



HungaroControl

Magyar Légiforgalmi Szolgálat Zrt.

CODE OF ETHICS

OF

HUNGAROCONTROL HUNGARIAN AIR NAVIGATION SERVICES PRIVATE LIMITED COMPANY

(5th edition)

Issued: 15 December 2023

1. Introductory Provisions

- 1.1. The Chief Executive Officer of HungaroControl Hungarian Air Navigation Services Private Limited Company (hereinafter as: HungaroControl Pte. Ltd. Co. or the Company), based on the provisions of Government Regulation no. 339/2019 (XII. 23.) on the internal control system of publicly owned companies (hereinafter as: Government Regulation), and taking into account the shareholder and business interests, defines the ethical principles and expectations of HungaroControl Pte. Ltd. Co. in this Policy, to ensure the ethical operation of the Company.
- 1.2. The purpose of this Policy is to make known the values and ethical principles generally expected by HungaroControl Pte. Ltd. Co. and to support the identification and prevention of ethical risks and conflicts of interest; to maintain an integrity-oriented organisational culture based on transparent and clear values.
- 1.3. The scope of this Policy applies to all employees of HungaroControl Pte. Ltd. Co., to temporary and hired employees of the Company (hereinafter collectively referred to as: employee) and, where applicable, to its business partners having a contractual relationship with the Company.

2. General provisions

- 2.1. In order to achieve the objectives set out in the Government Regulation and in this Code, HungaroControl Pte. Ltd. Co. sets out its ethical principles and expectations in the Code of Ethics annexed to this Policy, and identifies the main types of potential conflicts of interest and provides guidance on how to deal with them. The Code of Ethics does not seek to identify all ethical behaviour and conflicts of interest, but it does provide support in identifying the ethical problems and conflicts of interest that are most prominent, and in raising awareness of the risks and consequences of their occurrence.
- 2.2. In addition to complying with the currently effective laws and internal regulations, HungaroControl Pte. Ltd. Co. embraces the moral principles and values set out in the Code of Ethics as part of its organisational culture, makes their observance mandatory for its employees, and expects and recommends them to its business partners as well.
- 2.3. HungaroControl Pte. Ltd. Co. publishes on its website its Code of Ethics, which is an annex to this Policy, containing rules of conduct that protect the public interest or overriding private interests, in order to make known and promote the application of ethical principles and values, as well as ethical standards and provisions.
- 2.4. HungaroControl Pte. Ltd. Co., or an external service provider (whistleblower protection lawyer) commissioned by it, will conduct the investigation specified in the Policy of HungaroControl Pte. Ltd. Co. titled "Policy on handling and investigating conflicts of interest and incidents that compromise organisational integrity" (hereinafter as: ITSZ) against persons who violate the ethical principles and/or ethical standards and requirements, and as specified therein, HungaroControl Pte. Ltd. Co. shall publish on its website information on its procedures for the notification of incidents of breaches of organisational integrity, and on the data processing actions and activities carried out in the course of the investigation of the notification, the initiation and implementation of the related measures, and the monitoring and recording of the measures.
- 2.5. On the basis of the (prospective) employees' declarations, HungaroControl Pte. Ltd. Co. will investigate any conflicts of interest or incompatibility of interest brought to the Company's attention in accordance with the provisions of the ITSZ, the internal regulations on the performance of certain

tasks related to the establishment, maintenance and termination of employment relationships and other internal regulations on the conflict of interest related declarations, and will take the necessary preventive or reactive measures (e.g. discharge procedure) to manage the risks arising from the conflict of interest.

2.6. The Legal and Compliance Directorate (hereinafter referred to as: JMFI) shall review the provisions of the Code of Ethics as necessary, but at least annually, and, if justified, it shall make a proposal for their amendment to the CEO.

2.7. Anyone with questions about the interpretation of the standards set out in the Code of Ethics can contact the Legal Team (hereinafter as: the Legal Team) at etikai.helpdesk@hungarocontrol.hu.

2.8. Information on the current operation of the whistleblowing system, the notification procedure and the processing of personal data is available on the Company's website.

2.9. In relation to the Code of Ethics and the related internal regulations, the Legal Team provides training to the Company's employees on the relevant conflicts of interest, including examples of each one.

3. Closing provision

This Policy shall enter into force on 28 December 2023 and simultaneously, the 4th edition of the Policy on the Code of Ethics is repealed.

