



MVM Group Code of Conduct for Business Partners

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1. Purpose

As a defining player in the Hungarian energy industry and the main guarantor of the security of electricity and gas supply in Hungary, the MVM Group must meet strict moral requirements and exemplify the highest ethical standards.

The MVM Group can only operate successfully as a nationally and regionally dominant, integrated energy group if it sets the same high ethical standards for its partners as it does for its employees.

MVM Group operates according to the principles of integrity, strict compliance with the law and the requirements of its owners, and respect for the individual.

The MVM Group's legally compliant corporate governance system serves to foster trust and satisfaction on the part of both customers and business partners, as well as responsible social behaviour.

The MVM Group's business-partner operations and success are based on ambitious objectives, outstanding performance and fair business-partner behaviour in all circumstances, while ensuring observance of relevant legislation, internal regulations and professional and ethical principles. Therefore, the MVM Group expects its business partners to embrace this commitment and to learn about and follow the ethical and compliance principles of the MVM Group and apply them in their own value chain.

The provisions of the Code of Conduct for Business Partners are by their nature not a substitute for compliance with the law or with the provisions of the relevant contracts. In all cases, the stricter of the applicable standards are those that must be met. Conduct contrary to the standards set out in the Code of Conduct for Business Partners may result in liability, not only in cases of intent but also in cases of negligence.

The MVM Group's business partners are expected to take measures proportionate to the size, complexity and risk exposure of their organisations to ensure ethical operation and compliance. The MVM Group expects its partners to inform the MVM Group without delay of any information they become aware of relating to a possible violation of the MVM Group Code of Conduct for Business Partners and of the results of any internal procedure (self-audit) conducted on the basis of such suspicions.

2. General requirements

The MVM Group strives to ensure that its services comply with the highest quality standards at all times, and the MVM Group conducts all its activities in accordance with the applicable legal and regulatory requirements and its own strict internal quality standards, and expects the same from its business partners. The MVM Group's business partners must provide the highest level of quality and product or service safety that can be expected based on the definition of the product or service. They must deliver on their commitments on time, and provide real, reliable, accurate and clear information about their products and services to all their business partners.

The MVM Group is committed to the principle of zero tolerance with regard to corruption, and to ensuring the prohibition of anti-competitive agreements (in particular, cartels), respect for human rights and human dignity, equal treatment, health protection, data protection, data security and environmental protection, and therefore the MVM Group does not consider business partnerships with partners that materially breach these obligations to be sustainable.

If any information comes to light regarding a violation of the Code of Conduct for Business Partners, the partners of the MVM Group are obliged to co-operate with the MVM Group in clarifying the circumstances. In this context, the MVM Group expects partners to co-operate primarily in respect of the following:

- Disclosure: the business partner undertakes to notify the MVM Group without delay of any information it has received in connection with the violation of the Code of Conduct for Business Partners.
- Conducting of self-audits: the business partner undertakes to investigate any suspicions of a breach of the Code of Conduct for Business Partners by the business partner and to inform the MVM Group of the results of these internal investigations without delay.
- Co-operation: the business partner undertakes that if the MVM Group has any further questions or doubts in connection with the results of its own internal investigation, it will co-operate with the MVM Group in order to answer the questions or dispel the doubts (e.g. by filling in a questionnaire, making a declaration, providing a non-confidential version of the requested documents, etc.).
- Presentation of a certificate or declaration: e.g. a certificate of compliance, a declaration of compliance or data from a third-party source (certifier, data provider or public registry) proving compliance.

3. Our values

3.1. Respect for human rights

The MVM Group expects all its partners to respect the human rights of all stakeholders, and all partners of the MVM Group are required to refrain from business-partner practices that violate human rights and to exercise due diligence in making business-partner decisions, particularly with respect to their potential impact on the enjoyment of human rights.

Human rights cover a wide range of civil, political, economic, social and cultural rights, including the following, according to the United Nations (UN) and OECD¹ guidelines:

- the right to human dignity,
- the right to life,
- the right to personal freedom and security,
- the right to the highest attainable standard of health,
- the right to just and favourable working conditions, with a special focus on gender equality,
- the right to fair wages and decent living conditions,
- the right to an adequate standard of living,
- the right to form and join trade unions and the right to collective bargaining,
- the right to freedom from all forms of forced or compulsory labour, in particular the right to exemption from child labour,
- the right not to be discriminated against,
- the right to freedom of expression.

3.2. Fair employment practices

The MVM Group's business partners shall not tolerate forced, bonded or child labour in any form, or human trafficking in any form, and shall be committed to fair employment and remuneration practices that comply at least with applicable laws. The partners of the MVM Group shall ensure the right of their employees to rest and leisure, including a reasonable limitation of working time, in accordance with applicable law.

3.3. Health, safety and environmental protection

The business partners of the MVM Group shall at all times pay particular attention to the prevention of personal injury, environmental damage and hazards, and the reduction of health, safety and environmental risks, and shall conduct their activities in compliance with the relevant labour and environmental regulations and in such a way as to minimise environmental impact and health and safety risks.

