



Supplier Code of Conduct & Sustainable Procurement Policy

PR Industrial S.r.l. and its subsidiaries (hereinafter “**Pramac**”) are committed to maintaining and promoting a responsible behaviour throughout its supply chain. To this end, they aim to establish relationships with suppliers of proven professionalism, capable of operating according to the highest quality standards and sharing the same values and principles.

As part of the companies controlled by **Generac Power Systems** (“**Generac Group**”), PR Industrial and its subsidiaries have adopted this “Supplier Code of Conduct and Sustainable Procurement Policy”, similar to the one adopted by their Parent company, which contains the ethical and business conduct rules that all their suppliers are required to comply.

Adherence to the principles of this Code of Conduct is an essential condition for entering into any business relationship with PR Industrial and its subsidiaries, in order to ensure a responsible and sustainable supply chain.

In case PR Industrial or any of its subsidiaries finds that a supplier has failed to comply with this Code, it reserves the right to suspend or terminate the contractual relationship with the supplier.

In formulating our Supplier Code of Conduct, we considered international norms and fundamental principles for human rights as reflected in a wide range of recognized commitments, standards, and codes, including the Responsible Business Alliance Code of Conduct, the United Nations (“UN”) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, various International Labor Organization conventions, the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, ISO 26000 and 20400 standards on sustainable procurement and social responsibility.

For purposes of the Code, supplier (“**Supplier**”) means any party that sells, or seeks to sell goods or services to one of the company of the Pramac Group, including such Supplier's employees, agents, sub-contractors, and other representatives. Suppliers are fully responsible for ensuring compliance by any such employees, agents, subcontractors, or other representatives as if it were the Supplier itself. The Code expects that Suppliers’ plants shall operate in full compliance with the laws of their respective countries and with all other applicable laws, regulations, rules, and in full compliance with this Code.

Labor and Human Rights:

Pramac is committed to upholding human rights in our supply chain, and we expect our suppliers to be aware of and commit to respecting human rights in their own operations and supply chains. Suppliers are expected to comply with the Pramac Human Rights Policy, the principal tenets of which include:

- a. **Anti-Discrimination:** Everyone is entitled to the same rights without discrimination based on race, religion, belief, nationality, ancestry, gender, age, sexual orientation, disability, citizenship, veteran status, or any other feature protected by law. Suppliers shall maintain a working environment free from any form of discrimination or abuse.
- b. **Equal Protection:** All individuals are entitled to the right to a remedy and equal protection under applicable law if their human rights are violated.
- c. **Prohibition on Forced Labor & Child Labor:** All individuals have the right to safe, fair, ethical, and humane working conditions, including no forced labor, compulsory labor, child labor, modern forms of slavery, bonded labor and any form of human trafficking. Suppliers must prohibit forced, illegal and child labour and ensure that worker’s rights are respected.
- d. **Anti-Harassment:** Supplier will not condone any type of harassment or abuse, whether corporal, mental or physical, of an employee by a director, officer or other employee or any partner, customer or supplier of the Supplier.



- e. **Minimum Living Wage:** Supplier shall be committed to providing a minimum living wage for its employees and contractors involved in its operations by complying with all applicable minimum wage requirements. Supplier also undertakes to comply with applicable laws regarding working hours, breaks and rest periods prescribed by law.

Stakeholder and Community Engagement:

Stakeholder engagement is a vital part of how Pramac conduct its business. We engage with our stakeholders to understand their challenges and wins, and potential impacts they might have on our supply chain. We expect our Suppliers to do the same within their operations to foster a culture of engagement.

We support the communities in which we operate and expect our suppliers to do the same. We encourage Suppliers to partner with local governments and communities to improve the education, cultural, economic, and social well-being of the communities in which they operate.

Environment:

Pramac promotes the commitment of the company to protecting the environment and adopts, in its business processes, the principles of environmental sustainability. Pramac expects Suppliers to recognize the importance of environmental responsibility and requires their Suppliers to adopt behaviour in line with their principles and values, with the aim of creating a sustainable supply chain while minimizing environmental impact. Suppliers are encouraged to identify their environmental impacts and minimize adverse effects on the community, environment, and natural resources within their manufacturing operations, while safeguarding the health and safety of the public.