Annex: Code of Ethics

László Tóth
Chief Executive Officer

I. ORGANISATIONAL VALUES

The Code of Ethics is based on the values that are in line with the objectives and specific role of HungaroControl Pte. Ltd. Co., which fundamentally orient the internal organisational culture and operations of HungaroControl Pte. Ltd. Co. and reflect its image of itself and its image towards the outside world.

HungaroControl Pte. Ltd. Co. is a respected player in its industry both domestically and internationally, and its success is based on the work of its dedicated employees, who are expected not only to deliver outstanding performance, but also to be able to adapt to the constantly changing circumstances.

The core organisational values of HungaroControl Pte. Ltd. Co. are as follows:

- 1. People-centeredness**
- 2. Professionalism**
- 3. Outcome orientation**

The other organisational values of HungaroControl Pte. Ltd. Co. are as follows:

1. Honesty

Self-esteem and social values are based on honesty and integrity. As a consequence, HungaroControl Pte. Ltd. Co. expects all its employees to comply with professional and ethical standards, to maintain a decent lifestyle, conduct and honesty, to conscientiously perform their professional duties and to strengthen their sense of duty.

2. Irreproachability

HungaroControl Pte. Ltd. Co. does not tolerate any form of corruption, fraud or bribery in the field of moral integrity, and expects all its employees to act impartially, with an exemplary attitude, free from unauthorised external influence, and solely according to professional criteria in the performance of their duties.

3. Protecting dignity and reputation

A successful and long-term business and employee relationship that serves the interests of all parties involved, and the creation and maintenance of a lasting positive image, is based on trust and mutual respect.

HungaroControl Pte. Ltd. Co. attaches the utmost importance to preserving its business reputation and prestige, and to refraining from any conduct, including in particular public appearances, that could harm the interests of the Company or the N7 Holding Group.

Employees must demonstrate a behaviour both inside and outside the workplace that conveys dignity, reliability and authority, and enhances the esteem of HungaroControl Pte. Ltd. Co. and the

N7 Holding Group. All employees must respect and, where necessary, defend the dignity of others. Employees must maintain their personal dignity and integrity in their private lives in order to remain worthy of the trust of the Company and the N7 Holding Group, thereby maintaining the good reputation of HungaroControl Pte. Ltd. Co. and the N7 Holding Group.

4. Cooperation

Cooperation and its adaptive readiness to achieve common goals and to perform professional tasks, a mutually supportive, proactive approach and attitude, the implementation of creative forms of behaviour, the exploitation of synergy opportunities both between the member companies of N7 Holding and at the individual level of HungaroControl Pte. Ltd. Co. staff are fundamental expectations. Efforts should also be made to create and strengthen small and large workplace community(ies) at the holding level and within the Company to increase work efficiency.

5. Maintaining integrity

In the course of establishment of its system of governance and operational processes, the development of the supporting organisational ethical standards, culture and behavioural patterns, and the harmonisation of activities aimed to develop them, HungaroControl Pte. Ltd. Co. pays particular attention to ensure the establishment of a regular operating environment, to ensure operations in compliance with the relevant legislation, internal regulations, and the principles, objectives and values of the holding company, and in this context to establish a whistleblowing system. The Company has established and has been operating a whistleblowing system in accordance with the legal requirements.

In the event of an incident that compromises organisational integrity, in particular in the event of external or internal abuse or irregularities, HungaroControl Pte. Ltd. Co. expects immediate action and measures to restore lawful operations. The Company will take appropriate action in the event any retaliation is made against an employee, regardless of his or her position in the Company, who truthfully and in good faith reports a possible breach of integrity.

6. Transparency

In accordance with the applicable legislation, HungaroControl Pte. Ltd. Co. is obliged to ensure transparency in its operations, and at the same time to provide the public with access to data of public interest and to data accessible on public interest grounds.

The internal functioning of the Company must be designed in such a way as to ensure the transparency, documentation, traceability and auditability of professional activities and decisions, both vis-à-vis the owner and external and internal control bodies.

HungaroControl Pte. Ltd. Co. is obliged to ensure the confidentiality and secrecy of the data and information to be protected under the applicable legislation, including, in addition to business secrets, data that is not public for reasons of national security, defence and business.

