

CODE OF CONDUCT FOR BUSINESS PARTNERS

“Never stop moving – this simple yet universal thought stimulates us to continue improving. It prompts us to design new products, improve the production processes, search for new materials and develop our competences. It is an impulse to progress in a targeted direction where future awaits the perfectionists of automobile engineering.”

INTRODUCTION

1. UAB ALTAS komercinis transportas (hereafter – “the Company”, or “We”) aims to form fair, ethical and transparent relationships with our business partners, including suppliers, distributors and all other third parties (hereafter - “ the Business Partners” or “You”).
2. For this purpose We have adopted this Code of Conduct for Business Partners (hereafter – “the Code”).
3. This Code applies to all our Business Partners. This Code (or provisions of equivalent principles) is mandatory for all Business Partners.
4. This Code defines our ethical conduct expectations of our Business Partners. We are committed to treat You fairly, ethically in a transparent manner.
5. Acceptance and adherence to this Code is understood to be confirmed by the Business Partner’s consent to conduct business with our Company. Failure to comply with the provisions of the Code shall result in immediate termination of the business relations between such Business Partner and the Company, including, but not limited to any agreement or any contractual arrangements.
6. The Company reserves the right to conduct integrity screening on the Business Partners, as part of its selection process.

CORE VALUES OF OUR COMPANY

7. Responsibility. We create products that are used everyday by many people in their journeys. It influences our customers’ comfort, work quality and safety. We feel directly responsible for this.
8. Professionalism. Quality and reliability consist of the smallest elements. We work hard with every created piece to be measured and implemented with precision and particularity.
9. Persistency. We are facing challenges in creating and developing our products every day. The path is not always clear, but we keep seeking the best result.
10. Creativity. The creation of product requires competence and experience. Though sometimes the solution comes from a creative attitude – it is none the less important.
11. We expect our Business Partners to respect these values and act accordingly.

COMPLIANCE WITH LEGAL ACTS

12. Compliance with the legal acts is an absolute requirement adhered to by the Company and its Business Partners.

13. Each Business Partner must be thoroughly aware of the legal acts regulating the performance of its commercial and other activities. Business Partners must provide their employees and representatives with all necessary explanations and advice in the field of application of the legal acts in performance of their working functions.

14. The Business Partners shall be strictly committed to act in compliance with non-discriminatory and fair operational standards, protect environment and ensure safety and health of its employees.

15. The Business Partners shall follow all the laws and regulations related to healthcare, safety and environment, obtain all necessary permits and perform their works strictly in compliance with the requirements of appropriate legal acts.

16. The Company and its Business Partners shall never aim to gain business advantage by unlawful means. Business Partners shall not participate in any bid rigging, price fixing, cartel, trading in information, money laundering, theft of trade secrets, manipulation, improper influencing or other unfair competition practices.

17. Fair competition is the fundamental principle in the performance of the Company.

Information on the activities of the competitors shall be collected only by lawful and publicly available information collection means. Business Partners shall not in any case participate, facilitate or engage in cartels or restrict competition otherwise.

18. The Business Partners shall take all possible and reasonable actions in order to prevent any unlawful acts of any employee, customer, business partner or any third party, which would cause damage to the state and the public in general as well as to the Company, its customer, employee or business partner individually.

ANTI-BRIBERY. ENTERTAINMENT AND GIFTS

19. The Company has a zero-tolerance policy towards any form of corruption and financial irregularity. We are committed to fight corruption, including bribery and extortion, negligent financing of criminal activities and/or unethical practices. We expect our Business Partners to foster a culture of integrity based on transparency, compliance and ethical business practices.

20. Business Partners must not offer, promise, give, request, agree, accept or receive any type of improper payments, gifts, sponsorships, donations, bribes, entertainment, hospitality, or improper benefits directly or indirectly to obtain or retain a personal or business advantage from or to any public official or employee or representative of a state-owned or private enterprise.

21. The employees of the Business Partners must not grant any hidden privileges to the customers, business partners, representatives of state or municipal, or public institutions.

22. The repayment with expensive gifts and all other forms of illegal payments, services or other remuneration by the employees of the Business Partners to the customers, suppliers, representatives of state, municipal or public institutions, or other third persons, which are in business relations with the Business Partners, for the taken or non-taken decisions in favour of the Business Partners is strictly prohibited.

23. An employee of the Business Partner who suspects that any third party (customer, supplier, colleague, etc.) is trying to involve or use him/her in conclusion of unlawful transaction, must report that to the management of the Business Partner and the compliance line of the Company.

