

Code of Operations / Environmental Ethics

Introduction

This Code of Conduct (The “Code”) embodies the commitment of Production Solution International. (the “Company”) and its subsidiaries to promote honest and ethical conduct and to conduct its business in accordance with all applicable laws, rules and regulations and high ethical standards. All officers, employees, and directors (each, a “Person,” and collectively “Personnel”) of the Company are expected to adhere to the principles and procedures set forth in this Code. This Code is separate and apart from, and in addition to, any policies the Company may have in effect, from time to time, relating to its employees, officers and Board of Directors (“Board”).

This Code strives to deter wrongdoing and promote the following six objectives:

- Honest and ethical conduct;
- Avoidance of conflicts of interest;
- Full, fair, accurate, timely and transparent disclosure;
- Compliance with applicable government and self-regulatory organization laws, rules and regulations;
- Prompt reporting to a person identified in this Code of possible violations of the Code; and
- Accountability for compliance with the Code.

Honest and Ethical Conduct

Each Person owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity. Each Person must:

- Act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company’s policies.
- Observe both the letter and spirit of laws and governmental rules and regulations and accounting standards.
- Adhere to a high standard of business ethics.
- Accept no improper or undisclosed material personal benefits from third parties because of any transaction or transactions of the Company.

Operational safety and environmental ethics are critical elements of a successful business plan. PSI aims to achieve such a plan integrated with safe, reliable, efficient and environmentally sound operations. Employees play a significant role in our company’s efforts to achieve those objectives while experiencing incident free operations and minimal environmental impact.

Our Purpose

The Purpose of this manual is to establish best practices consistent with regulatory requirements and industry methods to our employees in order to promote and ensure operational safety and good environmental ethics. PSI employees are expected to familiarize themselves with this manual. Depending on specialized job requirements, some sections may not apply. The contents should be reviewed, discussed, and understood by employees before any work is performed on PSI premises, equipment, or facilities. If a safety issue arises or a risk to the environment exists that is not addressed in this manual STOP WORK. Do not hesitate to ask for guidance from a PSI supervisor or representative if necessary. All employees that will be involved in a particular PSI related job are to be included in any orientation sessions prior to starting work. The employee may schedule an orientation by contacting a PSI EHS representative or the PSI personnel overseeing the work.

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Human Resources Policy

Guiding Principles

- Our Company will have documented policies and procedures related to our performance, operations and our Code of Conduct.
- We will inform workers of their rights under our current company policies, national labor and employment law.
- We will make all policies clear and understandable to all workers.

Guidelines for Operation:

1. Our company will adopt and implement a written policy and procedure to address each element of labor standards.
2. Our internal Labor Standards Performance Team will provide workers with printed materials and regular training, both orientation and follow-up, that clearly explains their rights under PS2 and national labor and employment law. The materials will clearly explain all related policies and procedures in all relevant languages at a reading level that is understandable. The Human Resources department will keep a log of all trainings and copies of all materials.
3. Our Human Resources Department will provide all workers, including contracted workers with detailed written explanations of their working conditions and employment terms, including wages and benefits. Our International Labor Standards Performance Team will further communicate the conditions and terms to all workers through regular training, both orientation and follow-up.
4. Executive will send a written communication to each worker informing them of our labor policies and procedures, and instructing full cooperation with the Internal Labor Standards Performance Team.
5. Our Company's Internal Labor Standards Performance Team Leader is responsible for organizing and communicating all policies and procedures related to labor standards. He or she will also supervise the management review and any updates to all policies and procedures.
6. All policies and procedures will identify the responsible party and record the last date reviewed and modified.
7. Our Internal Labor Standards Performance Team will conduct an annual review of all policies and procedures related to labor standards. The Internal Labor Standards Performance Team Leader is responsible for monitoring changes in national labor law and labor standards and reviewing relevant policies and procedures in a timely manner in light of these changes.
8. Our Internal Labor Standards Performance Team will conduct a management review every six months.
9. The Internal Labor Standards Performance Team Leader will conduct an internal audit at least once every six months, immediately prior to the management review. The audit will be conducted in accordance with Company's Internal Labor Standards Performance Audit Check List. The findings from the internal audit will form basis for the agenda for the management review. At the management review the Team will discuss the audit findings, corrective actions, remediation plans, and plans for continual improvement. It will also assign the responsible party and deadline for each planned action.
10. Upon request, we will provide a complete set of all policies to the requesting party. At management's discretion, it may also provide copies of its procedures.
11. We will address all complains through documented process in accordance with our Grievance Mechanism. These procedures will be posted prominently for workers and for the public.
12. The Internal Labor Standards Performance Team Leader's job description and performance evaluation will include criteria related to the implementation of management system for

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continual improvement with respect to labor standards policies and procedures.