The partners of the MVM Group shall be committed to taking into account the interests of the people living and working in the area directly affected by their activities, and to engaging in dialogue with community representatives wherever possible. The MVM Group considers as the affected community all natural persons who live or work regularly in the area directly affected by the MVM Group's activities. The MVM Group considers as a local community all natural persons who live or work regularly within a 5-kilometre radius of the area directly affected by the MVM Group's activities. In respect of our affected communities and local communities, given that the MVM Group is a Central European group of companies, and given the social, historical and geographical characteristics of the populations of this region, it does not make sense to speak of these communities as being indigenous peoples or as comprising an indigenous population.

3.4. Equal opportunity, equal treatment and non-discrimination

The MVM Group is committed to ensuring equal opportunities for all and encourages all its business partners to treat everyone equally in accordance with the principle of equal opportunity and in accordance with the applicable legal provisions. All partners of the MVM Group are expected to refrain from any conduct, measure, condition-setting, omission, instruction or practice that constitutes (directly or indirectly) discrimination or unlawful segregation, with a special focus on discrimination or unlawful segregation.

The MVM Group pays particular attention to the fact that its business partners may not discriminate against any person on the basis of any characteristic or situation such as, but not limited to, gender, marital status, age, ethnic origin, colour, religious or political beliefs, sexual orientation, or disability.

3.5. Human dignity, mutual respect, non-harassment

Business partners of the MVM Group are expected to follow the highest standards of conduct based on mutual respect, including respecting the human dignity of all in both verbal and written communications.

The MVM Group considers harassment, defamation and slander to be particularly serious violations of human dignity.

The business partners of the MVM Group and their representatives must refrain from any form of harassment, in particular from intimidating, hostile, humiliating or degrading behaviour or behaviour that could create such an environment.

3.6. Fair trade and competition

The MVM Group is committed to fair market conduct and expects its business partners to conduct their activities in accordance with fair competition standards and in compliance with the applicable laws and the spirit of such laws. Business partners of the MVM Group are obliged to keep all business partner data confidential in accordance with the applicable confidentiality agreement. Business partners must take appropriate security measures to ensure the confidentiality, integrity and availability of data to authorised persons. In particular, the MVM Group expects its business partners not to enter into any agreement or concerted practice with any member of the MVM Group or with any other person that restricts, prevents or distorts competition.

¹ Organisation for Economic Co-operation and Development

Furthermore, the MVM Group expects its business partners who provide services to consumers to behave in accordance with all consumer protection provisions applicable to them, to conduct their activities in accordance with the spirit and principles of these consumer protection rules and to respect the rights and interests of consumers at all times and to refrain from infringing upon or prejudicing them.

3.7. Reputation protection

The business partners of the MVM Group shall endeavour to protect the reputation of the MVM Group during the existence of the business partnership between the parties and after its termination. The business partners may not, therefore, engage in any conduct, whether directly or indirectly, that could damage or jeopardise the reputation of the MVM Group, whether in the context of their economic activities or not, whether in public or in a more restricted circle.

Furthermore, the MVM Group calls on all its business partners to ensure that the requirements set out in this section are also observed by all employees of the business partner and other third parties (e.g. subcontractors, business partners, suppliers) who have a contractual relationship with the business partner.

3.8. Sanctions policy, compliance with export and import regulations

The MVM Group is committed to respecting international sanctions and expects the same from its business partners. All business partners of the MVM Group are expected to comply with applicable import and export regulations, to exercise due diligence when entering into contracts with third parties and to bring to the attention of the MVM Group any information that could give rise to a risk of sanctions violations in connection with the business-partner relationship with the MVM Group, based on the object of a transaction, the place of performance, the direction of the transfer of goods or services, the nature of the goods or services, the currency of settlement of a transaction, the parties involved (including their owners up to the beneficial owner, and their senior officers, as well as any intermediaries and financial service providers employed) or any other circumstances.

No payments or assets from the MVM Group may be used by business partners for any unlawful purposes, including supporting the creation or operation of private armies or militias.

3.9. Prohibition of corruption and bribery

The MVM Group does not tolerate any form of corruption (including bribery, backhanders to officials, kickbacks, extortion, influence peddling, abuse of power for personal gain, undue advantages and gifts with the intention to influence) in the competitive (private) sector, or in the public or municipal sector (public sector), and expects the same from its business partners. The MVM Group asks its business partners to regulate and exercise their conduct relating to public policy relations and lobbying activities in line with this requirement. The MVM Group strictly prohibits any person acting in its name, on its behalf or in any way in its supposed interest from offering, giving, soliciting, accepting or receiving any undue advantage. No payments or assets from the MVM Group may be used by business partners for any form of undue influence.

The MVM Group acts transparently and without undue influence in the selection of its partners, and business partners are expected to act in accordance with these principles in their relations with the MVM Group, especially in respect of business gifts and invitations, and to refrain from any conduct that could create even the appearance of undue influence.