24. Business lunches and business gifts to the third parties (customers, suppliers, public officials) should comply with the general policy for business expenditure and the rules and requirements of the government institution concerned or those of a legal person.

The third parties shall not be involved in order to circumvent the attitudes of the aforementioned policies.

25. Business Partners must implement an adequate management system for prevention of corruption that is commensurate to their risk profile. This typically may include:

- a written statement or public policy against corruption that addresses bribery of public officials and in private enterprises.
- measures to prevent corruption and to ensure adequate awareness and adherence to their anti-corruption policy among employees and representatives of the Business Partners.
- development and maintenance a system of adequate accounting procedures and internal controls that is aimed at preventing concealment of bribery or financing of bribery or misrepresentation of financial statements and designed to maintain transparent, complete and accurate control of books and records. The system must be auditable, and records must be verifiable.
- capabilities in place to ensure adequate risk-based due diligence and monitoring of Business Partners and ensure that Business Partners comply with ethical business practices.
- mechanisms for reporting of concerns and for investigation of such reports. The mechanisms must safeguard the confidentiality and integrity of the investigation and Business Partners must prevent retaliation against the reporter or any participant in investigations.
- monitoring and enforcement procedures to ensure compliance with all applicable anti-corruption laws and regulations of the countries in which the Business Partner operate, including the US Foreign Corrupt Practices Act (FCPA) and applicable international anti-corruption laws.

26. Although entertainment is an acceptable form of business and public conduct, the employees of the Business Partners should refuse invitations to catering institutions or entertainments that are too often or excessively lavish in order to avoid discomfort or loss of objectivity in performance of the activities of the Business Partners. If the refusal of invitation is discourtesy, the employee may accept the invitation upon agreement that he/she would be allowed to respond the same way.

27. The employees of the Business Partners must refuse to accept a benefit offered on account of their position held, if the acceptance of the benefit might affect their objectivity or force them to act against the interests of the Business Partner or the Company.

28. The employees (by immediately informing their head on this case) may consider and voluntarily accept the benefit provided only if:

- the benefit accepted has no impact on the performance results of the beneficiary;
- the beneficiary does not feel obliged to repay the giver by doing something for him;
- the beneficiary may openly discuss the received benefit without any reservations;
- the type (for example, promotional or agitation gift, on the occasions of holidays/celebrations) and the value of the benefit received are such that refusal to accept it is considered as non-amicable or impolite behaviour.

29. Gifts should be of low value and granted not often.

HUMAN RIGHTS AND LABOR CONDITIONS

30. Business Partners are expected to protect and promote the human rights of their employees. We expect them to be fair employers and to respect international labor standards, including the core conventions of the International Labor Organization and legislation prohibiting slavery and human trafficking.

31. Business Partners must respect all internationally recognized human rights standards including the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

32. The labor standards expectations defined in the Code are applicable for all workers, including temporary, migrant, student, contract and direct employees, or any other type of worker under the influence of the Business Partner.

33. Any kind of exploitation, including forced, coerced, bonded or compulsory labor and human trafficking are strictly prohibited. Business Partners' employees must be free to leave their employment after reasonable notice as required by applicable law or contract. Employees of a Business Partner must not be required to lodge deposits of money or identity papers with their employer.

34. Employees of a Business Partners must not be required to pay any recruitment fees or other aggregate fees to obtain their employment.

35. The employees of the Business Partners must be treated with respect and dignity. All kinds of discrimination, in hiring or other employment practices, based on partiality or prejudice is prohibited.

36. Each employee has the right to be treated fairly, collegially and respectfully by his heads, subordinates and other employees performing the same or similar duties. The Business Partners shall not tolerate any kind of discrimination and harassment on the basis of race, religion, beliefs, ethnic origin, gender, disability, age, etc. All the employees of the Company shall act in accordance with the Code.

37. The Business Partners shall not tolerate discrimination on political grounds, religion, sexual and private opinions as well as on marital or health situation or condition.

Competence of the employee and personal qualities (honesty, decency, etc.) are the key criteria based on which each Business Partner shall make a decision on his/her employment.

38. Equal pay for equal work must be promoted by Business Partners at all times.

39. The employees of the Business Partners must be enabled to understand their employment conditions properly. All employees must be provided with a written document that outlines the basic terms and conditions of employment in a language understandable to them. Pay and terms must be fair and reasonable and comply at a minimum with applicable laws or industry standards, whichever is higher.

40. For employees that are entitled to overtime pay through their employment contract or by other similar agreements or requirements, overtime hours must be paid at a premium rate.

