up and safeguard all information related to the administration and operation of the company.

7. Drugs and alcohol.

Behavioral Overview:

PPI is a workplace free of illegal drugs and alcohol. It is forbidden to be under their influence, while being in the workplace at PPI, and/or when conducting negotiations in which the company is involved, regardless of the location.

Desirable behaviors:

At PPI it is forbidden to:

- Consume alcohol and / or prohibited drugs in the workplace.
- Perform work after consuming alcohol or any illegal drug.

Recommendations:

- Do not consume alcohol or illegal drugs during work hours, or before entering PPI's facilities.
- Decrease any risk at work due to being in an intoxicated state, or under the influence of drugs.
- Request guidance from the Ethics Committee on addiction prevention and / or rehabilitation services.

8. Personal efficiency.

Behavioral Overview:

The Directors and employees seek to generate results through quality, opportunity and continuous improvement in PPI's products, services and processes, with high levels of productivity and competitiveness.

Desirable behaviors:

- Provide products and services based on customer needs, exceeding their expectations.
- Comply punctually with assigned work tasks and responsibilities.
- Being punctual in work commitments.
- Know and apply current regulations for assigned functions.
- Know the core processes of the company, of the area, and how they contribute to the strategic objectives of PPI.
- Incorporate new methodologies and technological tools to make work more efficient.
- Participate in training courses provided by the company and promote self-development.
- Strengthen teamwork, which is the result of joint actions to achieve results.

Recommendations:

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- Organize the work in order to achieve results in a timely manner.
- Produce services and products that comply with international standards and optimize the allocated resources.
- Propose ideas, strategies and initiatives that improve products and services.
- Document acquired learning and share successful experiences, opportunities for improvement and knowledge with work colleagues.

9. Active participation.

Behavioral Overview:

In PPI we value the intellectual contributions of the directors and employees that generate added value to the company.

The commitment to innovation and the improvement of the company's results starts with the value we give to the people who are part of the intellectual capital of the company.

Desirable behaviors:

- Participate in meetings by providing objective support that generates value to the discussion
- Participate actively in the processes and initiatives where employee participation is being requested.
- Make proposals for innovation in known processes.
- Foster the competitiveness of people and areas based on improving results and meeting objectives.
- Participate in those events that increase knowledge in PPI's industry.

Recommendations:

- Actively participate in company processes, while respecting project leaders, as well as subordinates and all other individuals.
- Show tolerance and solidarity regarding the intellectual contributions of new participants in the business processes.

10. Harassment, sexual harassment, and discrimination.

Behavioral Overview:

PPI prohibits all types of harassment, sexual harassment, and discrimination, whether verbal or physical. Harassment is the exercise of power where the victim is in a subordinate relationship with the aggressor in the workplace. In sexual harassment, the exercise of power where the victim is pitted against the aggressor in the workplace, and is related to sexuality of lewd connotation. By sexual harassment, a form of violence in which, although there is no subordination, there is an exercise of power that leads to a state of helplessness and risk for the victim.

Desirable behaviors:

- Respect every person.
- Eliminate all types of violence.
- Take positive actions to achieve an atmosphere of courtesy and tolerance, fostering harmony and peaceful coexistence.

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- Do not discriminate by ethnic, national, gender, age, disability, social status, health status, religion, opinions, sexual preferences, marital status or any other that violates human dignity and is intended to nullify or impair the rights and freedoms of people.
- Eliminate jokes and taunts that denigrate the dignity or integrity of the person.
- Use hierarchical positions to achieve PPI objectives, eliminating all forms of abuse of authority.

Recommendations:

- Report to the appropriate authorities, cases of situations or innuendos with perceived harassment, sexual harassment, and discrimination.

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Section II: Updates

The Code of Conduct applies to the directors and employees of PPI and it is our duty to provide our feedback to the Ethics Committee so that this code can be kept up to date with the best internal and external practices. The Code of Conduct must be aligned with our principles and guidelines and with the PPI Code of Ethics.

The feedback process for updating this Code is continuous.

The Code of Conduct will be updated by including proposals issued by PPI Directors and employees including members of the Ethics Committee, so long as they are aligned with the direction of the business.

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Section III Practice and Follow-up

1. Personal responsibility.

It is fundamental for PPI that the directors and employees perform their functions in accordance with the provisions of this Code of Conduct.

The behaviors alluded to in this document require we all assume the responsibility of applying it in all our daily operations, for generating benefits for the members of the PPI community. To this end, the Ethics Committee will make available to its Directors and employees the mechanisms to be used for raising concerns or doubts about its application, and will guarantee the confidentiality of the concern or complaint.

The Ethics Committee will propose deadlines for the training of employees in the awareness and application of this Code. In case of non-compliance, the Committee shall determine the procedure to be followed. In addition, the directors and employees must adhere to the Code of Conduct, as established by the Committee.

2. Responsibility at the Management Levels

PPI's Vice Presidents and Managers will be directly responsible for disseminating this Code in their respective areas and for fostering an environment of trust where people can report violations without fear of reprisals. However, it is the responsibility of each one of us to comply with the Code of Conduct, reporting any noncompliance and fostering a culture of denunciation.

3. Participation of the Ethics Committee.

The Ethics Committee will review and analyze cases of possible violations of the Codes of Ethics and Conduct and, depending on the seriousness of the faults committed, will determine if they should be sent to the appropriate authorities.

In the event that the identified conduct does not apply to workplace misconduct, the Ethics Committee may issue a warning to those involved, in order to promote an environment that adheres to the Codes of Ethics or Conduct.

The Ethics Committee will propose the procedure for the investigation of possible cases of non-compliance with the Code of Ethics and the Code of Conduct of PPI.

4. Responsible Attitude towards Acts of Third Parties.

The Directors and employees commit to reveal, through their timely communication, those situations that, even without being related to their actions or scope of responsibility, are considered questionable; especially those, which could lead to non-compliance with the provisions, referred to in this document.

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The complaints must be objective and supported, as much as possible, with the necessary facts, such as a description of the situation along with the time and place, the non-compliance was committed. A violation of this Code of Conduct includes presenting allegations based on false accusations, altering the facts to be investigated, or refusal to cooperate when participation is important for the clarification of the facts.

PPI prohibits and will take specific actions against reprisals made by any director or employee toward those who have communicated or denounced behaviors contrary to this Code of Conduct.

Third-party complaints can be made anonymously, thus guaranteeing the confidentiality of the person reporting the grievance.

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Section IV: Transitory Provisions

First.- This Code of Conduct shall enter into force on the next business day upon its approval by the Board of Directors of PPI.

Second.- The Ethics Committee shall have a period of 60 calendar days, counting from the day notification of its existence, to design awareness workshops to discuss its application in the workplace, and will seek to obtain signed statements of adherence from each Director and employee that must abide by this code.