

— PPI CODE
OF
CONDUCT

PEMEX
Procurement
International
Inc.

PPI



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FOREWORD

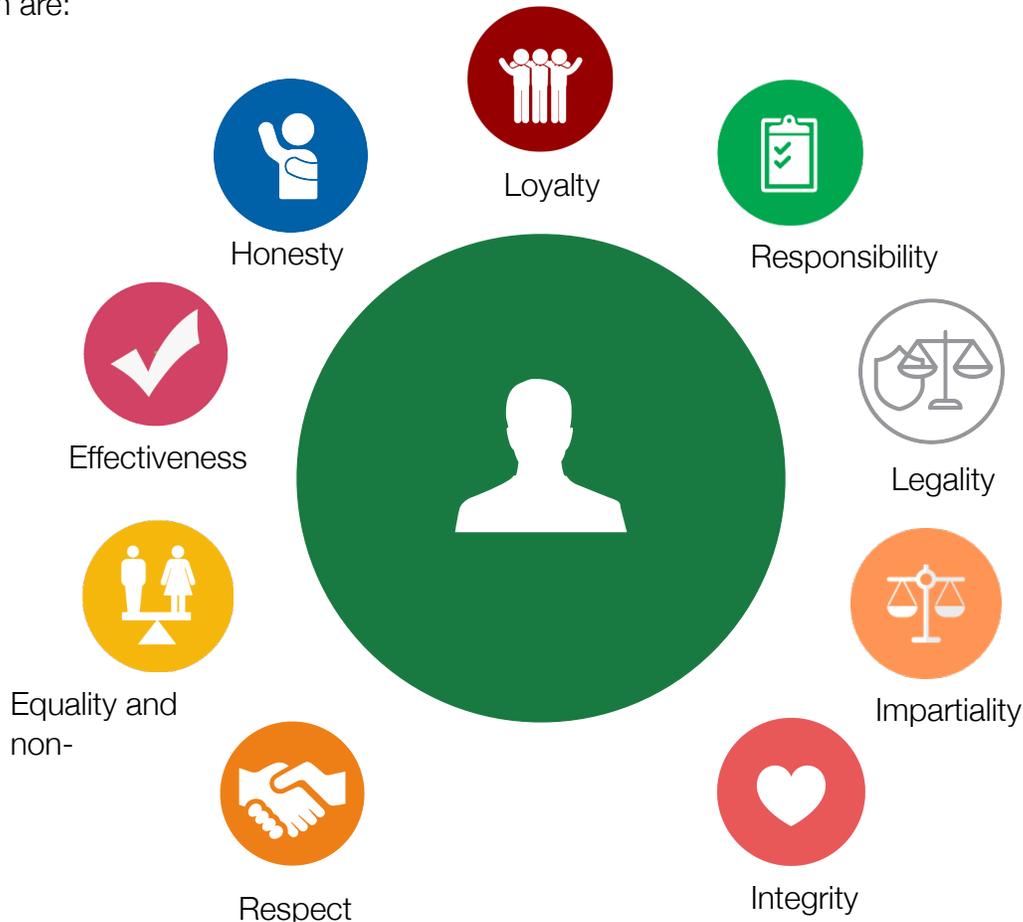
In this code, we establish the behavior that is expected of personnel working for PPI. This Code has been, and any changes to it will be, proposed by PPI's Ethics Committee, and once approved by PPI's Board of Directors, the President and CEO of PPI authorizes the distribution of the Code and any of its amendments. The interpretation of the Code of Conduct is the responsibility of the Ethics Committee. It is mandatory that all PPI personnel conform to it. Failure to do so may result in the application of disciplinary measures from a warning up to and including termination of the employment relationship.

This Code of Conduct replaces the previous code dated 8/28/2015, and becomes effective on July 19th, 2018.



1. Expected Behavior

In this section, you will find the framework of the expected conduct, from the personnel of PPI. This conduct is in line with the ethical values contained in the Code of Ethics, which are:



This Code is a guideline of proper behavior, and it provides examples of the standards established by PPI. However, you must use your common sense and good judgement to ensure that your own behavior adheres to both ethics and the code of conduct guidelines.

