



POWER GENERATION

MARINE

ON-HIGHWAY

INDUSTRIAL ENGINES

CODE OF CONDUCT



OUR VALUES IN ACTION

INTRODUCING OUR CODE OF CONDUCT

At Pacific Power Group, we are focused on developing a reputation of outstanding customer service. At the core of this effort is the bedrock shared value of Integrity, which implies the promise that we are ethical in what we do and say. To support this idea, we are introducing our Code of Conduct. The purpose of publishing the Code is to make sure we are explicit about the expectations we have of ourselves and each other in supporting our hard-earned reputation.

As you review the Code, you will find themes that are familiar to you already, including our commitment to quality, our belief in fair market practices and our desire to support the communities we work in, to name a few. We encourage you to review the Code carefully and make sure you are clear on its meaning. Of course, if you have any questions, please bring those up with your supervisor or any member of the management team.

Every member of our team has a role in growing our business and our reputation by taking the initiative to make decisions that better our companies. Please refer to the Code of Conduct to clarify guidelines and expectations about how we should all act to safeguard the company and its reputation in the effort to build our business.

As always, thank you for your hard work and commitment to our shared values.

Sincerely,

Tim Price – CEO

Silvio Piccini – President



OUR VALUES IN ACTION



LEADERS IN OUR INDUSTRY

Pacific Power Group is a recognized leader in our industry for the high-quality products, innovative solutions and the outstanding customer experience we provide. Our reputation is built not only in ingenuity but also on integrity, which is the foundation of our culture and vital to our success. Our customers trust us to provide solutions to the challenges they encounter – and to always do the right thing.

No matter the position in the company, we are all accountable for our conduct to customers, business partners, ourselves and colleagues. We prosper when we always behave with integrity, when we treat each other with respect and when we act ethically. A minor misstep or lapse in judgment can undo the goodwill developed over years.

This Code of Conduct ("Code") is to bring a clear focus on the expectation and commitment to always maintain a sound moral compass and to never compromise our values and principles. This Code describes general principles of legal and ethical conduct, it does not address every issue an employee may face. Problems and challenges are addressed as a team, not as individuals, so our mission is accomplished together.

OUR MISSION

WE STRIVE TO PROVIDE
LONG-TERM VALUE TO ALL
OF OUR STAKEHOLDERS
IN A MANNER
CONSISTENT WITH
OUR UNDERLYING
VALUES.



PACIFIC
POWER GROUP

OUR VALUES:

INTEGRITY

WE LIVE UP TO OUR PROMISES.

STEWARDSHIP

WE CONDUCT OURSELVES WITH HUMILITY AND
A SENSE OF GRATITUDE.

TALENT

OUR PEOPLE ARE THE KEY TO EXCEEDING
EXPECTATIONS.

ACHIEVEMENT

WE ACT THOUGHTFULLY, DECISIVELY AND WITH
A SENSE OF URGENCY.



INTEGRITY IS EVERYONE'S RESPONSIBILITY

WE ARE COMMITTED PEOPLE

LEADERS AND MANAGERS

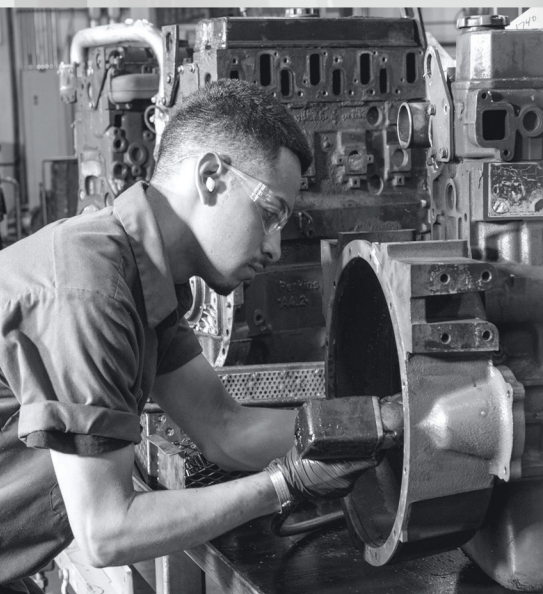
- Foster a positive work environment
- Model appropriate behaviors
- Regularly communicate the importance of ethically sound business practices
- Identify and report ethics and compliance risks
- Build trust by responding appropriately and in a timely manner to concerns

EMPLOYEES

- Keep promises
- Uphold our Code of Conduct
- Obey the law
- Act responsibly and in good faith
- Show respect toward one another
- Speak up when misconduct is suspected
- Build trust with colleagues, customers, supplier, communities and investors

OUR CODE OF CONDUCT GUIDES US

The Code constitutes a binding internal standard to be observed by all employees. It is our policy to conduct our business affairs fairly, free of conflicts of interest and in an ethical and proper manner. Conduct that may raise questions as to the Company's honesty, integrity and reputation are prohibited. Activities that could cause embarrassment to the Company or damage its reputation are also prohibited. Any activity, conduct or transaction that could create an appearance of unethical, illegal or improper business conduct must be avoided. The company will appropriately penalize employees for any violation of this Code or applicable law.





