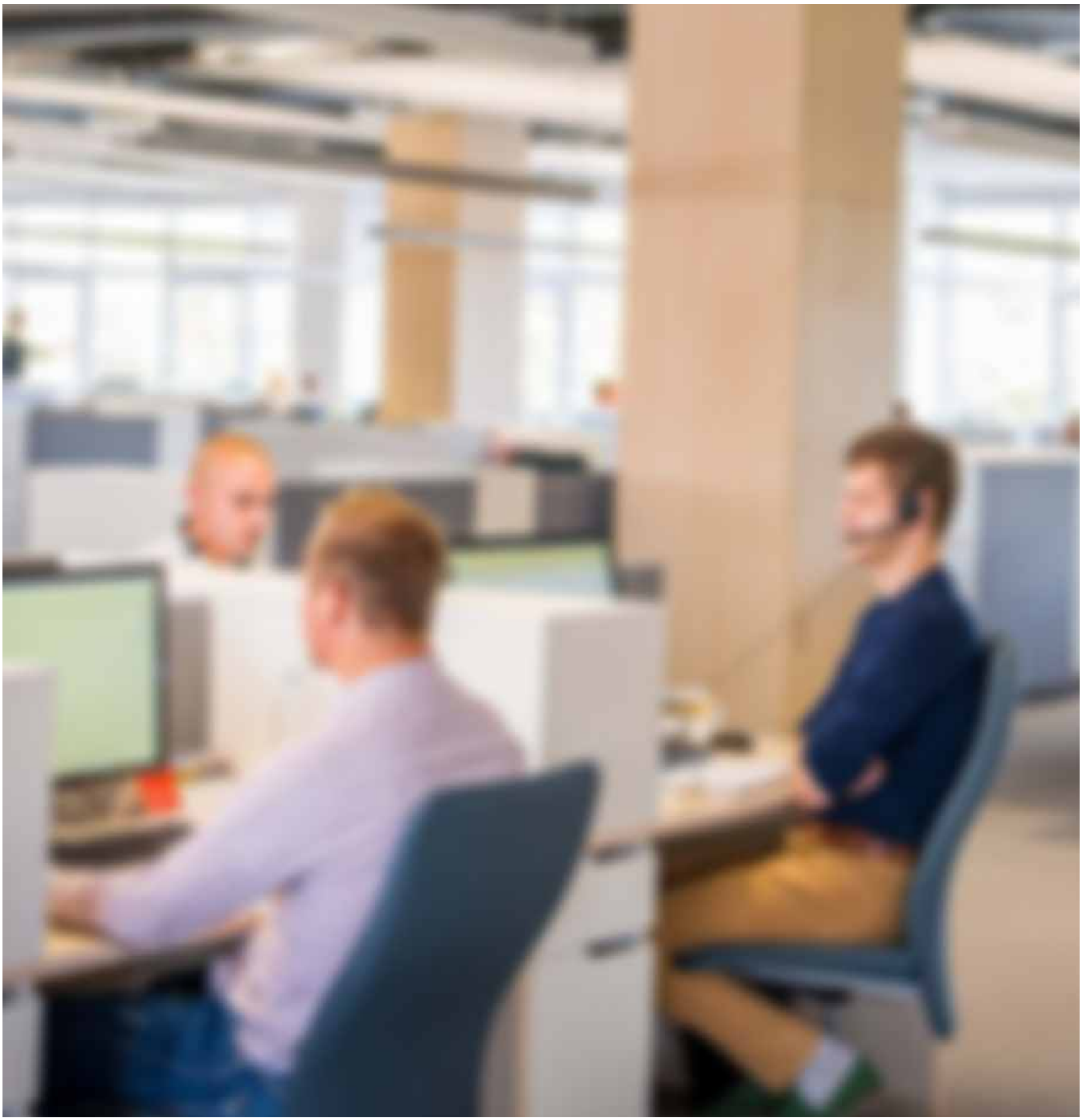
Code of Conduct

www.girteka.eu

WE CARE.

2016



PURPOSE

At **Girteka Logistics**, we promote good working and environmental standards, and encourage use of these standards in our supply chains. We seek for cooperation with our suppliers and business partners in pursuit of this aim.

We have prepared this Code of Conduct to illustrate what we believe in and what we expect from our suppliers and business partners. The Code of Conduct covers human rights, workers' rights, compliance with legislation, the environment and anti-corruption.

LETTER FROM CEO

Dear Colleagues,

Please let me introduce our Code of Conduct. It outlines the ethical and behavioural framework to guide right course of action in challenging scenarios we face in everyday business situations. We have prepared the Code of Conduct to illustrate what we believe in and what we expect from our suppliers and business partners.