41. Business Partners must follow all applicable laws and regulations and/or collective bargaining agreements with respect to working hours and days of rest, and all overtime must be voluntary. A workweek must be restricted to maximum 60 hours, including overtime. Regular workweeks must not exceed 48 hours.

42. Absent exceptional circumstances, employees must be provided with at least one day off in every seven-day period. One day off is interpreted as twenty-four consecutive hours. Exceptional circumstances include short-term business demands and natural disaster.

43. Deduction from statutory minimum salaries/wages as a disciplinary measure is not permitted. Corporal punishment, physical or verbal abuse, sexual harassment, bullying or other harassment and any threats or other forms of intimidation must be prohibited.

44. Persons who are below the minimum legal age for employment cannot be employed.

The minimum legal age is the age of completion of compulsory schooling, or not less than 15 years. Children, between the ages of 15 and 18, cannot be employed for any hazardous work, or work that is inconsistent with the child's personal development.

Personal development includes a child's health and physical, mental, spiritual, moral, or social development.

45. Business Partners must ensure proper management of apprentice program attendees and student workers through proper maintenance of records, due diligence of educational partners, and protection of apprentice program attendees or students' rights in accordance with applicable law and regulations. Business Partners must provide appropriate support and training for all apprentice program attendees and student workers.

46. The health and safety of a Business Partners' employees must be prioritized. A healthy and safe working environment must be provided for employees, in accordance with international standards and national laws. Employees must be provided with appropriate health and safety information and training, including, but not limited to information on risks they are exposed to, arrangements for safe evacuations of buildings and correct handling and marking of chemicals and machinery.

ENVIRONMENTAL PROTECTION

47. The Company, as a stakeholder of the responsible business, undertakes to actively reduce its environmental impact, including regular measuring and evaluation of the impact on the environment.

48. The Business Partners shall endeavour that all the employees are adequately informed and trained on the issues related to the environmental requirements. Each employee must make all possible efforts to reduce the amount of waste and any other impact on the environment.

49. In its activities the Business Partners endeavour to save natural resources, raw materials and energy, choose products properly, purchase and use them in a responsible manner, manage waste and reduce its amount responsibly, support and contribute to the national initiatives on environmental protection.

50. We expect Business Partners not to use any illegal or illegally obtained materials in their production. In case hazardous materials are used in the production it shall be done strictly in accordance with the applicable legislation and properly addressing the employees' health and safety. Any kind of materials and substances, especially including hazardous ones, which are left after the production is completed must be at all times disposed of in compliance with all applicable environmental requirements.

51. The Company may ask its Business Partners to implement measures reducing the environmental impact of their production including respective KPI, whereby Business Partners shall have an obligation to report on the achievement of such KPI.

RELATION WITH THIRD PARTIES AND CONFLICT OF INTERESTS

52. Our relations with customers, partners and representatives of other institutions are based on respect, integrity, professionalism, mutual trust, justice, priority of customer interests, compliance with commitments, information sharing and the priority of negotiations against legal actions. We expect our Business Partners to share this view.

53. Business transactions should be implemented to comply with interests of the Company and the Business Partners in the best possible manner. Neither natural, nor legal person, in any relationship with the employee of the Company and/or the Business Partner may not gain benefits from the Company and/or the Business Partner in the dishonest manner, using his/her connections with the employee or his/her position held.

54. It is necessary to avoid the situations, where the conflict of interest between the employee's liability against the Company and/or the Business Partner and his/her private interests occurs. The employee of the Business Partner must avoid any circumstances which might cause damage to the reputation of the Company or other material and immaterial interests of the Company. Business Partner shall inform the Company immediately in case any kind of the conflict of interest occurs.

CONTROL AND REPORTING

55. We expect our Business Partners to comply with the Code. The supply chain of the Business Partner would also implement the provisions this Code or similar provisions.

The Company may revise and update the Code from time to time, the new version of the Code shall be communicated to the Business Partners.

56. Business Partners and its employees can report good faith concerns regarding suspected violations of applicable laws or the Code through the compliance line of the Company. The Company will handle such concerns in accordance with legislation applicable to persons involved. We are committed to investigating all credible reports of potential compliance violations made in good faith.

57. Information about the compliance line of the Company is available on the website of the Company at <https://crm.altasauto.com/web/login>

58. The Company prohibits any discrimination or retaliation against individuals who report suspected violations in good faith. The Company shall preserve the full confidentiality of the persons who reported the non-compliance to the norms of this Code and ensure their protection as provided by laws.