Pramac expect all Suppliers to comply with and adhere to all applicable environmental laws in their respective countries and/or jurisdictions and also requires Suppliers to adopt a course of action aimed at:

- Reduce the consumption of natural resources in the production processes;
- Assess and prevent or mitigate environmental risks, including through the adoption of recognized environmental management certifications and models;
- Minimize their ecological footprint through effective waste disposal management;
- Obtain the necessary environmental permits;
- Reduce energy consumption and Greenhouse Gas (GHG) Emissions.

Health & Safety:

Pramac is committed to conducting its business in compliance with applicable health, safety and environmental laws, rules, and regulations in a manner with high regard for the health and safety of human life and the environment. Each Supplier has the responsibility for maintaining a healthy, safe, and environmentally friendly workplace by following applicable health, safety, and environmental laws, rules, and regulations. The Supplier also undertakes to provide its employees with appropriate training in health and safety at work.



Business Ethics:

To meet the social responsibilities expected by Pramac, and to achieve success, Suppliers are expected to uphold high standards when it comes to ethical business practices. Pramac expects all applicable international, domestic, and local laws to be adhered to. Suppliers should be able to demonstrate the existence of procedures or policies regarding:

- **Anti-Money Laundering:** The Supplier undertakes not to facilitate or favour third parties in connection with money laundering, terrorist financing or other financial crime activities in general.
- **Anti-Corruption:** Pramac does not tolerate any form of corruption (public, private, active or passive). Supplier undertakes to refrain from making gifts or any other form of granting unlawful advantages to employees of Pramac, customers, public officials or third parties in order to induce or influence them to make a certain decision. Suppliers acting on behalf of Pramac or its subsidiaries must comply with the U.S. Foreign Corrupt Practices Act and UK Bribery Act, as well as any applicable local laws dealing with anti-corruption or bribery of government officials. In connection with any transaction as a Supplier to the Pramac group, or that otherwise involves Pramac or its subsidiaries, Suppliers must not transfer anything of value, directly or indirectly, to any government official, employee of a government-controlled company, or political party, in order to obtain any improper benefit or advantage. All Suppliers must keep a written account of all payments (including any gifts, meals, entertainment, or anything else of value) made on behalf of Pramac, or out of funds provided by Pramac. Suppliers must furnish a copy of this accounting to Pramac upon request.
- **Gifts, Meals, and Entertainment:** Employees of Pramac or its subsidiaries are prohibited from accepting anything other than non-monetary items of nominal intrinsic value. Any Supplier that violates this prohibition risks immediate loss of all existing and future business.
- **Responsible Sourcing of Minerals:** Pramac is committed to conducting a thorough analysis to promote responsible supply chains of resources and raw materials, in order to protect human rights in potential conflict and high-risk areas and expects Suppliers to make the same commitment. Suppliers must only source non-originating minerals in conflict zones or high risk areas (tin, tantalum, tungsten and gold), in accordance with the applicable regulations on this matter, including EU Regulation 2017/821, laying down specific requirements for due diligence in the supply chain of such materials, the *Organisation for Economic Cooperation and Development (OECD) Responsible Supply Chains of Minerals from Conflict-Affect and High-Risk Areas* or a recognized equivalent due diligence framework, e.g., the Responsible Minerals Initiative Conflict Minerals Reporting Template (CMRT). Suppliers shall complete the CMRT upon request, and Pramac reserves the right to request its Suppliers to provide further evidence of their Conflict Minerals supply chain, including down to the mine level. Suppliers should maintain traceability data for five years and expected to be able to provide this to Pramac upon request.
- **Conflicts of Interest:** Nothing our Suppliers do should interfere or appear to interfere with their responsibility towards Pramac or its subsidiaries. Suppliers must disclose any conflict of interest which may interfere, or have the potential of interfering, with the Supplier's responsibilities towards Pramac. Suppliers should disclose any relationship (and provide updates from time to time) they may have with any employee of the Pramac group, officer, director and/or anyone who represents Pramac. The Supplier's responsibility, includes but is not limited to, the following:
 - Reporting to Pramac if an employee, family member and/or anyone who represents Pramac or its subsidiaries owns a portion of the Supplier,
 - Reporting to Pramac if a family member of a Pramac employee will be working for the Supplier,