WE ENGAGE IN FAIR MARKET PRACTICES

AN EMPOWERED AND ETHICAL WORKFORCE

Pacific Power Group is committed to winning work through exceptional customer experiences that come from an empowered and creative workforce. This means that we adhere to selling only quality products, follow efficient safe work practices, deliver commitments to our customers, comply with contract terms, laws and regulations. We excel through ethical information and data gathering, participate in ethical competitive and fair marketplaces, and comply with applicable laws in the countries and markets where we do business. We do not participate or engage in kickbacks, schemes, bribery, fraud or corruption. We follow policy surrounding giving and receiving gifts and gratuity and steer clear of those that can be perceived as favorable treatment being sought, received or offered. Relationships with suppliers and customers are carried out at arm's length to avoid any conflict of interest.

OUR COMMITMENT TO QUALITY

THE HIGHEST LEVEL OF PERFORMANCE, QUALITY AND SERVICE

Pacific Power Group and its employees are committed to provide every customer an exceptional business experience and provide the highest level of performance, while delivering quality products and technical services to meet their requirements at the agreed upon price and within schedule. Senior management and staff strongly support continual improvement so that customer requirements are done right the first time.



SPARK



PACIFIC
POWER GROUP

OUTSIDE ACTIVITIES AND COMMUNITY

LIVE • WORK • VOLUNTEER • PLAY

Pacific Power Group employees live, work, volunteer and play in their community. Any work done outside of Pacific Power Group needs to align with our business interests and policies. If in doubt, it is highly recommended employees obtain advanced permission and guidance to avoid any conflict of interest before engaging in any activity in question. Care is to be given in social settings to safeguard against inadvertent disclosures of sensitive or confidential information.

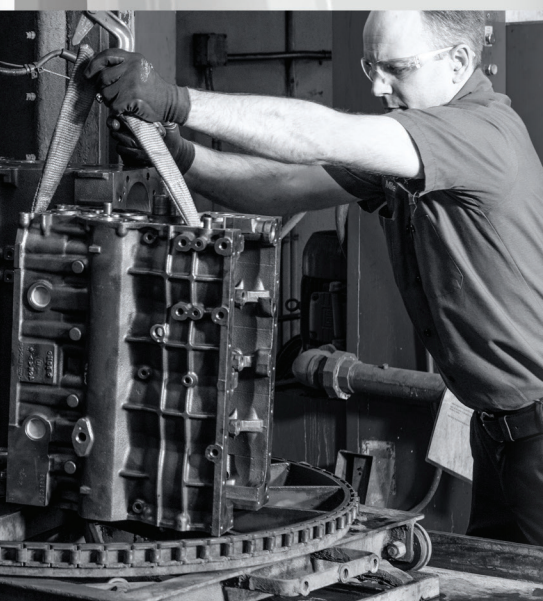
SAFEGUARDING INFORMATION AND RESOURCES ENTRUSTED TO US

WE ARE TRUSTWORTHY AND APPROPRIATE

Exercising integrity means that we communicate truthfully and use information and assets entrusted to us appropriately. We properly record labor and provide accurate and timely financial information. We take appropriate steps to secure sensitive and confidential information. We use assets belonging to Pacific Power Group, its customer or suppliers for legitimate business purposes. We avoid making incidental personal use of our customers' assets unless we have advance written permission to do so.

You are obligated to report through the appropriate channels anything you witness that doesn't seem quite right.

Required disclosure obligations exist by law (including any protected disclosures made pursuant to applicable "whistleblower" statutes). Non-disclosure obligations cease to apply to any information or knowledge that subsequently comes into the public domain in accordance with approved methods.





GOVERNMENT RELATIONS

COMMITTED TO A SAFE WORK ENVIRONMENT

We obey and comply with all laws, rules and regulations at all levels and in every business activity. It is our policy to fully cooperate with government and regulatory investigations and inquiries.

We are committed to a safe and healthy work environment. Equal Employment Opportunity practices are to be followed. We are committed to maintaining a workplace free of discrimination, harassment and retaliation. Inappropriate behavior will not be tolerated and appropriate measures will be taken to prevent and/or stop it.

We take a vital interest in protecting the environment and for that reason we follow applicable environmental laws and standards.

ADMINISTRATION OF CODE

OUR COMPANY MATTERS

This Code matters and will affect the conduct of the Company in significant business matters. Notification of violations of this Code will not be subject to reprisals and every good faith effort will be made to investigate alleged violations with appropriate actions taken. Compliance is not an option but a requirement. All levels are challenged to ensure the provisions of this Code are followed. Failing to observe the obligations within this Code may result in disciplinary action including and up to legal consequences.