

# Supplier Code of Conduct

Approved of July 22, 2020

## 1. Basic provisions and principles

The purpose of implementing this Code is to ensure that all suppliers of TTS (Transportation Technology Systems) comply with the principles of this Code.

Hereinafter, "suppliers" means any legal entities and individuals, as well as individual entrepreneurs, supplying goods, performing works or providing services to the Company on the basis of civil law agreements.

Hereinafter, "we" shall mean all employees of Transportation Technology Systems, including all personnel and managers of any level.

The principles established by this Code apply to all suppliers wishing to do business with TTS, as well as to all TTS employees, in particular those who work with suppliers on behalf of the company.

We actively work with our suppliers to continuously improve and implement good practices in the supply chain.

Since our core values are based on honesty, we expect our employees and suppliers to be honest in all business operations.

We are sure that the workplace should be safe, not harmful to human health; We strive to conduct our business in a way that maximizes the benefits and minimizes the negative impact on the enterprises associated with our company. We expect the same from our suppliers.

The Code is based on our business and sustainable development principles. The code was designed to help suppliers understand what TTS expects of them in terms of sustainable development.

The Code contains standards that are strongly recommended, and TTS understands that it may be necessary to work with suppliers to improve their ability to comply with these standards. Thus, we believe that this is an ever-evolving, interactive and collaborative process.

## 2. Safety and health

Suppliers should strive to comply with best practices to ensure the safety and health of their employees.

Suppliers must:

- have an appropriate safety and health policy for their employees, the purpose of which is to ensure complete absence of injuries and healthy and productive employees, or to comply with TTS standards.
- When providing services, performing works, and/or supplying goods to the company, comply with applicable law, as well as international standards.

### **3. Requirements for recruitment of employees and working conditions**

Suppliers should strive to implement fair personnel policies and ensure that working conditions are consistent with applicable laws and industry standards.

Suppliers must:

- Prohibit the use of child labour.
- To prevent forced, slave or involuntary labour.
- Prevent inhumane treatment of employees, including any form of physical and sexual violence or verbal abuse, harassment, or other forms of oppression.
- Apply fair and reasonable conditions of employment, including, but not limited to, working hours and remuneration.
- Eliminate all forms of discrimination and promote the socio-cultural diversity of staff.
- If the supplier provides the personnel with accommodation, ensure its cleanliness, safety, and compliance with the basic needs of the personnel.

### **4. Fair Business and Ethics**

Suppliers must be held accountable for doing business ethically and honestly.

Suppliers must:

- Comply with applicable law when fulfilling his obligations under contracts entered into with the company. Suppliers must ensure that the products, works and services provided comply with applicable law, including laws designed to prevent unfair competition.
- Oppose corruption. Corruption, bribery, fraud and embezzlement are prohibited. Suppliers should not give or take bribes and participate in other types of illegal business incentives, should not participate in the legalization of funds obtained by crime in any form.
- Strive for transparency and accountability in their business relations.

### **5. Social responsibility**

Suppliers should be socially responsible to the population of the regions in which they work.

We strongly recommend that suppliers:

- Uphold the principles set forth in the Universal Declaration of Human Rights.
- Respect the human dignity and rights of individuals and communities associated with their enterprises.
- Contribute to economic and social well-being as well as good education in the communities in which they work.
- Consider the impact on local communities when hiring, using and deploying staff.
- Honor the cultural heritage and traditions of small peoples and resolve any issues in a spirit of respect, trust and dialogue.

### **6. Environmental responsibility**

Suppliers should strive to follow best practices in the use of natural resources and materials.

- Suppliers shall have an appropriate environmental policy or comply with the relevant TTS standards.

- Suppliers must comply with applicable environmental laws when providing services, performing works and/or delivering goods to the company.
- Cooperation of suppliers with TTS to identify opportunities for optimization and improvement of approaches to environmental protection is welcomed, with special attention to the following areas: electricity consumption and greenhouse gas emissions; responsible use of water; safe management, movement and disposal of hazardous wastes; Management of solid waste, air emissions and wastewater discharges.

## **7. Application of the Code**

The end result of the implementation of this Code should be to reduce risks to TTS and suppliers, as well as to increase awareness of sustainable development and related indicators throughout the value chain.

In selecting suppliers, TTS will give preference, given certain evaluation criteria, to those suppliers that demonstrate a commitment to sustainable development.

Suppliers are responsible for implementing this Code in their organization.

Suppliers must ensure that the Code is distributed in their supply chain. Suppliers must familiarize their agents, contractors and suppliers with the Code and its impact.

Suppliers should support effective management systems based on sound business and scientific principles that include adequate objectives, regular performance evaluation and continuous improvement practices. When attracting suppliers, TTS will take into account the size and maturity of the supplier counterparty.

We encourage suppliers to take personal responsibility for compliance of business conduct with the principles of this Code.

In case of long-term disregard of the requirements of this Code, we will be forced to suspend cooperation with such a supplier until it is aware of the importance of their implementation.

This TTS Code and related policies are available on the TTS public website.

TTS Management