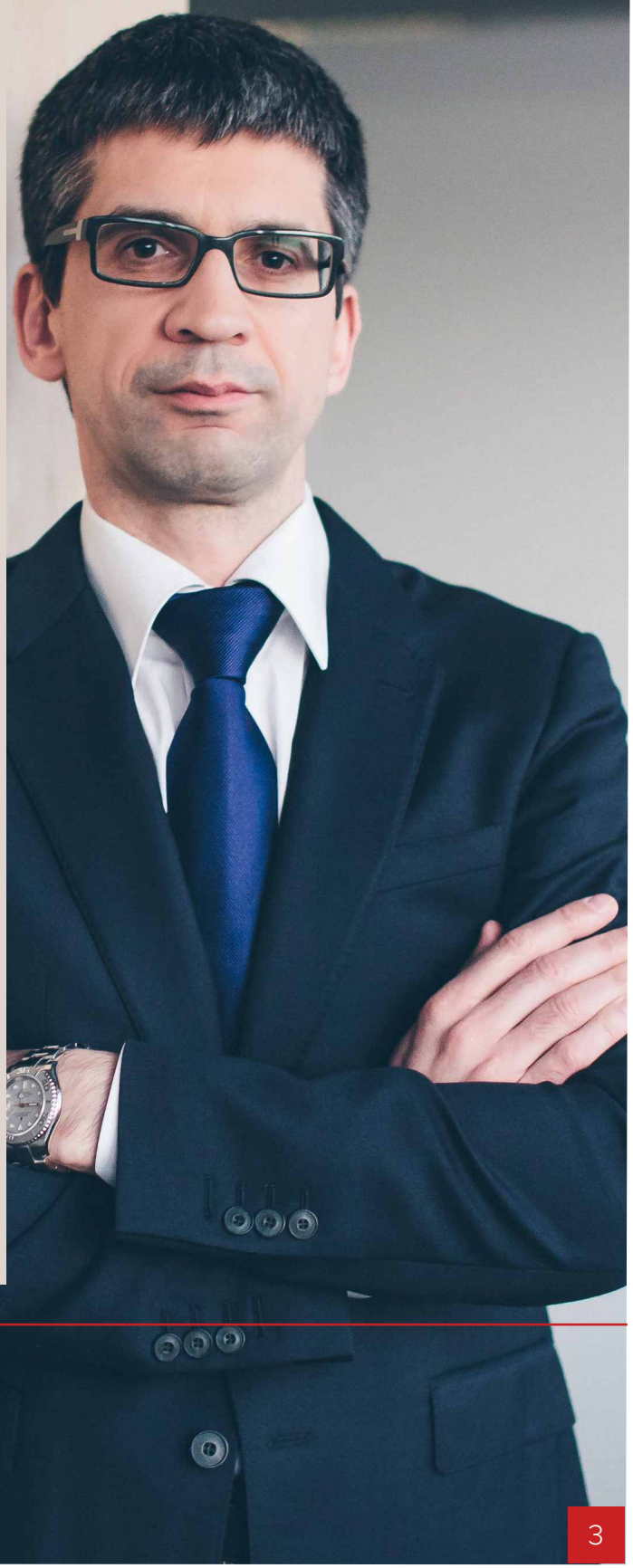
The Code of Conduct covers human rights, workers' rights, compliance with legislation, the environment consideration and anti-corruption. Working in demanding international business requires commitment to comply with complex laws and regulations which can make discerning right from wrong more difficult now than in the past.

Our Code of Conduct align closely with UN Global Compact's ten principles and universally recognized standards such as the United Nations Universal Declaration of Human Rights. Those guidelines set the right course of action, helping to understand the legal and ethical risk that may arise. They are designed to assist us to meet our obligations, act with integrity in the market place and be respectful to one another.

The right actions protect reputation of **Girteka Logistics** *and send a clear message to our business partners. That is why commitment to integrity, acting honestly and ethically, and complying with the letter and spirit of the law are critical to our continued success in business. These are non-negotiable standards that apply to all of us, regardless of where we work within* **Girteka Logistics**.

At **Girteka Logistics**, *we seek for cooperation with our suppliers and business partners, in pursuit of our aims, keeping lines of communication open in case of any raising questions and doubts. Together we can achieve our business goals in a manner consistent with our shared ethics and values.*