Personal Conflicts of Interest

Personnel should do everything they reasonably can to avoid conflicts of interest. A “conflict of interest” can occur when a Person’s personal interest interferes, or appears to interfere, with the interests of the Company. Personnel should avoid any private interest that influences his or her ability to act in the best interests of the Company and its shareholders or that makes it difficult to perform his or her work objectively and effectively. In particular, a Person must never use or attempt to use his or her position at the Company to obtain any improper personal benefit for himself or herself, for his or her family members, or for any other person, including loans or guarantees of obligations, from any person or entity. Service to the Company should never be subordinated to personal gain or advantage. Conflicts of interest, whether actual or apparent, should, to the extent possible, be avoided. Any Person who is aware of a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should discuss the matter promptly with a member of the Audit Committee of the Board.

Compliance with Laws, Rules and Regulations

It is Company policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each Person to adhere to the standards and restrictions imposed by those laws, rules and regulations applicable to his or her responsibilities within the Company. No Person may interfere with or seek to improperly influence, directly or indirectly, the auditing of the Company’s financial results or records. If a Person is not aware or familiar with the laws, rules or regulations that apply specifically to the Company’s business, he or she must request such information from a member of the Audit Committee or the Vice President-Legal.

It is both illegal and against Company policy for any Person who is aware of material non-public information relating to the Company, or any other issuer of securities with which he or she is familiar by virtue of his or her work for the Company, to buy or sell any securities of those issuers, or recommend that another person buy, sell or hold the securities of those issuers. Any Person who is uncertain about the legal rules involving his or her purchase or sale of any Company securities, or any securities of issuers with which he or she is familiar by virtue of his or her work for the Company, should consult with a member of the Audit Committee or the Vice President-Legal before making any such purchase or sale.

Corporate Opportunities

Personnel are prohibited from taking (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. More generally, Personnel are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Sometimes the line between personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. Personnel who intend to make use of Company property or services in a manner not solely for the benefit of the Company should consult beforehand with the Audit Committee.

Confidentiality

In carrying out the Company’s business, Personnel often learn confidential or proprietary information about the Company, its customers, suppliers, or joint venture parties. Personnel must maintain the confidentiality of

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all information so entrusted to them, except when disclosure is authorized or legally mandated. Confidential or proprietary information of the Company, and of other companies, includes, among other information:

- Trade secrets;
- Technical materials and information;
- Geological and geophysical information, reserve data, prospect data, maps and logs;
- Processes and technology;
- Engineering information, financial information, or other information that is used in the operation of the Company's business or that may be used in the operation of the Company's business; and
- Any other nonpublic information that if disclosed would be harmful to the Company or useful or helpful to competitors.

Fair Dealing

We have a history of succeeding through honest business competition. We do not seek competitive advantages through illegal or unethical business practices. Each Person should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. No Person is authorized to take unfair advantage of anyone through manipulation, improper concealment of business information, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice, including the offer or acceptance of a bribe, kickback or improper favor in order to secure a business advantage.

Protection and Proper Use of Company Assets

All Personnel should protect the Company's assets and ensure their efficient use. All Company assets should be used only for legitimate business purposes and use or access to Company property for any unlawful or improper purpose is strictly prohibited.

This prohibition includes any use that is unlawful or improper under applicable law or ethical standards, regardless of the practices of other companies or individuals. As part of this obligation, Persons shall follow Company procedures to ensure that business transactions are consistently executed, recorded and reported in such a manner as to allow the Company to accurately compile and report its financial statements.

Enforcement

Disciplinary actions with regard to Persons will be implemented by the Board in accordance with the Company's disciplinary procedures. Under certain circumstances, violation of this Code may also result in referral for civil action or criminal prosecution.

Child Labor***Guiding Principles***

- Our Company will not employ workers under the minimum age for employment as defined by national laws of United States, Turkey and Bulgaria.
- Workers between the minimum age and 18 will not be employed in dangerous work or work that interferes with their education or development.

