

Supplier's Code of Business Conduct
Joint Stock Company "Ukrainian Defense Industry"

INTRODUCTION

Establishing an environment of integrity and adherence to business ethics are integral components of our strategy for reforming state-owned enterprises, including state-owned enterprises that were part of the State Concern "UkrOboronProm" at the time of its termination, business companies in the defense industry (after this - UDI Enterprises), the basis of our corporate culture and priorities in all our business relationships with our suppliers. UDI and UDI Enterprises appreciate honest and productive cooperation with their Suppliers based on compliance with Ukrainian legislation and international standards.

In this Code, UDI and UDI Enterprises define the essential requirements and principles to be followed by Suppliers of goods, works, services, and other contractors involved in executing contracts (after this referred to as "Suppliers") concluded with the Company and UDI Enterprises. UDI and UDI Enterprises are committed to complying with the standards outlined in this Code and expect all Suppliers to comply with them. This Code is the basis for all contractual relationships. Therefore, all Suppliers shall adhere to the principles outlined in this Code, make reasonable efforts to implement these standards in their operations and require their direct suppliers to adhere to these principles.

Our suppliers are committed to the following requirements:

Scope	Requirements and principles
<u>Compliance with regulatory requirements</u>	1. Suppliers follow the laws, international acts, and standards applicable to them and their activities. 2. Suppliers shall comply with the established sanctions regimes and restrictions applicable in Ukraine and the European Union, the United States of America, the United Nations, the United Kingdom of Great Britain and Northern Ireland, other international organizations, or individual foreign states/groups of states. 3. Suppliers shall implement their internal management systems, control mechanisms, and standards to ensure compliance with the requirements of the law, applicable international acts, and this Code.

Ethics of business relations

1. Business relations are based on the principles of honesty. It is forbidden to make any payments, provide services, or offer gifts or other benefits to JSC UDI or UDI Enterprises employees to influence business cooperation.

Therefore, the employees of JSC UDI and UDI Enterprises shall not offer or provide any payments, gifts, or other benefits in favor of the Suppliers to influence the Supplier's performance of its obligations.

2. Suppliers shall ensure no conflict of interest during cooperation.

3. The Suppliers shall not directly or indirectly commit or take actions that have signs of legalization and laundering of the proceeds of crime, terrorist financing, fraud, corruption, or corruption-related offenses.

4. Suppliers recognize and adhere to the principles of free competition to establish, develop, and ensure trade and other fair competition practices in market conditions.

5. Suppliers shall not take actions or encourage the distortion, restriction of competition, or other actions that are the subject of unfair competition.

6. The Suppliers guarantee sufficient transparency and openness of their activities to business partners, including documentation, accounting, and reporting. Suppliers must provide access to such documentation and reports to audit their compliance with this Code if necessary.

<u>Labor conditions</u>	1. Harassment or discrimination of employees in any form is prohibited. 2. Suppliers shall not use child labor in the production process. They shall comply with the recommendations of the International Labor Organization Convention concerning the Minimum Age for Admission to Employment of Children in Industry. 3. Remuneration, compensation, and bonuses must comply with the established minimum wage and hours of work, including overtime. 4. It is prohibited to engage employees with whom the established procedure has not formalized labor relations to use slavery or any form of forced labor. 5. Suppliers are expected to guarantee the rights of employees to freedom of association as permitted by law and recognize their rights to collective bargaining. 6. Employees shall be provided with safe and healthy working conditions that meet the established legal requirements and industry standards. 7. Suppliers will treat employees with dignity and respect. They will not engage in or tolerate harassment based on gender, race, color, political, religious or other beliefs, ethnic, social or foreign origin, age, health status, disability, marital or property status, family responsibilities, place of residence, membership in a trade union or other public association, participation in a strike or any other protected characteristic.
<u>Environmental protection</u>	1. Suppliers comply with environmental protection regulations and meet all necessary national standards during their activities, obtain the necessary permits, and comply with the established restrictions. 2. All goods, works, and services meet the criteria for environmental protection, quality, and safety by the law and provisions of the contract and will be safe for their intended use.

<u>Export and import control</u>	1. Suppliers conduct business activities in compliance with export and import controls. 2. Suppliers shall ensure the availability of import/export licenses or permits if required by law. 3. Suppliers shall comply with the established sanctions and embargoes applicable to exports and imports. 4. Suppliers implement methods and processes to minimize the risks of supplying counterfeit (falsified) parts and materials. If such parts and/or materials are detected, the Supplier must immediately notify the recipient.
<u>Arms control</u>	1. Suppliers will comply with international arms control treaties, including those prohibiting and non-proliferation of weapons of mass destruction, nuclear weapons, biological and toxic weapons, and the prohibition of the production and use of chemical weapons. Avoid cooperation with entities that violate these international treaties. 2. Suppliers will establish appropriate controls and will not contribute to the Illegal proliferation of weapons of mass destruction, nuclear weapons, chemical, biological, and toxic weapons. 3. Suppliers will establish control mechanisms to prevent the use of production for military aggression and/or terrorism.

REPORTING VIOLATIONS

Suppliers, customers, and other stakeholders may report known violations of this Code through the following channels:

Hotline: 0 800 211 606

E-mail: antikor@ukroboronprom.com.