It is important not to have any doubts. Ask your Team Leader or the Human Resources Department in case you do not fully understand something, or you may request information from the Ethics Committee by sending your request for clarification to ethics@pemexprocurement.com.

Why is it important for you to be familiarized with this Code and apply it properly?

- To apply the values and principles established in the Code of Ethics. State, Federal or Local laws and regulations

- It provides guidance on the rules we must observe to control our actions and behavior. It contributes to the foundation of a good working environment for all those of us who work for PPI, and for those persons with whom we interact.
- It allows us to unify and apply the same principles and to act in an ethical way.
- It encourages pride in belonging to PPI.

1.1 Personal Relationships

All of us who work for PPI are the key for the success of this company; therefore, it is important to build a respectful workplace environment free of discrimination, harassment or persecution, that promotes participation, contribution, and the use of each of our talents and abilities.



1.2 Resources

We have the obligation to maintain and use the work tools, areas and resources that belong to PPI correctly, honestly and efficiently, which includes the time of our work day, the materials, goods, equipment and information that belong to PPI.

Your obligation:

- Use the assigned resources exclusively for work-related activities within the company.
- Protect and maintain the properties, goods and resources which belong to PPI .
- Report any misuse or theft of goods that belong to PPI.
- Have prior written authorization from an authorized person for the loan or withdrawal of goods, which belong to PPI, applying the previously established procedures for such purposes.
- Use only licensed software on the computers. You may not install unauthorized software or any software other than that which has been provided by PPI.



1.3 Information

The information that is generated and developed as a result of our working activities belongs to PPI. It may only be used for business purposes and in accordance with the terms established in the policies and procedures in force.

Your obligations:

- Handle the information in a professional, legal, and ethical manner.
 - Comply with the requirements of the laws on transparency regarding the applicable classification, filing and conservation procedures on the matter.
 - Observe the obligation of information confidentiality even after our employment with PPI has come to an end, pursuant to the Law of Pemex. (example: Article 94 of the Law of Pemex).
 - Protect the information generated by your work in PPI.
 - Do not conceal, remove, alter, mutilate, destroy or totally or partially disable the information that is in our custody.
 - Cooperate when requested for information from official authorities and from the fiscal and auditing authorities, whenever required to do so.
 - Respect and use the available formal channels for the delivery of information requested by third parties.
- Protect our information in environments outside PPI, using secure wireless networks.
 - Do not improperly use or divulge confidential or privileged information to which we might have access due to our position or functions.
 - Do not make public statements in the name of PPI, unless duly authorized by the corresponding area to do so.



1.4 Gifts and invitations

Receiving or making gifts, providing entertainment, compensation, invitations, or other kinds of goods, services, or favors may generate conflicts of interest. On the understanding that “gifts, entertainment, compensations, or any other kind of goods or favors” means anything of value that could constitute a present, product, tickets to events of any kind, discounts, travel, accommodations, prizes, transportation, use of vehicles or properties, bonds, money, shares, gift certificates or any good or service paid for by a third party that either maintains or is aimed at maintaining a business relationship, obtaining any kind of benefits, advantage or use, either for personal gain or that of third parties, or to compromise our capability of making objective decisions that favor PPI and its customers.



Your obligation:

- Do not accept, offer, promise, or make payments or deliveries with any kind of value with the purpose of obtaining undue advantages or benefits.
- The restrictions on accepting or delivering money, valuables, movable or real property, which could represent a conflict of interest, apply to you, your spouse, your relatives, and third parties with whom you have professional, working, or business relationships.
- Invitations to events may only be accepted if:
 1. There is a clear business reason for PPI to attend, and
 2. You have proper authorization in writing by one of your superiors in the organization.

If the expenses generated due to transportation, accommodations, meals and other personal expenses are not covered by PPI, but reasonable, they may be accepted, but must be reported in writing to your superior and the Internal Auditor. If the expenses generated could be considered not reasonable, the invitation shall be declined.