Edvardas Liachovicius
Chief Executive Officer



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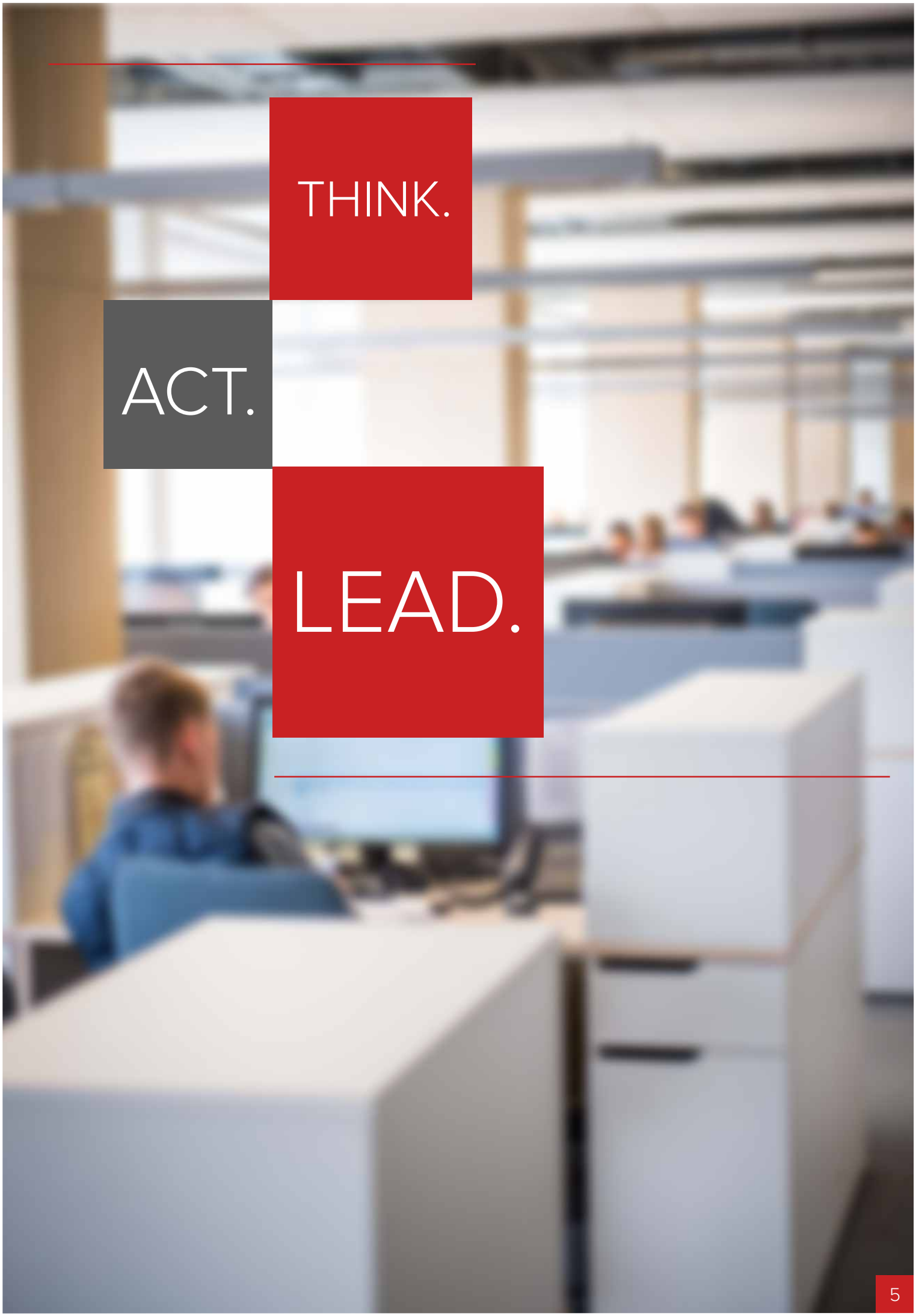
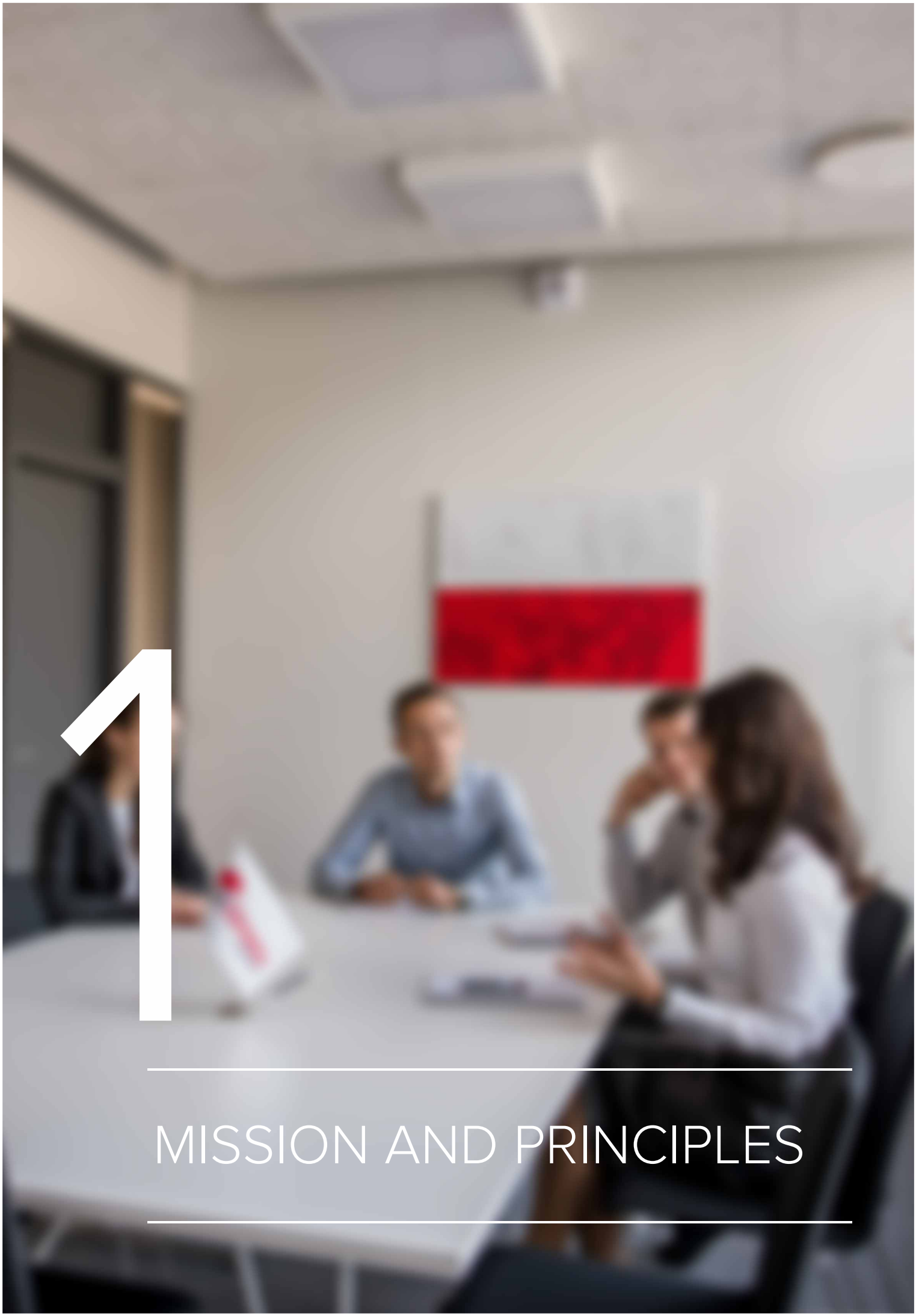
WE CARE


THINK.
ACT.
LEAD.



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MISSION AND PRINCIPLES

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Girteka Logistics is one of the leading companies offering full load haulage with reefer trailers and tilt trailers in Europe and CIS.

“We care” is both our slogan and main principle, on which we build our business strategy. This principle is enhanced by four core pillars, guiding us in daily processes and helping with all decisions. These are Service, People, Results and Future.

WE CARE about:

SERVICE
Real value for customers
We believe that only by creating valuable services and fulfilling needs of our clients we can create a trusted and steady enterprise.

PEOPLE
Empowering & secure jobs
We believe that our employees are what make our Company so special. Secure and meaningful jobs are an unquestionable must.

RESULTS
Keeping promises & goals
We believe that only by achieving goals and maintaining financial stability we can fulfil our commitments to clients, employees and societies.

FUTURE
Environment & sustainable development
We believe that every business enterprise must bring benefits for the society and for the environment in which it acts.

From our main principle and core pillars, our mission, vision and values come. We believe in them and promote them throughout the Company.

Mission

We work to help our customers to be more competitive while focusing on excellence in logistics and investing in the development of our employees and technological resources.

Vision

To be a trustworthy enterprise in the fast-changing logistics industry, and to accomplish expectations of our customers, employees, partners and communities.

Values

Think.

