

<b>POLICY TITLE*</b> : BUSINESS ETHICS	<b>POLICY ID*</b> : CORP.HR.001
<b>POLICY EFFECTIVE DATE*</b> : 03/01/2022	<b>POLICY VERSION*</b> : 001
<input checked="" type="checkbox"/> <b>REVIEWED/REVISED OR</b> <input type="checkbox"/> <b>RETIRED DATE*</b> : 03/01/2022	<b>DEPARTMENT*</b> : HUMAN RESOURCES
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# BUSINESS ETHICS POLICY

## Purpose\*

It is the policy of PRIDE Industries that all employees conduct business in accordance with the highest ethical standards and in compliance with all laws, rules and regulations applicable to PRIDE to merit and maintain the complete confidence and trust of PRIDE’s customers, stakeholders and the public in general.

The Business Ethics Policy, establishes standards of compliance to implement and is intended to supplement the provisions of other human resources policies of PRIDE, which may establish additional standards of ethical behavior applicable to PRIDE employees. Any conflicts or inconsistencies between this policy and other human resources policies shall be resolved in favor of the provisions of the Business Ethics Policy.

## Scope\*

All employees of PRIDE Industries.

## Policy Description\*

It is the policy of PRIDE that all employees shall act in an honest and ethical manner, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. PRIDE expects its employees to use good judgment, maintain high ethical standards and to refrain from any form of illegal, dishonest or unethical conduct. All employees of PRIDE must fully comply with the spirit and intent of all laws, rules and regulations applicable to PRIDE.

All employees have a duty to report to Human Resources all suspected violations of this policy or other potentially unethical behavior by anyone including officers, executives, directors, managers, employees, customers, subcontractors and suppliers.

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Employees in management positions are personally accountable for their own conduct and the conduct of those reporting to them. Managers are expected to inform those reporting to them about this policy and to take all necessary steps to ensure compliance with the policy.

Any employee who fails to comply with this policy will be subject to disciplinary action up to and including termination.

## I. Standards of Conduct

### A. Equal Employment and Nondiscrimination

The continued success of PRIDE is dependent upon establishing a work environment that is free of discrimination, harassment, intimidation or coercion related to race, religion, color, national origin, sex, age, marital status, disability, veteran status, sexual orientation, gender identity or expression, genetic information, or any other protected characteristic under applicable law. This extends to all phases of employment including hiring, placement, promotion, transfer, compensation, training, discipline and termination. PRIDE is committed to complying with all applicable state and federal laws related to equal employment opportunities.

### B. Environmental Compliance

PRIDE will meet or exceed the requirements of all environmental laws and regulations. PRIDE is committed to full compliance with all federal, state and local environmental laws, standards and guidelines. Any employee involved in regulated air emissions, water treatment/discharges, chemical application/treatment, hazardous materials or other regulated pollutants know and comply with all applicable environmental laws and guidelines. Employees are prohibited from concealing any improper discharge, disposal or storage of hazardous materials or other pollutants. Any employee who has reason to believe that there may have been violations of any aspect of this part of the policy are to report such violations to the Corporate Environmental Department.

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C. Safety and Health

Our employee’s safety and health are of the highest priority. Every employee must be aware of PRIDE’s safety program and follow all applicable safety and health laws, guidelines and procedures. Managers are responsible for ensuring that all reasonable safeguards and precautions are taken in the workplace including ensuring compliance with PRIDE’s procedures and guidelines promoting safe work practices and the use of personal protective equipment. Any employee who has a safety related concern may report such concerns to the Corporate Safety Department.

D. Drugs and Alcohol

PRIDE expects all employees to report to work and be able to perform his or her job duties productively and safely. Drug and alcohol abuse by employees is regarded as unsafe by creating an increased risk to the safety of themselves, their fellow employees and the public. Any employee using legal or illegal drugs or alcohol in the workplace that impairs their performance will be subject to disciplinary action up to and including termination. Employees are to notify their supervisor if they are using a prescribed medication that could have any side-effects that could potentially impair their job performance or prohibit them from performing their job in a safe manner.

II. Conflicts of Interest

Employees must avoid situations in which their personal interests could conflict with or even appear to conflict with the interests of PRIDE. Conflicts of interest arise when an individual’s position or responsibilities with PRIDE present an opportunity for personal gain or profit separate and apart from the individual’s earnings from the Company or where the employee’s interests are otherwise inconsistent with the interests of the Company. A conflict of interest may arise in any number of situations and it is impossible to describe every instance. Generally, if you believe that a

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situation may be a potential conflict of interest you should consult with the Corporate Human Resources Department

A. Outside Employment

Employees may pursue outside employment opportunities. However, such opportunities must not interfere with the employee’s job responsibilities with PRIDE. Any outside employment that interferes with the employee’s job responsibilities or conscientious performance of his or her job duties are deemed to be a conflict of interest and is not permitted.

