



TATRA TAKES YOU FURTHER

TATRA TRUCKS' Code of Ethics

This Code of Ethics is mandatory for all employees in either technical or worker professions, management of all companies as well as the management of the company and members of the Executive Board. Some of its contents are applicable to specific employee companies (e.g. sales specialists) or involve entities outside of TATRA TRUCKS (e.g. contractors and dealers) in the Czech Republic as well as abroad where TATRA TRUCKS is active.

TATRA TRUCKS requires its employees and partners to adhere to law as well as highest ethical standards based on honest actions, trust, transparency, openness, integrity and responsibility.

TATRA TRUCKS has joined Transparency International's anti-corruption program for the field of Defence technology and its employees are required to familiarize with requirements of this program and act in its spirit.

General responsibility for execution and operation of TATRA TRUCKS's anti-corruption program lies with the Executive Board. The program is managed by TATRA TRUCKS's HR Manager who is provided with direct access to the members of the Executive Board in order to secure its effectivity. He is also responsible for a continuous operation of ethical and anti-corruption agenda in the Company. Furthermore, he is tasked with assessment of the program's efficacy and implementation of suspected corruption formal solving process.

TATRA TRUCKS strictly forbids its employees to engage in any form of corruption. In case the corruption is confirmed, a compensation for the damage caused to the Company will be required. In most cases, the corruption will result in immediate termination of employment. In adherence with law, the case will be immediately reported to the Police of the Czech Republic with a possible outcome of a criminal prosecution.

TATRA TRUCKS forbids any behaviour involving a conflict of interests. Therefore, TATRA TRUCKS's employees must not participate in contractor and business relations with TATRA TRUCKS on the side of contractors or customers and must not have any personal profit from these relations coming from subjects other than TATRA TRUCKS. The risk of conflict of interests coming from e.g. involvement of family members or friends in companies that are either contractors or customers of the Company or their holding shares of these companies should be reported to TATRA TRUCKS's HR manager.

In case of a substantial suspicion of unethical or corrupt behaviour as well as behaviour violating the workplace safety or environmental protection or threatening TATRA TRUCKS's reputation, the employee or any other person who learns of such behaviour should report this behaviour by the means of the Company's Ethical Line. However, under no circumstances should there be reports that are malicious, not based on evidence or even fictitious with the intent of harming another person. In case of submitting such reports, the person who did so is fully responsible for their actions and they

may be sanctioned on the grounds of violating the trust and standard work relations in the Company. Such reports are themselves in conflict with the Code of Ethics.

Employees of TATRA TRUCKS, especially in sales and marketing departments, are obliged to familiarize external partners, e.g. dealers and contractors, with TATRA TRUCKS's anti-corruption program or at least those its parts which are applicable to external partners.

TATRA TRUCKS sales personnel and its dealers are obliged to take corruption risks into account while assessing business opportunities and negotiating individual contracts. The risks are defined predominantly by whether the customer is a private or public entity, what is the customer's country position in the global anti-corruption board of Transparency International and what is the means of submission of the contract (competition or direct submission).

TATRA TRUCKS sales personnel are obliged to verify by means of publicly available sources (media and internet), whether there are confirmed cases of corruption involving external partners of TATRA TRUCKS. They are furthermore required to take these factors into account while making business decisions, including the possibility of not establishing or terminating relations with partners who have a history of corruption.

TATRA TRUCKS is providing standard services for their partners in the context of building acceptable professional relationships including the possibility of covering the costs of accommodation during the partners' stay and extending gifts and courtesies. However, it is forbidden to provide a disproportionately luxurious accommodation, unethical and expensive entertainment or give gifts with a clearly unreasonable value. These actions are considered potentially corruptive in relation to TATRA TRUCKS partners. Similarly, managers and employees of TATRA TRUCKS member companies, especially in their sales departments, are forbidden to accept such inappropriate services or luxurious gifts. In case such offers are extended by a partner, the employee is required to report this to their superior.

At some foreign markets, the state employees are allowed to legally require facilitation payments. It is strictly forbidden for TATRA TRUCKS companies to provide these payments. The facilitation payments do not include business provisions for private sector partners, e.g. based on dealer agreements, licence agreements or sales representative contracts.

It is forbidden to provide sponsorship which is directly tied to any business opportunity in public or private sector. Similarly, this applies to support of political parties and movements. The purpose of TATRA TRUCKS's sponsoring activities is to support education (especially technical), sports, culture or non-profit organizations, mainly in regions where TATRA TRUCKS's companies reside.

The purpose of this Code of Ethics is not only to be applied by TATRA TRUCKS, but also to support the anti-corruption agenda and honest business principles in front of the public as well as in the business sector in the Czech Republic and abroad.

This Code of Ethics takes effect from January 1st, 2016.

Martin Bednarz
CEO TATRA TRUCKS