Guidelines for Operation:

1. When hiring any worker, our Human Resources Department will verify the age of the application in the following ways:

- a. The application will ask the applicant's age and require the signature of both the applicant and the

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Human Resources Department staff person verifying the information.

b. The applicant will be required to submit an original of one of the following documents to verify the age: (1) national identification card, (2) birth certificate. If there is any doubt of the validity of the above, the applicant will be required to submit additional records to verify age, such as medical or school records.

c. A photocopy of the original identification document will be kept in the applicant's file. If the applicant is hired, this will be transferred to his or her personnel file. Whether or not the applicant is hired, the application will be kept on file for a minimum of 6 months.

2. In the even that our Company inadvertently hires a child under national age minimum, it will adhere to the following remediation procedure:

a. The child will be immediately removed from employment.

b. Our Company will pay the child an equivalent salary to attend school until they reach the national minimum age for employment.

Forced Labor Policy

Guiding Principles

- Our Company will not employ forced labor.
- We will respect workers' right to retain personal document and money.
- We will respect workers' rights to leave the workplace after work.
- We will respect workers' rights to resign.

Guidelines for Operation:

1. Our Company will not retain any worker's original identification documents upon commencing employment, including but not limited to: national IDs, passports, birth certificates, work permits, residence permits, travel documents, or any other that might limit the worker's legal status, freedom to travel, or ability to leave the job. If such documents are required for the workers file, our Human Resources Department shall ask for copies, never originals. Originals will only be used to compare with copies for authenticity purposes.

2. Our Company will provide each worker with an employment contract between our Company and the worker which clearly defines the worker's right to resign, and the terms and conditions of their payment.

3. Our Company will pay each worker directly and will not withhold wages for broker fees. Our Company will verify with each worker that he or she did not have to pay a broker fee upon hiring.

4. If Our Company uses a broker to recruit workers, our Company will pay the recruitment fee directly to the broker.

5. Workers seeking to terminate their employment must submit written notice to our Human Resources Department giving required days' notice in accordance with national labor law requirements. Our Human Resources Department must provide written confirmation of receipt of the termination notice to the worker within 5 days, in accordance with the national labor law requirements. Our Company will conduct and record an exit interview with the worker to determine the reason for resignation.

6. On the first day of orientation, and before commencement of the job, the worker will be provided with personal protective equipment and necessary tools at no cost to the worker.

7. Workers that lose or damage their personal protective equipment or necessary tools shall report the incident to their line supervisors. The supervisor will document the loss and replace the item within 5 days. The Department Manager will document the loss in the worker's personnel file and replace the items within 5 days. If the issue is recurrent, the worker may be charged for the replacement items at cost.

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8. We will include information about our Company's policy against forced labor, to workers in training upon job commencement, training on PS2, and ongoing and subsequent training regarding workers' rights and obligations

9. We will provide training to middle-level management and supervisors, about our Company's policy against forced labor and how they to ensure a workplace free of involuntary labor under threat of force or penalty.

Retrenchment Policy

Guiding Principles

- Our Company will analyze all alternatives to avoid or minimize retrenchment.
- Our Company will develop and implement a plan to mitigate the adverse impact or retrenchment if we anticipate a large number of layoffs.
- The plan will incorporate non-discrimination principles and include the input of workers, their organizations and, where appropriate, the government.

Guidelines for Operation:

Our Company will take all necessary precautions to avoid retrenchments where possible. If retrenchment is inevitable, we will conduct them in a manner consistent with international labor standards (including PS2, ILO Convention 158), national labor law and recommendations of multi-stakeholder consultations such as the MFA Forum's Guidelines for Managing Responsible Transition. Accordingly, we will take care to adhere to the following:

In general retrenchment situations:

1. Department managers will give advanced notice of specific job redundancies and the rationale or criteria for redundancies to individual workers, to worker representatives where they exist, and to the relevant governmental authorities. Where possible this information will be provided prior to the termination decision, to allow for meaningful consultations.
2. Where no alternative employment can be secured for the displaced workers, we will ensure that workers are paid in their entitlements in retrenchment according to the law.
3. We will ensure that all severance pay or other legal benefits will be paid fairly and promptly, without undue conditions such as requiring workers to sign any declaration of good health, waivers or releases of other rights.
4. We will ensure that regnant workers and workers with significant medical conditions receive adequate compensation commensurate with their situation.
5. We will resolve any outstanding disputes with workers involving monetary entitlements.