We think how to improve our services and create new solutions

We cooperate with our customers to understand their needs and help them to be more competitive

We foster our employees on their way to proficiency and provide them with career opportunities

We plan our daily tasks to achieve the best results

Act.

We resolve issues in a prompt and timely manner by using the most progressive methods

We invest into our equipment to deliver safely and on time

We deliver what we promise

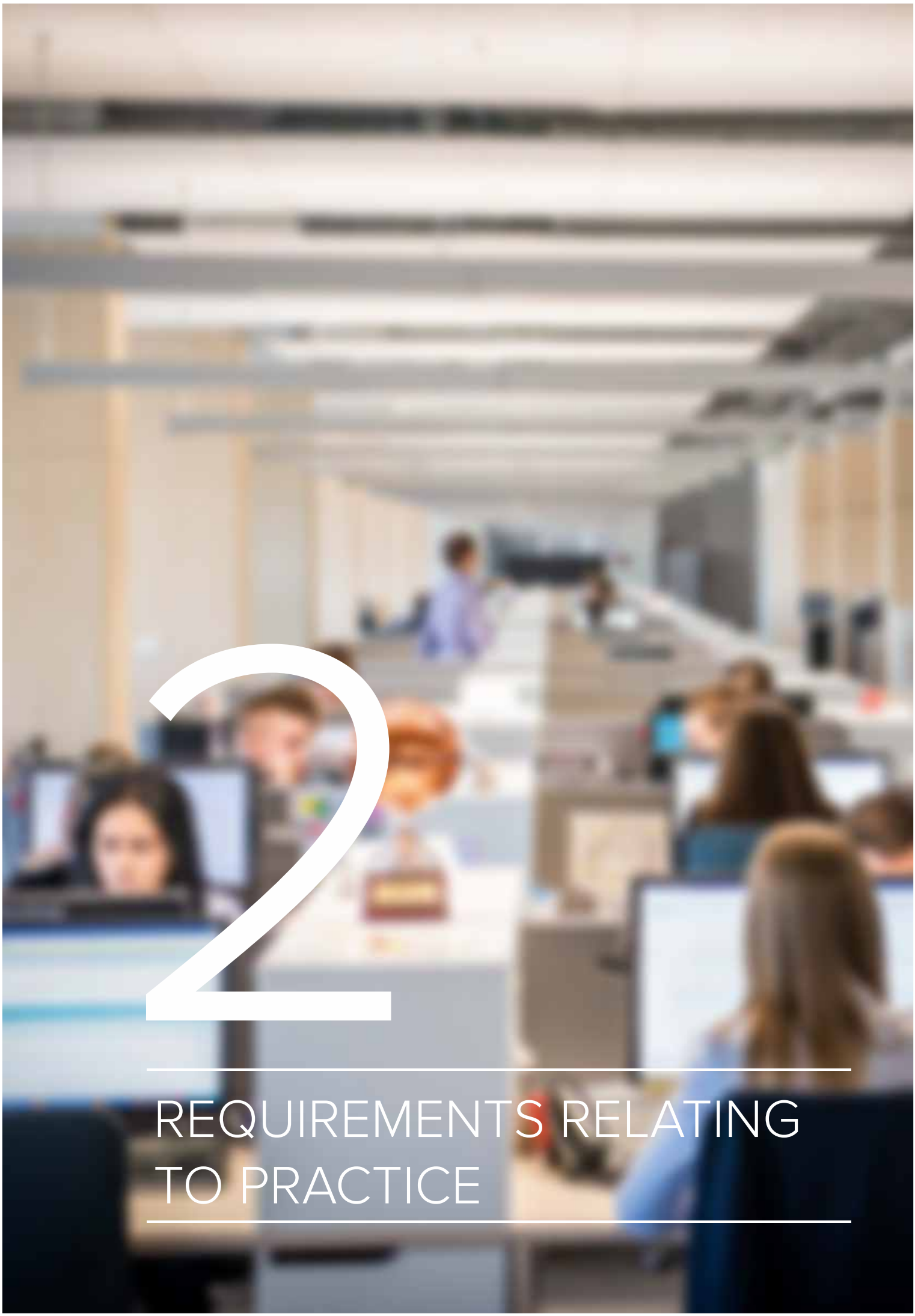
We strive to achieve best results, but we pay attention to the process as well

Lead.

We are the industry's trendsetters, implementing innovations in technology and management

We are flexible and provide wide range of services

We take the environmental responsibility, use eco-friendly trucks and other



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REQUIREMENTS RELATING TO PRACTICE

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Girteka Logistics aims to continuously improve policy and practice, complying with this Code of Conduct. All departments and highest levels of management must monitor how daily tasks hold to the standards listed below.

Girteka Logistics annually provides mandatory and voluntary reports to public or other institutions on topics, regulated by this Code of Conduct.

When selecting new suppliers, emphasis will be given to the social and environmental standards.
In order to ensure that our customers are provided with the highest possible service, **Girteka Logistics** has implemented various quality, safety and environmental management standards.

The key goals of **Girteka Logistics** quality management are:

