



EXPORT CONTROLS POLICY

The need to comply with export control regulations forms an integral part of the Global Code of Conduct. Export control is a complex regulatory area and the Code itself can only cover a selection of the issues that face us every day. All employees need to ensure that they comply with applicable export and import laws and regulations when transferring goods, services, software or technology within their country or across national borders. Building on the Code and the high-level guidance set out in Price's internal procedures and end user policies. We maintain a series of policy statements, which provide a comprehensive understanding of the issues involved. When appropriate, they set out roles and responsibilities at an individual, business/function or corporate level. Where necessary more detailed 'how-to' guidance in the form of Work instructions and local operating procedures are available which operationalize policies.

1 WHAT ARE EXPORT CONTROLS?

1.1 Export Controls is the term applied to the control regimes that most countries apply to the export licensing or authorization process by which exports of certain categories of goods, technology, software and services are 'approved'. For Price groups of businesses, these control regimes embrace all 'military' items and significant areas of what are called 'dual-use' items (items that not designed or modified for 'military' purposes but could be used as such). This covers systems, components and technology for gas turbine engines, marine and offshore equipment, and civil nuclear power generation. 'Strategic Export Controls' impact on the operations of the Price group of businesses in four main areas:

- Controls on the export of 'military' goods, software, related technology and services. These controls are applied by the state where the exporting business unit is located.
- Controls on the export of 'dual-use' goods, software and related technology. These are also generally applied by the state where the exporting business is located. In the EU, the EU Member State where that business unit is established applies them. This means that the item could actually be exported from another Member State within the EU Single Market.
- Extraterritorial application of regulations of some countries on the re-export of controlled goods, software, technology and services (both 'military' and 'dual-use'), regardless of the country where the business unit is located. This is particularly relevant to US Export Regulations, but also applies to the regulations of other countries.
- 'End Use' and/or 'Destination' controls applied to 'dual-use' goods, software and related technology under some jurisdictions.

2 PRICE'S COMMITMENT TO EXPORT COMPLIANCE

2.1 Price's policy of compliance with the export control laws of all relevant jurisdiction and regimes in which it operates applies to:

- The physical transfer of controlled Goods, Software and Technology.
- The transfer of Technology using electronic media e.g. e-mail, fax and the use of the internet of shared data environments ("Intangible Transfers").
- The provision of Technical Services associated with defense programs and services or equipment associated with Weapons of Mass Destruction (WMD).



- Transfers of US and Canadian Controlled Goods, Software or Technology to ‘approved’ foreign nationals or other legal entities wherever that transfer may occur.

3 Requirements

3.1 In order to achieve this from an corporate level, Price:

- Provides dedicated resources to manage export control awareness and compliance in North America, Europe and Asia Pacific to support compliance activity in the operational businesses.
- Resources compliance activity globally.
- Pro-actively engages with government regulatory bodies to shape the environment within which we operate to our best advantage.
- Conducts annual internal/external audit to ensure ongoing compliance.
- Incorporates Export Controls into other business procedures, including but not limited to the Price’s Quality Management Systems, to ensure that compliance is an integrated function of the business.
- Develops and provides training in the relevant controls to businesses globally.

3.2 In order to achieve this from an operational level, Price:

- Provides Export Control language on all representative agreements.
- Demands annual declaration of adherence to Export Control.
- Demands end-use declarations for International Orders.
- Demands end-use declarations for Export Controlled goods.
- Ensures all end users, international visitors, and international employees are screened in all respective restricted lists.

Within Price Industries, the Trade Compliance Department oversees import/export controls compliance for Canada and the United States. Compliance professionals (Corporate Compliance Specialist/s) at Price are experts on policy, procedures, licensing and compliance. The Corporate Compliance Specialist in the Department is your first point of contact for dedicated export compliance support in any respective area. Advice from the Corporate Compliance personel should be sought where there is any doubt or question as to the legality or propriety of any export by contacting corpcompliance@priceindustries.com.