Additionally, employees may not use company time or resources to further non-company business. Employees also may not use PRIDE’s name to lend weight or prestige to an outside activity without prior approval from a Senior Vice President.

B. Personal Financial Interests

Employees should avoid personal financial interests that might be a conflict with the interests of PRIDE. Such interests may include but are not limited to the following: obtaining a financial or other beneficial interest in a supplier, customer or competitor of the Company; directly or indirectly having a personal financial interest in any business transaction that may be averse to the Company; acquiring property or a business that the employee knows, or reasonably should know, that is of interest to the Company. Such personal financial interests include those interests of not only the individual employee, but also those of the employee’s spouse, children, parents, siblings or in-laws, the employee knows, or reasonably should know, that a personal financial interest may conflict with the interests of PRIDE, the employee must first consult with a Senior Vice President and obtain express written approval.

C. Confidential and Proprietary Information

Integral to PRIDE’s business success is our protection of confidential company information, as well nonpublic information entrusted to use by employees, customers and other business partners. Confidential and proprietary information includes such things as pricing and financial data, customer names, addresses,

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pricing lists, records, files, plans or nonpublic information about other companies, including current or potential suppliers and vendors. Employees are prohibited from disclosing confidential nonpublic information without a valid business purpose or prior approval from a Senior Vice President.

### III. Gifts and Entertainment

#### A. Bribery, False Claims, Fraud, Kickbacks and Mischarging/Overcharging

All forms of bribery, false claims, fraud, kickbacks, mischarging and overcharging are illegal and expressly prohibited. Any employee found participating in such activity will be terminated. Any employee who knows about, or reasonably should know about, any such activity and fails to report it to the Corporate Human Resources Department will be subject to disciplinary action up to and including termination.

#### B. Government Employees

All forms of gifts and entertainment to or from government personnel (federal, state or local), including persons that may be acting for or on behalf of the government, are expressly prohibited.

#### C. Non-Government Employees

Gifts, Gratuities and Business Courtesies. PRIDE employees should avoid any actions that create a perception that favorable treatment of outside entities by PRIDE was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom PRIDE does or may do business. The Company will neither give nor accept business courtesies that constitute or could reasonably be perceived as constituting unfair business inducements that would violate laws, regulations or policies of PRIDE or our customers, or would cause embarrassment or reflect negatively on PRIDE.

Accepting Business Courtesies. Most business courtesies offered to employees during their employment are offered because of the employee’s position at PRIDE.

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Employees should not feel any entitlement to accept a business courtesy. Employees who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect the Company’s reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a supplier when PRIDE is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain PRIDE business.

Meals, Refreshments and Entertainment. Employees may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co- worker or having the courtesies known by the public.

Gifts. Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit/food baskets and other modest presents that commemorate a special occasion.
- Gifts of nominal value such as gift cards (less than \$50 in value), calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation or money of any amount from entities with whom PRIDE does or may do business. Tangible gifts (including tickets

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to sporting or entertainment events) that may have a market value greater than \$50 may not be accepted unless prior approval is obtained from a Senior Vice President.

Employees with questions about accepting business courtesies should talk to their manager or the Corporate Human Resources Department.

Other Business Courtesies. Any employee who offers a business courtesy must assure that it cannot reasonably be interpreted as an attempt to gain an unfair business advantage or otherwise reflect negatively upon PRIDE. An employee may never use personal funds or resources to do something that cannot be done with PRIDE resources. Accounting for business courtesies must be done in accordance with approved company procedures.

Other than to our government customers, for whom special rules apply, employees may provide gifts (i.e. company logo apparel or similar promotional items) to our customers. Further, management may approve other courtesies, including meals, refreshments or entertainment of reasonable value provided that:

- The practice does not violate any law or regulation or the standards of conduct of the recipient’s organization.
- The business courtesy is consistent with industry practice, is infrequent in nature and is not lavish.
- The business courtesy is properly reflected on PRIDE’s records

#### IV. Records, Communication and Training

##### A. Records

Accurate Public Disclosures. All disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including accounting and finance personnel with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein.

Corporate Recordkeeping. The creation, retention and disposal of our company records as part of our normal course of business follow all PRIDE policies and

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guidelines, as well as all regulatory and legal requirements.

Auditing. Employees are not to improperly influence, manipulate or mislead any authorized audit, nor interfere with any auditor engaged to perform an internal independent audit of PRIDE’s books, records, processes or internal controls.

Additionally, employees may not engage in any conduct directly or indirectly to influence, coerce, manipulate or mislead any accountant engaged in preparing an audit for PRIDE.

Company Resources. Company resources, including time, material, equipment and information, are provided for company business use. Employees and those who represent PRIDE are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments. Questions about the proper use of company resources should be directed to your manager.

B. Communication

New Government Contracts

A copy of this policy will be provided to all new hires and incumbent employees working at a government contract within 30 days of hire.

Officers and Management

PRIDE’s officers, senior executives, vice presidents, directors and managers will complete and submit annual written and signed business ethics declaration.