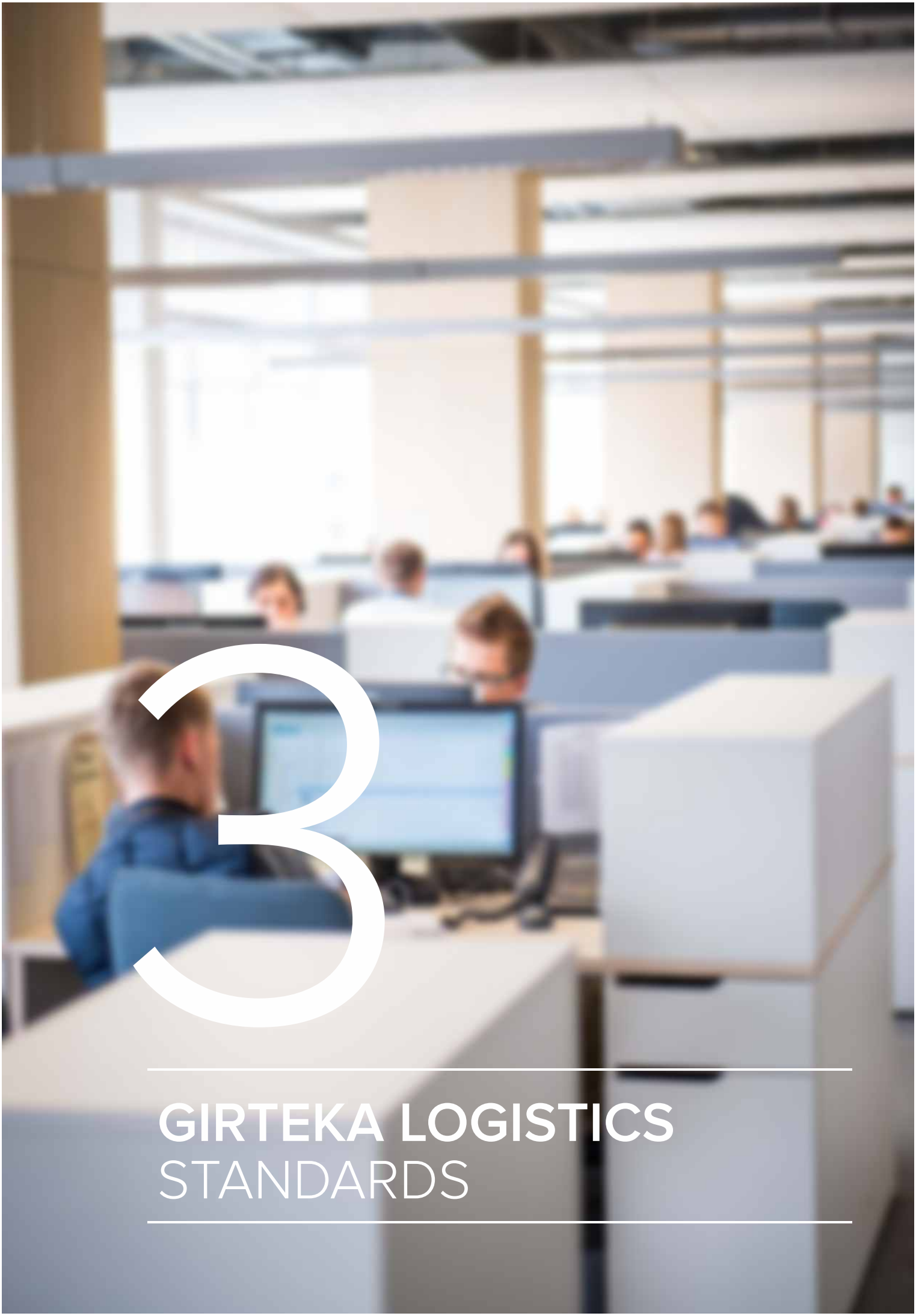
- *To create added value for customers while seeking the profitable growth of the organization;*
- *To ensure high quality and timely servicing of our customers;*
- *To offer customers new and diverse solutions.*

The key goals of **Girteka Logistics** environmental management are:

- *To reduce environmental pollution and CO2 emissions;*
- *To encourage the sorting of waste within the company for recycling and waste disposal;*
- *To involve our partners and employees in the promotion of environmental protection;*
- *To integrate environmental criteria into the procurement of goods and services;*
- *To comply with the requirements of environmental legislation;*
- *To prevent emergencies.*

The key goals of **Girteka Logistics** Health and Safety management are:

- *To provide a safe and healthy working environment for all our employees;*
- *To ensure that our drivers are safe on the road and are not involved in any accidents or unsafe situations;*
- *To provide a Health and Safety policy that includes everyone from top management to each single employee where we take care of each other, and provide transparent reporting on any incidents;*
- *To provide innovative and effective training and information to ensure that our Health and Safety policy is well know and adhered to.*



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GIRTEKA LOGISTICS STANDARDS

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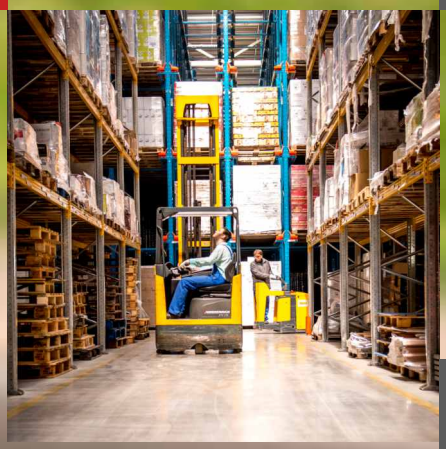
The **Girteka Logistics** standards are founded on internationally acknowledged United Nations (UN) and International Labor Organization (ILO) conventions and documents. Where national laws and regulations cover a topic that is dealt with in this Code of conduct, the higher standard shall apply.

1. Forced and Compulsory Labor

1.1 There is no forced, bonded or involuntary prison labour.
1.2 Workers shall not be required to lodge identity papers or similar deposits with the Company and are free to leave the Company after reasonable notice.

2. Freedom of Association and the Right to Collective Bargaining

2.1 Workers, without distinction, have the right to join workers trade union and to bargain collectively. The Company has no right to interfere with, obstruct the union or collective bargaining.
2.2 Workers' representatives are not discriminated and have access to carry out their representative functions in the workplace.



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GIRTEKA LOGISTICS STANDARDS

3. Child Labor

3.1 The minimum age for workers is not less than 16 and complies with:

- the national minimum age for employment, or;
- the age of completion of compulsory education,

whichever of these is higher. If local minimum is set at 14 years in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.

3.2 There shall not be recruitment of child labour defined as any work performed by a child younger than the age(s) specified above.

