

The Modern Slavery Act (The Act) came in force on 29th October 2015, and requires that the companies which are involved in business on the territory of the United Kingdom, supply goods, provide services and have the annual turnover 36 000 000 GBP and more, need to share the information regarding its steps for excluding slavery and trafficking from their supply chain, as well as from its own structure during the previous financial year.

TELSGROUP is publishing the present statement about the Modern Slavery Act for the financial year finished 31.03.2021 on its web-site on behalf of T.E.L.S. Transeuropean Logistic Services Limited www.telsgroup.com

THE MODERN SLAVERY ACT STATEMENT (MSA).

TELSGROUP is aiming the highest ethical standards. To achieve this requirement TELSGROUP developed the control systems/programms, which monitor and guarantee that slavery and trafficking is not the part of supply chain. Our company has a zero-tolerance approach to modern slavery. Modern slavery is a crime and a violation of fundamental human rights. The Company recognizes this takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

TELSGROUP doesn't use forced labor (labor at risk of punishment or confiscation of personal belongings), slave labor, as well as labor of prisoners.

BUSINESS AND STRUCTURE

TELSGROUP has been operating in the international freight-forwarding market since 2001.

- Present-day TELS consists of 11 offices within EACU, the Ukraine, Western and Central Europe. Daily over 1000 highly qualified specialists solve complex logistics problems.
- TELS provides road, railway, air, sea and multimodal transportation for transnational industrial and trade companies.
- TELS handles transportation of the following cargo types: groupage and full truck loads; dangerous cargoes (ADR); valuable cargoes; perishable cargoes and cargoes requiring special temperature conditions. Moreover, TELS provides transportation of oversized, heavy-weight and project cargoes.
- TELS offers additional services involving calculation of transport schemes based on cost optimization, warehousing, assistance in customs clearance and cargo insurance.
- TELS services meet the requirements of ISO 9001:2015 and ISO 14001:2015 quality standards.

· 2 500 000 EURO per every insurance accident is the limit of TELS responsibility insurance proved by TTClub, UK.

· TELS group of companies includes a transport company with a modern fleet of vehicles. All the vehicles comply with the environmental standards, are equipped with satellite navigation systems and additional cargo securing systems. TELS's fleet is approved for dangerous goods transportation.

VALUES AND TRAINING

TELS is aiming to provide high-quality, on-time freight-forwarding services and constantly sharing its principles with its Customers and Subcontractors.

Our main principles and standards are:

Customer focus, partnership, reliability, effectiveness, quality.

One of the main principles is the social responsibility.

Main standards of TELSGROUP interaction with its Customers, service providers, subcontractors, other business partners as well as in between the employees are documented in **TELSGROUP Standards Handbook**. These standards are based on respect and ethical behavior.

These standards are the basis of every decision made in TELSGROUP.

TELSGROUP provides training for the Employees and one of the courses is TELSGROUP Standards Handbook. Honesty, transparency and respect of the law are the highlights of the training course.

Every employee has a right for terminating employment after agreed notice without applying any penalties. TELSGROUP respects working hours schedule.

SUPPLY CHAIN

TELSGROUP's Subcontractors and service providers are the residents of different countries. That is why TELSGROUP declares its values and ethical standards and shares them with all of its Partners.

TELSGROUP uses both internal and external recourses for checking the compliance of potential service providers and subcontractors to acknowledged sectoral standards. TELSGROUP developed and strictly follows the procedure of choice, checking and KPI analysis of its subcontractors.

In its contracts with service providers/subcontractors and other business partners TELSGROUP requires respecting of certain principles and standards. Except commercial part these contracts have a paragraph which require respecting the national and regional legislation of the country of registration where they operate. Including national legislation concerning trafficking, forced and slave labor and other kinds of slavery.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

We identify and assess the risk of potential slavery and human trafficking risk areas in our supply chains using a number of factors including the supplier's geographical location and the industry in which they operate. As part of our initiative to identify and mitigate the potential risk we assess all existing and new suppliers and have in place a supply chain compliance program, which consists of:

- requiring all staff to comply with the applicable provisions relating to modern slavery and to avoid any activity that might lead to, or suggest, a breach.
- requiring suppliers to agree to comply with the modern slavery act and that they will adhere to the principles relating to modern slavery before they are approved and included in or allowed to continue to be included in, our supply chain.
- requiring all new suppliers to agree to contractual obligations to avoid slavery and human trafficking and all existing contracts to include these contractual obligations at the next renewal or extension.
- encouraging all staff and third parties to raise any concerns about any issue or suspicion of modern slavery in any parts of the business or supply chains of any supplier tier at the earliest possible stage and to notify a manager, a senior point of contact and / or the legal department.
- establishing clear communications regarding and the company's zero-tolerance approach to modern slavery between all managers who are responsible for procurement of goods and / or services and all third parties during the procurement process and / or at the outset of each business relationship.
- protecting staff from victimization or retaliation if they raise concerns about slavery and human trafficking, even if raised in error.
- taking any allegation of potential slavery and human trafficking seriously and investigating any allegation diligently.

EFFICIENCY

TELSGROUP is holding audits of suppliers and service providers and in case of detecting problems works on improving actions together with the subcontractor/service provider and/or other business partners.

These audits include interviewing of employees of the subcontractor/service provider, industrial sites inspections, and documentary audit.

The results of the audit or discrepancies are prioritized depending on risks. If the critical problem occurred, TELSGROUP requests urgent answer/actions from the service provider /subcontractor. If service provider /subcontractor of any other business partner fails to eliminate the problem in a proper way, partnership terms are to be reconsidered or terminated if necessary.

TELSGROUP evaluates its monitoring program constantly, in order to be sure its effective and complies with all branch standards and legislation. TELSGROUP is confident that all efforts were efficient enough to prevent slavery and trafficking and to exclude it from its supply chain.

We will know the effectiveness of the steps that we are taking to ensure that slavery and / or human trafficking is not taking place within our business or supply chain if no reports are received from



employees, clients, candidates, members of the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

The present Statement is made according to the paragraph 54 of the Modern Slavery Act 2015 and is a Statement of TELSGROUP regarding slavery and trafficking for the year 2020.

London, Great Britain

Levin Igor, 31.03.2021 9 AM



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