- Personal discounts on products, goods, services, or any other benefits received due to being an employee of PPI, may only be accepted if they are a part of a discount program or official agreement with the companies, and these discounts are applicable to all workers. Do not accept, offer, promise, or make payments or deliveries with any kind of value with the purpose of obtaining undue advantages or benefits.
- Do not use intermediaries to receive benefits from third parties.



1.5 Conflicts of Interest

A conflict of interest is the possible adverse effect on the impartial and objective performance of your functions, due to personal, family or business interests. The following behaviors are considered examples of conflicts of interest and represent a violation to this code:

Seeking to obtain personal benefits for a worker, his or her blood relatives related persons, and third parties with whom he or she has professional, working or business relationships.

Seeking to obtain benefits for or business partners or companies for which the worker or the persons mentioned above are currently working or have formerly worked for, whether or not it constitutes damage to PPI, or its stakeholders (shareholders, clients, suppliers, other employees or the community).



Your obligation:

- Inform your immediate supervisor in writing of your participation in any commercial activity outside PPI that may be perceived as a conflict of interest.
- Report any potential situations that may generate conflicts of interest, such as any commercial deals with clients, contractors, suppliers or competitors who are not a part of PPI; or, any additional work in companies with activities similar to those of PPI, among others.
- Do not intervene in matters to benefit third parties.
- Give equal treatment to companies, organizations, and individuals.
- Abstain from participating in any activity, negotiation, or deal that PPI may establish with companies or persons in which you, your partner, colleagues, relatives, partners or acquaintances have a direct or indirect financial interest.
- Do not use the commercial relations of PPI for your own benefit or to damage them.
- Avoid any personal, social, financial or political activity that may interfere with our loyalty and objectivity towards PPI.

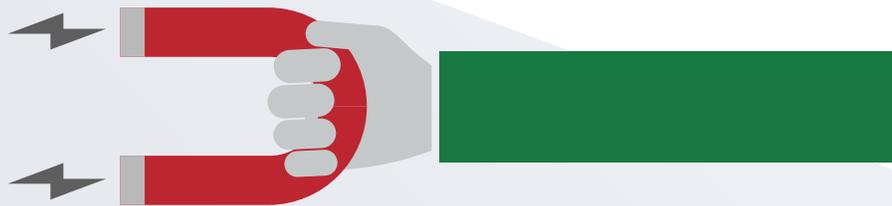
1.6 Bribery and corruption

Corruption means the use and abuse of any public position to obtain personal gain.

In PPI it is prohibited to participate in any kind of corruption, bribery, fraud, money laundering, receipt or delivery of payments or gifts of small amounts as facilitation payments, as well as any action performed in order to obtain or attempt to obtain a personal benefit from the operations of PPI; the participation in any of these acts will be reported to official authorities, whether it was performed directly or through third parties.

Your obligation:

- To abide by the applicable laws regarding anti-corruption.
- Offering or receiving any kind of payment or exchange of any goods or services as a reward for closing a deal or securing a business relationship with PPI, shall be considered an act of corruption and is prohibited.
- Offering a payment or an exchange of any kind of goods or services by a private person to an employee of PPI as a reward for closing a deal or to securing a business relationship, shall be considered bribery and penalized pursuant to the applicable laws.
- To perform the functions for which you have been employed with honesty and transparency.
- Do not accept or offer financial compensations, or privileges of any kind in exchange for the rendering of a service, to accelerate a proceeding, or to grant preference to a person or company.
- Report any suspicion or indication of bribery, collusion, fraud or corruption to the proper authorities, according to the applicable laws. Failure to do so may be considered aiding and abetting and could make you liable to the corresponding consequences.



1.7 Transparency

PPI is committed to transparency and accountability; therefore, we apply the necessary regulations and procedures in order to keep our records and reports reliable, precise, accurate, and complete. The business records, including financial reports, contracts and agreements, must be accurate and precise.