The MVM Group expects its business partners to take the necessary preventive steps to manage corruption risks (e.g. training, advice, preparation of information materials, development of appropriate internal regulations).

3.10. Fight against fraud and money laundering

The MVM Group's business partners are expected to act in good faith, in compliance with the applicable rules and regulations, and to support the fight against fraud and avoid fraudulent business-partner practices.

The MVM Group's business partners are expected never to engage in any business that supports, uses or conceals the origin of criminal assets or finances terrorism, to comply with and apply the anti-money laundering rules applicable to them, and to know their business partners (Know Your Business – KYB). Furthermore, the MVM Group expects all its business partners to take reasonable and appropriate measures, commensurate with the size of their organisation, the resources available to them and their risk exposure, to identify their business partners and assess their integrity.

3.11. Prohibition of insider trading and market manipulation

The business partners of the MVM Group are obliged to keep confidential and safeguard information that may be considered inside information about the MVM Group's member companies, and to comply with the regulations on the prohibition and prevention of insider trading, such as not using inside information unlawfully, not disclosing it without authorisation and not sharing it with unauthorised persons. Business partners must never spread false market information or rumours that could affect financial instruments, in particular securities issued by member companies of the MVM Group.

3.12. Genuine records, accounts and business process integrity

The business partners of the MVM Group are obliged to maintain their financial (accounting) and non-financial records and to prepare their reports and accounts honestly, accurately and objectively, and to conduct their accounting practices in a lawful, ethical and fair manner. Any falsification of records or misrepresentation of facts cannot be justified or accepted.

3.13. Avoiding conflicts of interest

The MVM Group's business partners are expected to avoid any situation which, in connection with the performance or maintenance of an agreement or business partnership with a member of the MVM Group, could give rise to a conflict of interest, create the appearance of a conflict of interest or otherwise jeopardise the legitimate economic interests of the MVM Group. In particular, the MVM Group expects its business partners not to enter into any relationship with employees of MVM Group member companies or other third parties that could jeopardise the legitimate economic interests of the MVM Group, create a conflict of interest or give the appearance of influencing business decisions. The partners of the MVM Group are expected to avoid and disclose any situation that could give rise to a conflict of interest or the appearance of a conflict of interest in relation to a position held in the MVM Group. A conflict of interest is a situation where business, financial, family, political or personal interests may interfere with the judgement, discharge of duties, performance or decision-making of persons fulfilling obligations to the organisation stemming from an employment or other work-related relationship. MVM Group considers situations where a conflict of interest exists or arises between workplace and private interests that could have a negative impact on business and workplace decision-making, performance and the exercise of interests to be a conflict of interest.

3.14. Protection of trade secrets and intellectual property

The business partners of the MVM Group shall treat and preserve as trade secrets any data and information that they become aware of in the course of their activities, relating to the MVM Group, its member companies and third parties, their commercial relations, transactions, operations, financial situation, investments, negotiations, economic performance and plans, business, customers, clients, suppliers, related documentation, data carriers, solutions, facts, data, knowledge, ideas, concepts and other information created and collected in the course of their activities, and shall not use, disclose, publish or make available such data and information for their own or third parties' benefit, except to persons designated by the authorised person.

Furthermore, business partners shall not disclose to any unauthorised person any information that has come to their knowledge in the context of their relationship with the MVM Group and the performance of their activities, the disclosure of which would have an adverse effect on the MVM Group or third parties, or which the MVM Group has designated as confidential or the confidentiality of which the partner should have recognised.

The MVM Group expects all its business partners, after the termination of the business relationship or contract between a member company of the MVM Group and the business partner, to keep confidential information and trade secrets that have come to their knowledge in connection with the performance of the contract confidential without time limitation, and to destroy without delay the data carriers containing confidential information and trade secrets, or to return them to the member of the MVM Group, as agreed by the parties.

3.15. Protection of corporate assets

The MVM Group's business partners shall be responsible for the integrity, and the proper, economical and efficient use, of the MVM Group's assets and resources that have been entrusted to them or to which they have access, and shall use the MVM Group's assets and resources only for legitimate and approved business purposes.

3.16. Data protection and data security

The business partners of the MVM Group must respect the privacy of others and are responsible for complying with the laws on the protection of personal data; in particular, they must collect and process personal data only for lawful purposes, and only for the time necessary to achieve the purposes for which they are processed, and must provide information to the data subjects as required by the applicable laws.

Furthermore, the MVM Group expects all its business partners to act in accordance with the terms of the contract they have concluded with the MVM Group or one of its members in connection with the processing of personal data. The MVM Group's business partners must take appropriate security measures to ensure the confidentiality, integrity and availability of data to authorised persons.

3.17. Opportunity to report abuses (whistleblowing)

The MVM Group considers it good practice for its business partners to provide their employees, business partners, consumers, end-users or any other persons that come into contact with them with an opportunity to report any problems or abuses they may have experienced to the business partner so that these can be detected and investigated. The opportunity that is afforded to report abuses should take into account domestic laws and best practices.