- Reporting to Pramac if the Supplier has provided anything of more than nominal intrinsic value to any Pramac employee, officer, director.
- **Competition:** Suppliers shall act in accordance with the competition, antitrust and commercial laws applicable in the country where they operate. Suppliers shall agree to not share or exchange any price, cost, or other competitive information or engage in any collusive or anti-competitive conduct with any third party with respect to any proposed, pending, or current procurement for or on behalf of Pramac or its subsidiaries.
- **Intellectual Property, Data Security, and Privacy:** Suppliers agree to respect the intellectual and other property rights of Pramac and of third parties, including all patents, trademarks, and copyrights. Additionally, all Suppliers agree to:
 - Respect privacy rights and secure the data of Pramac employees, customers, and suppliers (collectively, "Company Data") in accordance with applicable law and in any case not less than commercially reasonable standards.
 - To implement and maintain physical, organizational, and technical measures to ensure the security and confidentiality of Company Data in order to prevent accidental, unauthorized, or unlawful destruction, alteration, modification, or loss of Company Data, misuse of Company Data, or unlawful processing of Company Data.
 - Protect Supplier operations and facilities against exploitation by criminal or terrorist individuals and organizations.
 - Protect any confidential information shared by Pramac. Any Supplier who has been given access to confidential information as part of the business relationship should not share this information with anyone unless authorized to do so by Pramac. Suppliers should not trade in securities, or encourage others to do so, based on confidential information received from Pramac. If a Supplier believes it has been given access to Pramac's confidential information in error, the Supplier should immediately notify its contact at Pramac and refrain from further distribution of the information. Similarly, a Supplier should not share with anyone at Pramac information related to any other company if the Supplier is under a contractual or legal obligation not to share the information.
- **Sanctions and exports:** Supplier undertakes to act in accordance with all applicable export control laws and regulations, and those that prohibit or restrict trade with sanctioned countries, entities or persons.

Governance and audit:

We understand that procurement performance improvement is a continuous process and recognize the contribution of our Suppliers in our journey to become more sustainable. Suppliers are expected to have a management system designed to ensure compliance with applicable laws, regulations, and customer requirements related to the Suppliers' operations and products. Suppliers are expected to conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the requirements set forth in this Code, and customer contractual requirements related to social and environmental responsibility. Suppliers also agree to periodic audits conducted internally by Pramac employees, and if necessary, third-party auditors.

Traceability

Suppliers must have high levels of control and transparency in order to support Pramac's commitment to making the entire supply chain traceable. This Supplier Code of Conduct is intended to have universal application across all product lines Suppliers shall treat product traceability as a priority issue, internally and externally, in the performance of its business and its obligations



to Pramac. Suppliers shall identify and engage with relevant stakeholders, and information relevant to material provenance closely monitored and continually reviewed. This protocol shall be designed to respond to both audit inquiries and government requests for information.

Suppliers providing items, equipment, materials and other goods have a responsibility to (a) ensure that social, environmental and quality standards are not compromised by its decisions and activities; (b) ensure that all applicable Laws are complied with; and (c) ensure that all raw materials, equipment and components thereof purchased, imported, or manufactured by Supplier for use in the project or for further processing will be able to clear U.S. Customs. Accordingly, Supplier shall be transparent in its decisions and activities that affect the traceability of its products.

Supplier shall, on request, disclose in a clear, accurate and complete manner, and to a reasonable and sufficient degree, the policies, decisions, and activities for which it is responsible in connection with compliance with this Code. Supplier certifies that the materials incorporated in their respective product(s) comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

Such requested compliance information shall include information and records with respect to (a) the purpose, nature, and location of Supplier business activities; (b) the nature, origin, and characteristics of the materials in all products and components; (c) how decisions are made, implemented, and reviewed, including the definition of the roles, responsibilities, accountabilities, and authorities across the different functions in Supplier's organization; (d) standards and criteria against which Supplier evaluates its own performance and its suppliers' performance relating to transparency in the supply chain; (e) performance on relevant and significant issues of transparency; (f) known and likely impacts of Supplier's decisions and activities on Pramac; and (g) the foregoing information with respect to its suppliers, as applicable, and the criteria and procedures used to identify, select, and engage such suppliers.