Your obligation:

- To comply with the regulatory framework of PPI and the corresponding authorities regarding the handling, classification and transparency of information.
- To maintain accurate and reliable commercial and financial records.
- To keep the electronic records well organized in their corresponding files.
- To review and verify any information sources so the data used is truthful, current, exact and legit.
- Do not falsify, omit, misstate, alter or conceal any kind of information, nor falsely state facts in a record of PPI.
- Do not participate in the efforts of another person to conceal, destroy, or alter any information.
- Do not conceal information on our work from higher-ups, colleagues, peers and personnel under our charge, so that all of our activities are aimed at meeting the established business objectives.



1.8 Illegal Drugs and Alcohol

PPI has a policy of zero tolerance regarding the consumption of illegal drugs and alcohol, therefore the use, possession, sales, attempted sale, transporting, distribution or manufacture of drugs or alcohol shall not be permitted while we perform activities within the facilities or use vehicles, which belong to PPI.

Upon any suspicion of use or abuse of illegal substances within its facilities, PPI will proceed according to the PPI Employee Handbook.

Your obligation:

- Do not use any kind of intoxicating substance within the facilities and vehicles, which belong to PPI. This prohibition is also applicable to business trips or external activities, as long as you are representing PPI.
- Arrive for work free from the effects of any illegal substances.
- Do not encourage others to use forbidden substances, such as illegal drugs and alcohol.
- Immediately report any person consuming or under the influence of any toxic substance, as this constitutes a risk for the performance of their functions.



1.9 Community Relations

PPI is socially responsible and therefore we respect the customs and traditions of the communities in which we operate, and we seek to contribute to the sustainable development of these communities.

Your obligation:



1.10 Efficiency

In PPI, we perform our activities in due time, form and with quality. We foster an environment of cooperation and teamwork for the best possible use of all available capabilities and resources.



1.11 Sexual Harassment

PPI has a policy of zero tolerance on this matter, wherefore any conduct of sexual harassment and/or any kind of violence or conduct that may denigrate a person's dignity and human rights is expressly forbidden. No inappropriate action, conduct, behavior, or comment of a sexual nature shall be tolerated. These incidents may be reported to the anti-harassment hotline 844-677-3030 or to ethics@pemexprocurement.com.

Sexual Harassment: unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature.

Your obligation:

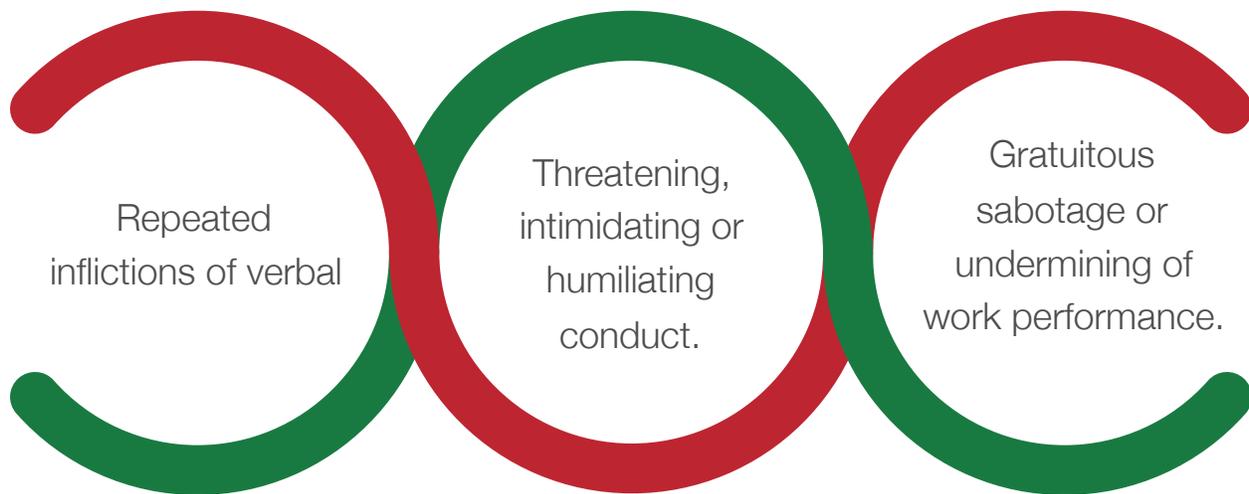
- Understand that No means No, when a physical closeness or sexual conduct are neither desired nor requested by the other person.
- Avoid any undesired conduct, signals, contact, insinuations, rumors, obscene language, pranks, compliments with sexual connotation or intent, as they are forbidden and appropriate action will be taken.
- Do not condition promotions to an exchange of sexual conducts or sexual favors.
- Abstain from showing or sending images of a sexual nature to others.
- Respect the private life of other persons.