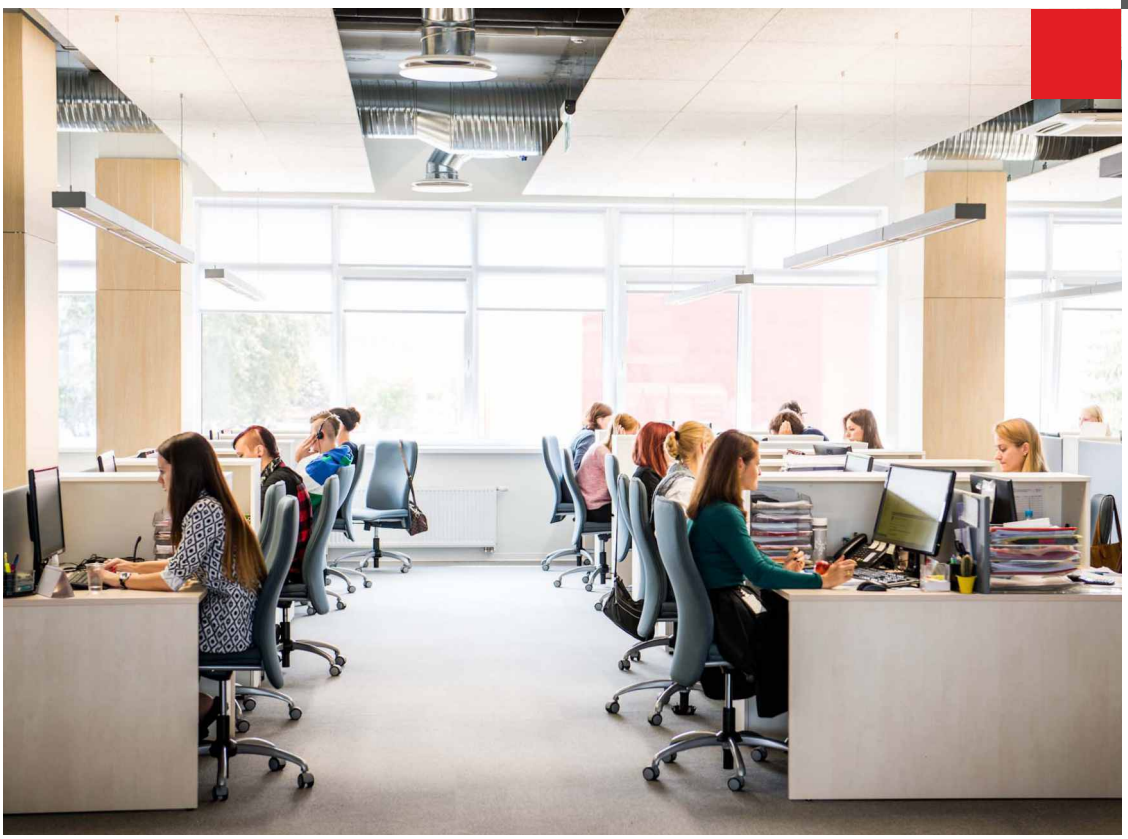
3.3 No person under the age of 18 shall be engaged in labour that is hazardous to their health, safety or morals, including night work.

4. Discrimination and Privacy

4.1 There is no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

4.2 Measures are established to protect workers from sexually intrusive, threatening, insulting or exploitative behaviour, and from discrimination or termination of employment on unjustifiable grounds, e.g. marriage, pregnancy, parenthood or HIV status.

4.3 **Girteka Logistics** is committed to respect the privacy of individuals, and will handle personal data responsibly and in compliance with applicable privacy laws.



GIRTEKA LOGISTICS STANDARDS

5. Harsh or Inhumane Treatment

5.1 Physical abuse or punishment, or threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited.

6. Regular Employment

6.1 Obligations to employees under international conventions, national law and regulations concerning regular employment are not avoided through the use of short term contracting (such as contract labour, casual labour or day labour), sub-contractors or other labour relationships.

6.2 All workers are entitled to a contract of employment in a language they understand.

6.3 The duration and content of apprenticeship programs are clearly defined.

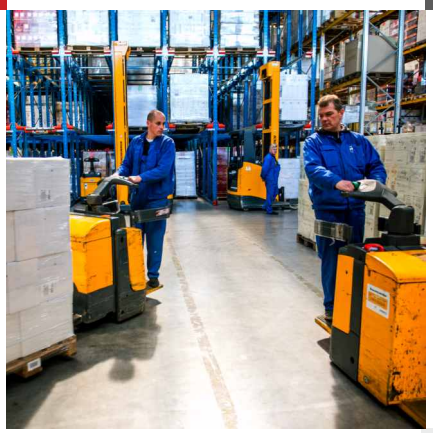
7. Health and Safety

7.1 The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps are taken to prevent accidents and injuries to health arising out of, associated with, or occurring in, the course of work, by minimizing, as far as is reasonably practicable, the causes of hazards inherent in the working environment.

7.2 Workers receive regular and documented health and safety training, and such training is repeated for new or reassigned workers.

7.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage are provided.

7.4 Girteka Logistics have a zero tolerance policy for alcohol in the work place. This is strictly enforced in all work places, including our trucks. We work with our employees and stakeholders to ensure that anyone with a alcohol or drug problem receives proper counselling or treatment. Alcohol, drugs or other controlled substances is prohibited in our premises, vehicles and while conducting business.



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GIRTEKA LOGISTICS STANDARDS

8. Wages

8.1 Wages and benefits paid for a standard working week as minimum meet national legal standards and / or industry benchmark standards. Wages should always be enough to meet basic needs, including some discretionary income.

8.2 All workers are provided with a written and comprehensible contract outlining their wage conditions and method of payments before entering employment.

8.3 Additional trainings, improving professional competencies, are provided within the Company.

8.4 Deduction from wage as a disciplinary measure shall not be permitted.

9. Working Hours

9.1 Working hours comply with national laws and benchmark industry standards, and not more than prevailing international standards.

9.2 Some specific working hours standards may occur for the specific professions (e.g., for truck drivers, warehouse workers), however these standards comply with the national laws and benchmark industry standards (on international level).

9.3 Workers are provided with fair days off in a 7 days period and vacations, as regulated by national law.

9.4 Overtime is limited and voluntary. Recommended maximum overtime is 12 hours per week. Exceptions to this are accepted when regulated by a collective bargaining agreement.