Supplier shall maintain the following information with respect to itself and its suppliers: (a) legal name of the company; (b) length of time in business; (c) company structure; (d) organizational chart; (e) importer status, when relevant; (f) name and address of registered agent or equivalent; and (g) information related to the ownership interests of each entity, where available.

Supplier shall at all times maintain, and provide to Pramac or its subsidiaries upon request, at a minimum, the following documents related to the transactions throughout the supply chain that resulted in the product being supplied under the Agreement: (a) transaction details, e.g., purchase order(s) and contracts between and among the links in the supply chain, associated commercial invoice(s) between and among the links in the chain, and proofs of payment against said invoices; (b) U.S. Customs and Border Protection ("CBP") entry documents, e.g., CBP Form 7501, for goods intended for import to the U.S. market; (c) freight forwarder notice of arrival; (d) International Bill of Lading/Packing List with shipper and product description; (e) Foreign inland freight documentation from the manufacturer to the Port of Export for any inter- or intra-link transaction that includes transportation across an international border; and (f) Customs broker instructions.



Reports:

Pramac has a secure and anonymous communication channel to enable Suppliers to confidentially raise concerns on compliance matters. Any misconduct or potential misconduct should be promptly reported to Pramac through one of the options below:

- In writing via the form available on the website www.reportit.net, also anonymous form, using the following login credentials: Username: **Generac** Password: **gnrc**
- By telephone via the Hotline, also anonymously, by dialing the AT&T USADIRECT Number for the country you are calling from, listed below, and entering the relevant toll-free Phone Number:

LOCATION	LANGUAGE SPOKEN	AT&T USADIRECT ACCESS CODES	REPORT-IT TOLL-FREE PHONE NUMBERS
Bahrain	English	800-00-001	877-778-5463
Brazil	Portuguese	0-800-890-0288 or 0-800-888-8288	888-500-2003
Canada	English	N/A	877-778-5463
China	Mandarin	China Telecom (Mandarin Prompt): 108-10 or North, Beijing CNCG (Mandarin Prompt): 108-710	888-500-2004
Dominican Republic	Spanish	1-888-225-5288 (Spanish Prompt)	877-778-5463, opt. 2
France	French	Telecom Development: 0-805-701-288	888-500-2011
Germany	German	0-800-225-5288	888-500-2013
India	English	000-117	877-778-5463
Italy	Italian	800-172-444	888-500-2009
Mexico	Spanish	01-800-112-2020 (Spanish Prompt) or 001-800-658-5454 (Spanish Prompt)	877-778-5463, opt. 2
Poland	English	0-0-800-111-1111	877-778-5463
Romania	English	Romtelecom: 0808-03-4288	877-778-5463
Spain	Spanish	900-99-0011	877-778-5463, opt. 2
United Arab Emirates	English	8000-021	877-778-5463



United Kingdom	English	British Telecom: 0-800-89-0011 C&W: 0-500-89-0011	877-778-5463
United States	English	N/A	877-778-5463

- In writing at the following address:
PR Industrial S.r.l.
Località il Piano
53031 Casole d'Elsa (Italy)

Note: *Pramac does not tolerate retaliation of any kind against a person making a report or complaint of a violation of our Supplier Code or the reporting of any other unethical or illegal conduct.*

Supplier Responsibility: It is your responsibility as a Supplier to uphold Pramac standards throughout our value chain. Suppliers should be able to demonstrate compliance and certification with the Code at the request and satisfaction of Pramac through ad-hoc assessments, audits, and policies. Suppliers shall cooperate with any such audit by Pramac or its agents. Suppliers acknowledge that PR Industrial S.r.l. may at any time modify the existing principles and requirements of this Supplier Code of Conduct or add new principles or requirements.

Supplier Certification of Compliance By agreeing to perform work with or on behalf of PR Industrial or any of its subsidiaries, the Supplier acknowledges its acceptance of this Supplier Code of Conduct & Sustainable Procurement Policy and its intention to comply with its requirements.

Officer Signature: _____

Officer Name: _____

Title: _____

Company Name: _____

Date: _____

Note: *This Code contains general requirements applicable to all PR Industrial and its subsidiaries suppliers. Particular supplier contracts may contain more specific provisions addressing some of these same issues. Nothing in this Code is meant to supersede any more specific provision in a particular contract, and to the extent there is any inconsistency between this Code and any other provision of a particular contract, the other provision will control.*