Public Availability

PRIDE will make a copy of this policy publicly available in compliance with applicable laws, rules and regulations.

Changes and Waivers

Any change to this policy or waiver from this policy may be made only with the prior consent of PRIDE’s President/CEO. Any such change or waiver will be

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disclosed in compliance with applicable laws, rules and regulations.

Media Inquiries

PRIDE is a high-profile company in our communities and from time-to-time employees may be approached by reporters and other members of the media. To ensure that we provide accurate information about the company, all media inquiries are to be directed to our Corporate Marketing Department.

C. Training and Internal Monitoring

All PRIDE employees will receive training on the company’s Business Ethics policy during New Employee Orientation and/or during New Manager Orientation.

After New Employee Orientation and/or New Manager Orientation, employees will sign an acknowledgement noting they have received said training.

As circumstances warrant, matters of a compliance and/or ethics nature may involve legal counsel at the discretion of PRIDE leadership to provide guidance and privilege over matters requiring internal investigation.

Additionally, PRIDE will use internal and/or external auditors to conduct periodic reviews of company practices, procedures, internal controls for compliance with this ethics policy and government contracting requirements.

Disclosures, representations, warranties and reporting required by PRIDE’s various businesses, licensing and certifications also may involve PRIDE leadership seeking the assistance of legal counsel to facilitate and approve such matters on a case-by-case basis.

V. **Obligation to Report Violations and Cooperation**

A. Prompt Internal Reporting of Code Violations

PRIDE has established procedures governing the receipt, investigation and treatment of reports of violations of this policy and governmental laws, rules and regulations applicable to PRIDE. Employees must promptly report any known or

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suspected violation of this policy and all other unlawful or unethical conduct to the Corporate Human Resources Department. Upon receiving a complaint, the Human Resources Department will immediately begin an investigation (in most circumstances within 10 working days of receiving the initial complaint). In certain situations, PRIDE’s Chairman of the Board may oversee the investigation. Employees are obligated to report such knowledge or suspected conduct without regard to the identity or position of the suspected offender. Any report made will be strictly confidential and no retaliation shall be permitted against an employee reporting such a violation in good faith. Additionally, all employees must fully cooperate in any investigations of a suspected violation of this policy and fully cooperate with any request by the person(s) charged with investigating such violations.

Any management employee receiving a report or information as cited in this policy will promptly report such information to the Corporate Human Resources Department or a Senior Vice President.

Any employee who acquires information that gives the employee reason to believe that another employee is engaged in conduct in violation of this policy, will promptly report such information to the manager to whom the employee reports or if the manager is engaged in such conduct, then to the Corporate Human Resources Department or a Senior Vice President.

PRIDE has provided a third-party reporting tool that employees may access via a toll-free phone number or website to report any type of unethical conduct or behavior. Posters noting how to access the third-party anonymous reporting tool are posted at each worksite. Additionally, employees are provided with this information during New Employee Orientation and New Manager Orientation.

The government has also provided a website and phone number to report any types of ethical violations regarding federal contracts. Posters noting the website and phone number are posted at each government worksite. Additionally, employees are provided with this information during New Employee Orientation.

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B. Accountability and Disclosure

It is the responsibility of each employee of PRIDE to be familiar with this policy and other human resources policies of PRIDE, which establish ethical standards of behavior. PRIDE’s Board of Directors is expected to make every reasonable effort to ensure that PRIDE’s employees comply with the provisions of this policy and any PRIDE Human Resources policies. Any PRIDE employee who violates the provisions of this policy or any PRIDE Human Resources policies may be subject to disciplinary action up to and including termination of employment.

PRIDE’s designated person(s) overseeing investigations regarding this policy will be responsible for the decision determining if disclosure to the government is required and necessary under the appropriate provisions and clauses of the Contractor Code of Business Ethics and Conduct (FAR 52.203-13).

C. Applicants and Exiting Employees

All applicants interviewing for jobs on a government contract will have a thorough criminal history check screening before or concurrent with their hire. Applicants for management jobs and employees promoted into management jobs will be interviewed about previous ethical violations.

Employees leaving the company may be asked if they have knowledge while employed of any violations of this policy.

VI. Responsibility

PRIDE’s Human Resources Department is responsible for publication, revision and interpretation of this policy.

Definitions:

Not applicable

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## Related Policies:

Standards of Conduct and Discipline

## References/Citations:

[FAR 52.203-13 Contractor Code of Business Ethics and Conduct](#)

## Attachments:

Not applicable

## Revision Log:

<b>REVISION*</b>	<b>DATE*</b>
<input type="checkbox"/> NEW <input type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> REVISED <input type="checkbox"/> RETIRED (SELECT ONE) REVISION SUMMARY: Additional guidance regarding investigations	03/01/2022
<input type="checkbox"/> NEW <input type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> REVISED <input type="checkbox"/> RETIRED (SELECT ONE) REVISION SUMMARY: Prior version	02/06/2018

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