GIRTEKA LOGISTICS STANDARDS

10. Driving Time and Rest Periods

10.1 Maximum daily and fortnightly driving times, as well as daily and weekly minimum rest periods for all drivers at Girteka Logistics are regulated in accordance with the EU rules (Regulation (EC) 561/2006).

10.2 These rules establish that:

10.2.1 Daily driving period shall not exceed 9 hours, with an exemption of twice a week when it can be extended to 10 hours;

10.2.2 Total weekly driving time may not exceed 56 hours and the total fortnightly driving time may not exceed 90 hours;

10.2.3 Daily rest period shall be at least 11 hours. A driver may have at most three reduced daily rest periods between any two weekly rest periods. Daily rest can be split into 3 hours rest followed by 9 hour rest to make a total of 12 hours daily rest;

10.2.4 Weekly rest is 45 continuous hours, which can be reduced every second week to 24 hours;

10.2.5 Breaks of at least 45 minutes (separable into 15 minutes followed by 30 minutes) should be taken after 4 ½ hours at the latest.

10.3 The compliance with these provisions is subject to continuous monitoring and controls, which are carried out on the 'real-time' basis by transport operators and after the driver returns from the flight via checking tachograph records.

10.4 Where national laws regulate provisions on driving times, breaks and rest periods differently – the higher standards may apply.

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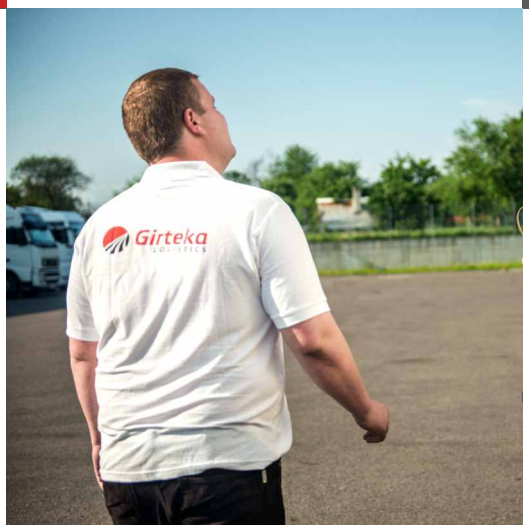


GIRTEKA LOGISTICS STANDARDS

11. Safe driving

11.1 Girteka Logistics will work proactive to secure that all drivers are educated and equipped for safe driving.

11.2 Company takes high attention to the driving skills, especially driving on bad or winter conditions. In this respect the company takes active part in the implementation of the safe truck driving programs, concluded by road authorities. All drivers that drive on winter conditions have been given education and guidance in line with the tool guide “Donna Diesel”.

12. Cabotage and International Driving

12.1 Girteka Logistics is strictly against traffic offences and constantly improves its systems to avoid them. International and national rules related to the topic are respected.

12.2 Company is committed to follow the internationally acknowledged rules of cabotage. Measures to avoid possible cabotage cases caused by 'human mistake' are implemented within the Company (including tracking systems, notifications and trainings).

13. Supply Chain Security

13.1 Combining traditional practices of supply chain management with the security requirements driven by threats such as terrorism, piracy, and theft, **Girteka Logistics** commits its efforts to ensure security throughout the whole supply chain.

13.2 Girteka Logistics cooperates with the border control and other official institutions to prevent illicit trafficking and brokering of material.

13.3 Main supply chain security activities include verification of participants in the supply chain as well as screening and validating the contents of cargo.

13.4 Girteka Logistics ensures the security of cargo while in-transit via the use of locks, GPS systems and alerts.

The duration and content of apprenticeship programs are clearly defined.