1.12 Bullying or Harassment in the Workplace

Abusive conduct (“bullying”) refers to the conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer’s legitimate business interests.

Types of Bullying:



Your obligation:

- Avoid displaying any conduct that may intimidate or humiliate others.
- Do not intimidate, harass, unnecessarily reveal someone's mistakes to others, or engage in any other form of harassment.
- Create an environment that allows for personal, professional of all who work at PPI, as well as for others with whom we interact.
- Under no circumstance may any person in a supervisory position demand that a subordinate perform any actions outside the needs of PPI. It is not permitted to exert pressure to force personnel to perform a specific act that does not correspond to the functions inherent of their position.
- Avoid making inappropriate jokes or comments. If you are not sure whether or not something is appropriate, you should assume it is not.

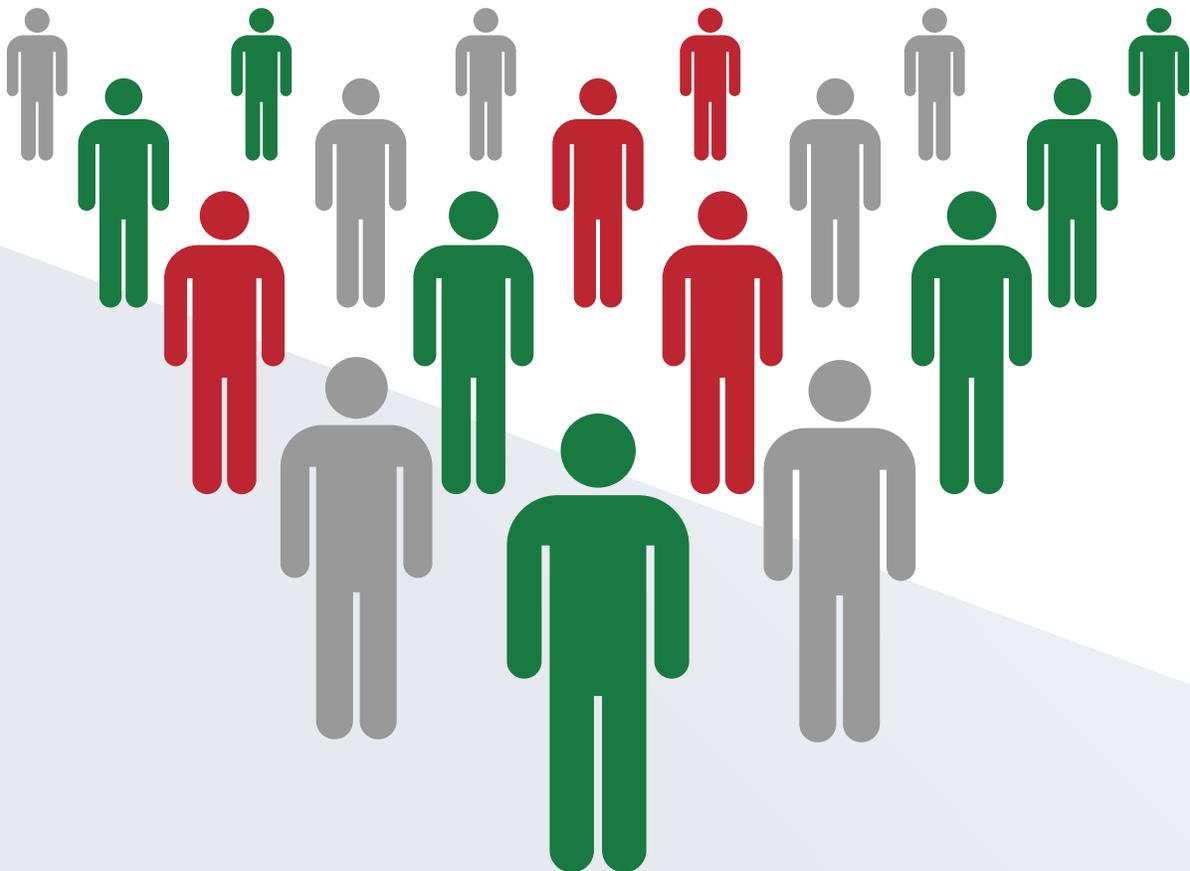
2. Practice and Follow-up

PPI's personnel is responsible for the compliance with and enforcement of the terms established in this Code, it is their obligation to read it, understand it, and apply its contents.

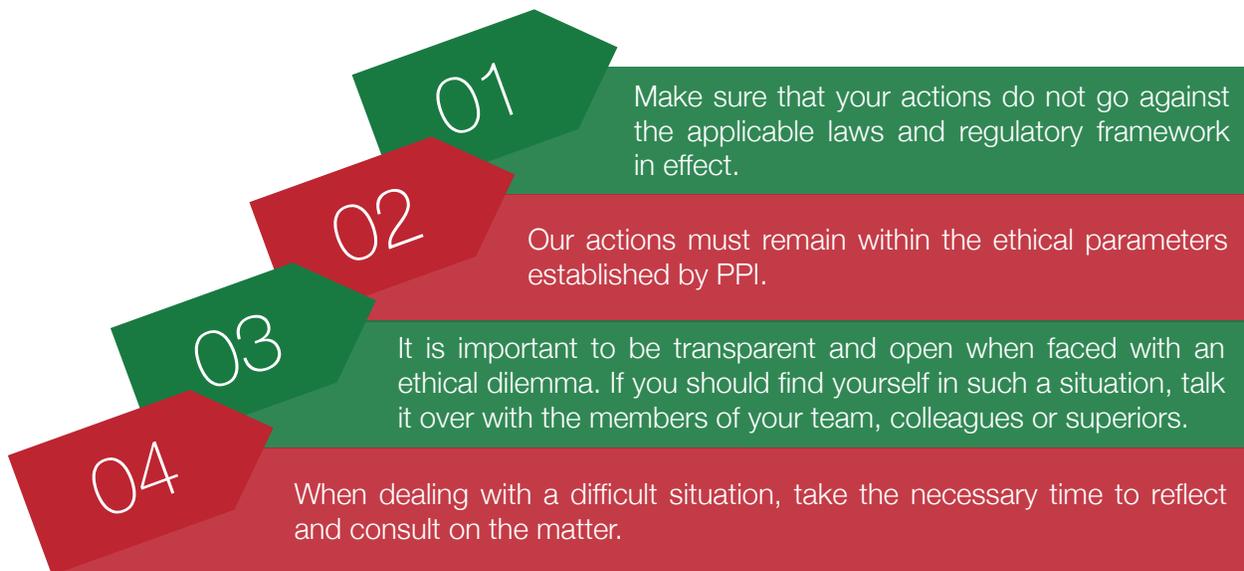
Additionally, it is everyone's obligation to participate and cooperate fully and honestly with any investigation that may be related to the compliance with this Code, as well as to report any violations through the established channels.

2.1 Responsibility of Team Leaders

- PPI's Board of Directors approves this Code and further dissemination of this Code to this group is not necessary.
- The president, vice-president, general managers and coordinators of PPI are directly responsible for the dissemination of this Code in their corresponding areas, as well as for fostering an environment of trust, where the personnel can report their concerns without fearing retaliation.



- As a team leader, you are the main promoter of the ethical values, principles, and behavior of PPI, always acting according to the terms established in this Code, so as to be considered an example to be followed.
- You must be ready to receive and respond to any question or concern related to the present Code from the personnel under your command; you must lead and guide them through their daily actions. It is your responsibility to promote ethical actions and to promote reporting of actions that contravene the terms established in this Code.
- You must ensure that the personnel who have recently entered your work team, reads and understands this Code and the consequences of failing to follow it.
- When faced with ethical dilemmas, it is important to follow these basic rules:



- Should you have any questions or concerns, which you do not know how to resolve, there are several channels and tools available to you as mentioned above in Section 1 “Expected Behavior”.