In significant retrenchment situations:

6. Our Internal Labor Standards Performance Team and senior management will develop and clearly communicate a retrenchment plan, in consultation with worker representatives and worker's organizations if present. The plan will include workers' legal rights and payments owed, and if possible address the adverse impacts on workers and their community. The plan should be clearly communicated and posted for easy reference, with avenues for workers to ask questions and seek clarifications.
7. We will consider all possible ways to avoid retrenchment/closure, with the full involvement of, and

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negotiation with, worker representatives and workers' organizations.

8. To ensure the closure is being carried out in accordance with our policy and plan, the Internal Labor Standards Performance Team and senior management will establish specific channels for employees to confidentially express any concerns or problems they may be experiencing, especially around legally-owed payments.

9. Our Health and Safety Management Representative will ensure that all workers have access to prompt and professional assessment of their health at the end of their employment through appropriate national medical facilities to determine whether there are work related health problems, injuries or disabilities.

10. As part of our efforts to analyze alternatives to avoid or minimize retrenchment, our Human Resources Department will coordinate with our Company's other facilities to give retrenched workers the opportunity to transfer to these facilities, at a comparable wage to their prior employment, if possible. As feasible we will extend eligibility for skills training and entrepreneurship development opportunities to family members.

11. Where alternative employment cannot be secured, our the Internal Labor Standards Performance Team and Human Resources Department will provide active assistance for workers in searching for new employment and training – for example promote workers' access to job banks and retraining programs.

12. The retrenchment plan will include a timeframe for keeping workers on the payroll, even after they have become redundant, for transitional period of training and job search assistance.

13. When overseas migrant workers are retrenched, we will ensure that these workers enjoy equality of treatment with other workers and the every effort is made to secure alternative employment within the country. If this is not possible, then we will ensure the workers are repatriated with all costs covered, including recruitment fees.

14. Our the Internal Labor Standards Performance Team and Human Resources Department will arrange for free financial counseling for workers to prepare them for loss of income and livelihood, and assist them in planning how to use their severance payment.

Workers Organization Policy

Guiding Principles

- Our company will comply with national law that recognizes workers' right to form and join workers' organizations.
- If national law restricts the right to organize, we will enable the means for workers to bargain collectively and organize.
- If national law restricts workers' organizations, we will establish an alternative way for workers to file grievances.
- We will not interfere with or discriminate against workers who choose to organize.
- Worker representatives will be given access to management.
- Worker organizations are expected to fairly represent the workforce.

Guidelines for Operation:

Our Company will follow all national laws recognizing workers' rights to form and to join workers organizations of their choosing without interference and to bargain collectively.

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Our Company will not interfere with non-violent legal efforts towards worker organizing, trade union membership or collective bargaining. We will not permit such actions as:

- Any acts of prejudice or retaliation against workers who engage in union and/or organizing activities; for example dismissal, transfer, relocation, demotion and denial of remuneration, social benefits and/or vocational training
- Discrimination in hiring workers with a history of union and/or organizing activities
- Making employment of a worker subject to the condition that she or he will not join a trade union or relinquish trade union membership
- Blacklisting workers

Our Company will not influence or interfere in workers' exercise of their rights. We will not permit such actions as:

- Influencing or interfering in the election of workers' representatives
- Supporting workers' organizations by financial or other means in order to influence
- Favoring or supporting on workers' organization over another
- Favoring or letting the existence of elected representatives undermine the position of any trade unions at the Company

What We Will Do:

- We will enable an atmosphere of constructive social dialog. The ILO (International Labor Organization) defines "special dialog" as including all types of negotiation, consultation and exchange of information between, or among, representatives of governments, employers and workers on issues of common interest. We will:
 - Engage constructively with worker representatives and organizations
 - Demonstrate a neutral approach to trade unions and engage in open and constructive social dialog
 - Ensure there are no references or questions about past union activity in job applications and interviews
 - Provide each individual worker, and henceforth each newly-recruited worker, with a letter guaranteeing workers' rights to form and join workers' organizations of their choosing
 - Include accurate information about the right to form and join workers' organizations of their choosing, to workers in training upon to commencement, training on PS2, and ongoing and subsequent training regarding workers' rights and obligations
 - Provide training to middle-level management and supervisors about workers' rights to form and join workers' organization of their choosing, and how to respect these rights
 - Where a representative union in our Company's sector request it, sign an agreement between company and union on access to unorganized workers for the purpose of communication
 - Sign a Procedural Agreement for the operation of relations between our Company and the union.
 - Consult with the union as we develop our disciplinary procedure.
 - Consult with the union as we develop our grievance mechanism.