

## **BALTIC AUTOMOTIVE COMPONENTS CLUSTER CODE OF CONDUCT**

BALTIC AUTOMOTIVE COMPONENTS CLUSTER (BACC) is a non-profit organization, a reliable and recognized union, which involves enterprises working in automotive, agriculture and construction machinery industry, as well as education and science institutions and occupy an important role in the country. The members of the BACC community are expected to act responsibly, ethically and honourably. To this end, the members of the BACC have voluntarily agreed at the general meeting of members by a majority vote to adhere to the present BACC Business Code of Conduct all without exception.

### **1. GENERAL PROVISIONS**

BACC, its members, elected executives and administration shall conduct their activities in a fair and transparent manner and adhere to high ethical standards. Each new BACC member shall confirm its compliance therewith in their operations.

The principles of the Code of Conduct shall be observed in developing sustainable business relations with other Lithuanian and foreign organisations, potential new members, public authorities, partners, general public, and future employees of companies and administration. The organisations cooperating and developing dialogue with BACC are expected to adhere to the same standards.

### **2. VALUE-BASED PRINCIPLES OF CONDUCT**

BACC members shall adhere to the following core values in their professional activities:

- 2.1. Transparent and equal representation of the interests of BACC members**
- 2.2. Respect for public and private interests**
- 2.3. Integrity, compliance with the law and prevention of corruption**
- 2.4. Ethical competition and business solidarity**
- 2.5. Human rights**
- 2.6. Sustainability and preservation of the environment**
- 2.7. Ethical communication**
- 2.8. Reputation and confidentiality**

#### **2.1. Transparent and equal representation of the interests of BACC members**

2.1.1. When representing BACC members in the state and other institutions and international organisations, the BACC administration and elected executives shall not defend the interests of only one/several companies or their personal business interests without first coordinating the position with the entire BACC Board.

2.1.2. All issues of representation/positions of members shall be coordinated with the BACC Board. In the absence of an agreement on a particular issue and without a clear definition of BACC's position, it shall not be deemed reasonable and appropriate to present one's position on behalf of BACC, and represent any company or organisation.

#### **2.2. Respect for public and private interests**

2.2.1. The participation/representation conducted by the members of the BACC administration and the Board in publication and presentation of initiatives, activities and projects shall be impartial, and public and private interests shall not in any way be confused. The persons in the BACC Board and the BACC members who have a private, direct interest in certain projects, initiatives or activities, shall refrain from taking decisions related to them and casting votes at the BACC Board meetings or general meetings.

2.2.2. The members of the BACC Board shall not use the power and influence granted by BACC's name to gain benefits and advantages for private businesses. This restriction shall not apply to situations where the interests of the sector as a whole are affected.

#### **2.3. Integrity, compliance with the law and prevention of corruption**

2.3.1. BACC members shall dissociate themselves and strongly condemn corruption, bribery and other activities prejudicial to the Constitution of the Republic of Lithuania, laws, other legal acts, court rulings, regulations of the state and municipal institutions and authorities, the BACC statutes and the provisions of this Code.

#### **2.4. Ethical competition and business solidarity**

2.4.1. All BACC members are equal, regardless of the size, position and available resources of the company they represent.

2.4.2. BACC supports vigorous, legal and ethical competition, and therefore, shall comply with all applicable competition laws in all its activities. The BACC community shall not tolerate any violations of competition laws.

#### **2.5. Human rights**

2.5.1. The BACC members shall respect the society as a whole, as well as every citizen, his/her rights and freedoms, and shall advocate and create safe working conditions for the company employees.

2.5.2. The BACC community shall unequivocally support the enforcement and protection of human rights, in accordance with the [European Convention for the Protection of Human Rights and Fundamental Freedoms](#) and all the principles set out therein: human rights must be respected; discrimination on the grounds of racial or ethnic origin, gender, nationality, language, religious beliefs, property or social status, etc., shall be prohibited; the right to privacy must be recognised; the right to fair remuneration for work, statutory working time and working conditions shall be recognised.

#### **2.6. Sustainability and preservation of the environment**

2.6.1. In carrying out their activities, the BACC members shall strive for sustainability and ensure a balance between preserving the environment, meeting the society's needs and business development.

2.6.2. BACC members shall comply with the environmental laws and other standard documents; ensure rational use of material and energy resources, and contribute to the development of a sustainable and green economy.

#### **2.7. Ethical communication**

2.7.1. The BACC members shall act by harmonising the interests of the members of the association and the public in such a way that the relationship between all stakeholders is sustainable and long-lasting. The BACC members shall communicate according to the standards of ethics with different stakeholders: customers, business partners, competitors, shareholders, state institutions, media and communities.

2.7.2. BACC shall be open to the public, media and other stakeholders, and shall communicate in a transparent manner without exceed the established confidentiality.

#### **2.8. Reputation and confidentiality**

2.8.1. BACC's reputation is its great asset. BACC is a sector-wide brand that is used consistently in accordance with the visual brand guidelines and in contexts non-damaging to the reputation. The BACC members shall not use the BACC brand for illegal, misleading or deceptive activities and initiatives, follow the rules of use of the brand published on BACC's website.

2.8.2. The L BACC members shall protect confidentiality of information published by the association and its members. The BACCbacc members shall not use confidential information pertaining to other companies that has come to their knowledge from other sources.

### **3. FINAL PROVISIONS**

3.1. By becoming a member of BACC, the organisations (manufacturing and service companies, and educational institutions) shall familiarise with these guidelines and, by paying an annual membership fee and being a member of BACC, they confirm that they shall comply with this code (or an equivalent code adopted in their company) in their activities.

3.2. In cases where any professional conduct is not regulated by legislation or this Code, the BACC members shall adhere to the traditions established in business practice, observing the principles of honesty, reasonableness and justice.

3.3. The BACC Code of Conduct shall be published on BACC's website at [www.bacc.it](http://www.bacc.it), and shall be publicly available to all individuals and organisations.

3.4. The BACC Code of Conduct shall be approved, amended or supplemented by the BACC Board or general meeting of members.