2.2 Ethics Contact information

The ethics e-mail ethics@pemexprocurement.com is a mechanism through which any ethical issues within PPI will be reported, advice will be offered, and any doubts or reports regarding possible violations to this Code will be handled.

The information received through the ethics e-mail is accessed by the Ethics Committee only, and will be investigated, evaluated, and reviewed with the corresponding areas. If applicable, sanctions or other actions will be taken for any ethical or behavioral transgressions.

PPI has implemented a non-retaliation policy in its Code of Ethics for persons filing the reports, and confidentiality will be maintained to the extent possible.



2.3 Ethics Committee

We have an institutional body that regulates and encourages the application and compliance with the provisions of the codes of Ethics and Conduct. The Committee will issue criteria on everyday behavior and ethical situations that may arise, and will help to guide you in making the correct decisions.

It may also issue recommendations in matters of ethics and conduct, which the personnel will then be responsible for following.

2.4 Non-retaliation Policy

For PPI, the participation of its personnel regarding compliance with this Code is of paramount importance, whereby it forbids and shall sanction any acts of retaliation against those persons who report any conduct that contravenes this Code, through the mechanisms established for such purposes, guaranteeing their confidentiality and protecting their identity pursuant to the applicable provisions.

PPI will do everything it can to maintain the anonymity of persons filing a report whenever they should ask for it. However, in some cases, due to the nature of the reports and the requirements of the investigations, it will be necessary for the persons to provide additional information; in such cases, contact information will be required to continue with this process.

Filing a report or an accusation knowing it is false, constitutes a violation of this Code.



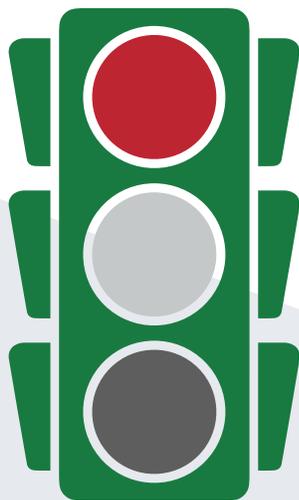
2.5 Infractions and Disciplinary Measures

It is the obligation of the personnel of PPI to comply with the terms established in the present Code, in accordance with the terms established in the Code of Ethics of PPI, and PPI's Employee Handbook, aligned to the applicable laws, which creates the obligation of the workers to comply with the provisions and regulations established by the employer.

The Ethics Committee and the Human Resources Department (HR) will analyze all reports of possible infractions to this Code. Once the investigation is complete, the HR Department in conjunction with the Legal Department shall determine the application of disciplinary sanctions pursuant to the applicable provisions, which depending on the gravity of the case, may go from a warning to termination of the employment relationship, and/or any additional legal, administrative, civil, or even criminal nature consequences.

Failing to comply with the contents of the Code of Ethics and of Conduct may result in actions or sanctions by the corresponding authorities. The above is without prejudice to the actions that other authorities may perform, as applicable.

It is the obligation of the corresponding personnel to participate and cooperate in an integral and honest manner with any investigation or management process that takes place in relation to an infraction of this Code.



3. References

- Resolution 17/19. Human Rights, Sexual Orientation and Gender Identity of the United Nations Human Rights Council.
- State, Federal or Local laws and regulations.
- Fair Labor Standards Act (FLSA).
- Anti-corruption ethics and compliance program for companies: A Practical guide.
- United Nations Office on Drugs and Crime. United Nations, October 2013.
- Foreign Corrupt Practices Act (FCPA, U.S.A.).
- Title VII of the Civil Rights Act of 1964.
- Age Discrimination in Employment Act (AEDEA).
- Americans with Disabilities Act (ADA).
- Americans with disabilities Act Amendments Act (ADAAA).
- Genetic Information Non-Discrimination Act (GINA).
- PPI Employee Handbook.
- PPI Security Policies and Procedures

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