GIRTEKA LOGISTICS STANDARDS

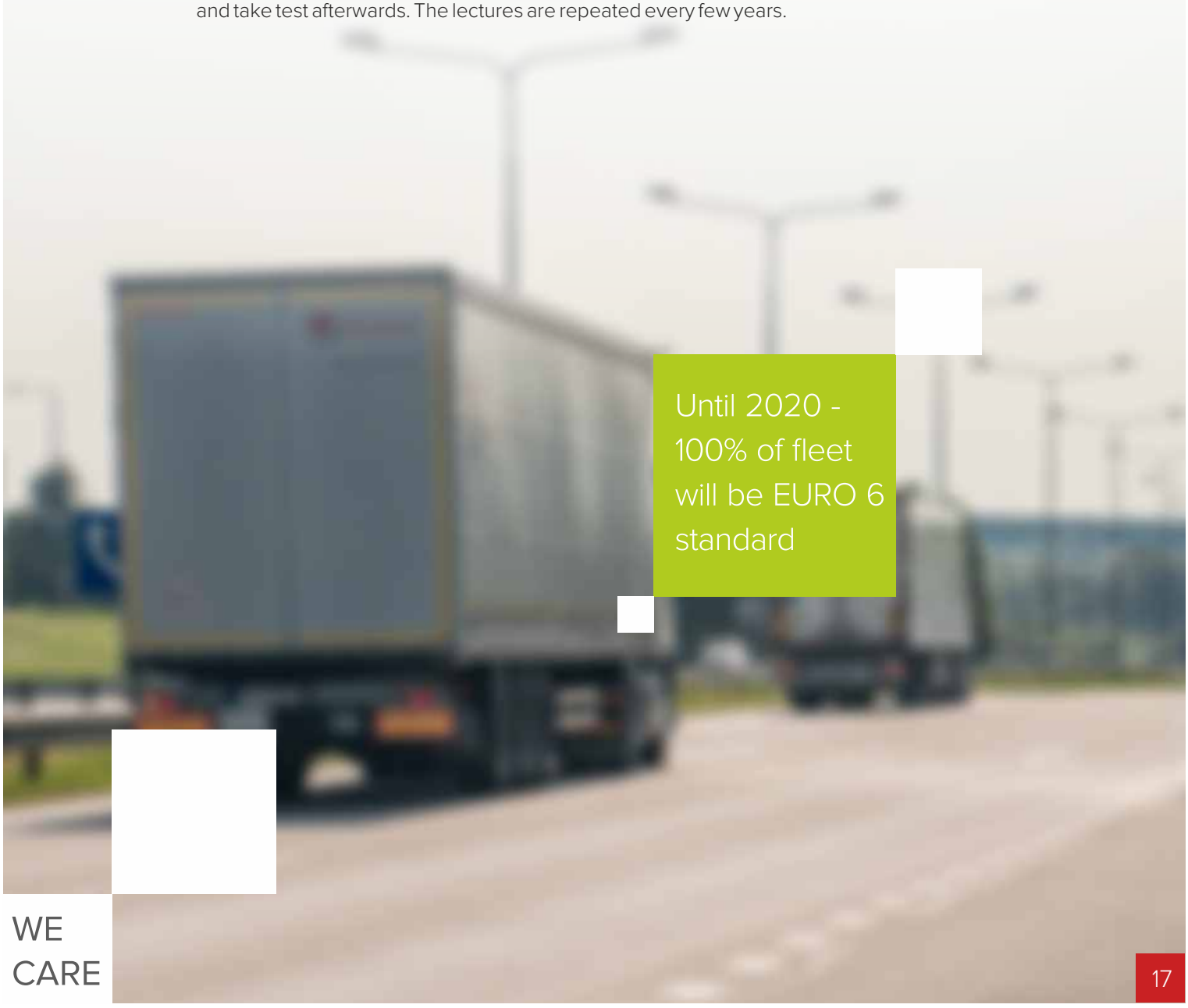
14. Environmental Commitment

14.1 Measures to minimize adverse impacts on human health and the environment are taken throughout the value chain. This includes minimizing pollution, promoting an efficient and sustainable use of resources, including energy and water, and minimizing greenhouse gas emissions caused by the transport. The local environment at the production site, warehouse or the garage shall not be exploited or degraded.

14.2 National and international environmental legislation and regulations are respected and relevant discharge permits obtained.

14.3 To lower the impact on environment, **Girteka Logistics** aims to use only new, EURO 5 and EURO 6 emission class, trucks and other eco-friendly equipment.

14.4 All drivers at **Girteka Logistics** must attend lectures about eco-driving and take test afterwards. The lectures are repeated every few years.



Until 2020 - 100% of fleet will be EURO 6 standard

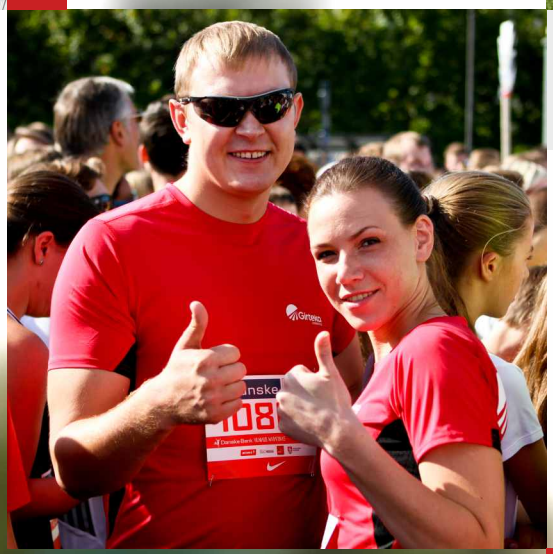
GIRTEKA LOGISTICS STANDARDS

15. Social Responsibility and Communities

15.1 **Girteka Logistics** aims to be an open, positive and supportive working community.

15.2 The workers are encouraged to participate in sport events as a part of the Company's team and also individually. Valuable discounts for sports clubs and other sports events are available.

15.3 The Company seeks to be part of the communities it operates in and provides support for various socially important events or organizations. Environmental causes, education and sports promotion causes are seen as the priority.



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GIRTEKA LOGISTICS STANDARDS

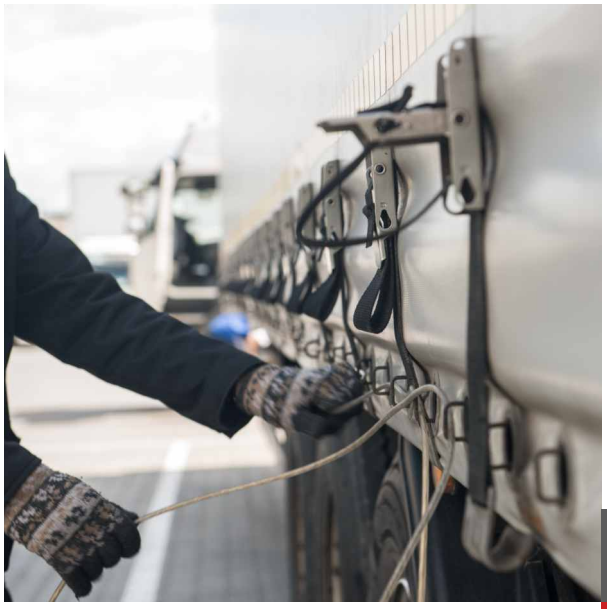
16. Corruption, Money Laundering Prevention and Compliance with Laws

16.1 Corruption in any form is not accepted, including bribery, extortion, kickbacks and improper private or professional benefits to customers, agents, contractors, suppliers or employees of any such party or government officials.

16.2 Girteka Logistics is committed to conduct business only with reputable customers and suppliers involved in legitimate business activities with funds derived from legitimate sources.

16.3 Girteka Logistics employees comply with applicable laws and regulations governing our business activities, worldwide. The Company respects regulations of Competition laws.

16.4 The confidence of information and business data is respected.



We believe that sustainable development is an aim for every business enterprise. If you have a concern about compliance with this **Code of Conduct**, please, notify us:

wecare@girteka.eu

WE CARE

We are ready to put a reasonable effort to change that. Confidentiality is respected: your identity and the information you provide will be shared only on a 'need-to-know' basis with those responsible for resolving the concern.

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