7. Flight safety

Flight safety is a vital requirement of the aviation industry, a defining feature of the services provided to the clients and customers and the cornerstone of the values of HungaroControl Pte. Ltd. Co.

a) Priority: Think Safety first

The most important element of the air navigation service provided by HungaroControl Pte. Ltd. Co. is to ensure the safe and uninterrupted capacity of the airspace and the safe flow of air traffic.

It is an important principle that in the operation of the Company, no compromise should be allowed which would in the slightest degree compromise flight safety.

b) A strategic mission for the common good

For HungaroControl Pte. Ltd. Co., ensuring flight safety is a strategic activity, as maintaining the safety and continuity of air traffic is an elementary public need that satisfies a fundamental societal need and represents value.

The strategic goal of HungaroControl Pte. Ltd. Co. is to become one of Europe's service providers having the best safety record, demonstrating the Company's high professional standards and creating opportunities for further development.

c) Safety awareness is a shared responsibility

Maintaining the safety of flights is a shared success of the Company's employees. The level of safety culture and flight safety awareness depends largely on the attitude of the employees. Therefore, HungaroControl Pte. Ltd. Co. strives to ensure that its employees perform their duties responsibly and to the best of their knowledge. Aviation-safety centered thinking is an essential prerequisite for this.

In order to maintain and improve its flight safety performance level, HungaroControl Pte. Ltd. Co. operates an integrated flight safety and quality management system for the whole Company and promotes the development of a positive flight safety culture; the systematic reinforcement of a sense of responsibility based on flight safety values.

d) Sharing of safety related information

HungaroControl Pte. Ltd. Co.'s culture of sharing flight safety information is well supported by the Just Culture environment, which serves to collect information on actual operations.

It is important that employees report even the slightest deviation detrimental to flight safety in a timely manner, as HungaroControl Pte. Ltd. Co. does not consider any deviation detrimental to flight safety to be acceptable. The Company will continuously collect and assess data on its flight safety and quality performance, informing stakeholders as necessary, so that they can implement effective preventive or corrective measures to minimise risks or avoid recurrence of deviations that have occurred.

II. ETHICAL PRINCIPLES

1. In the internal relations of the Company

A) *Respect for the staff*

HungaroControl strives to recruit and retain well-trained and dedicated staff, to this end, to provide them with a high level of financial and moral reward commensurate with their performance, to ensure their continuous professional development and to support their career advancement. The Company strives to ensure high quality working conditions.

HungaroControl Pte. Ltd. Co. provides its employees with the material conditions (means and equipment) required for goal-oriented and effective work, which it develops and modernises as far as possible.

HungaroControl Pte. Ltd. Co. creates a healthy, safe and purposeful working environment for its employees, where it aims to provide space for social life and the individual needs of employees; it provides the conditions for civilised meals, health care, continuous professional training and regeneration.

B) *Partnership – principle of equal treatment, non-discrimination*

HungaroControl strives to establish honest and two-way communication with its employees, rejects all forms of direct and indirect discrimination and takes firm action against them.

No direct or indirect discrimination against employees is allowed or tolerated.

HungaroControl Pte. Ltd. Co. treats all employees equally.

HungaroControl Pte. Ltd. Co. has adopted an Equal Opportunities Plan and is acting in full compliance with its provisions.

HungaroControl Pte. Ltd. Co. is employing its employees in regular and lawful forms of employment and does not in any way condone unlawful employment, exploitation, forced or child labour.

As part of its anti-discrimination approach, HungaroControl Pte. Ltd. Co. has made all its workplaces accessible for people with physical disabilities.

C) *The key responsibility of managers*

Managers have a key role and responsibility in shaping and developing the organisational culture of the Company. Their behaviour serves as a model for both employees and partners of HungaroControl Pte. Ltd. Co. and their clear attitude towards ethical standards and rules of conduct is a guiding principle.

The attitude of senior managers determines the attitude of middle managers, and the latter has a profound influence on the behaviour of their subordinates.

The managers of the Company are responsible for

- setting a good example of ethical behaviour and compliance;
- communicating ethical standards to staff under their supervision;
- creating an open work environment that encourages employees to bring their questions and concerns to the attention of their manager, to report unethical behaviour to the designated staff member, and to make the necessary notifications;
- supporting at all times the achievement of the strategic and business objectives of the N7 Holding Group and HungaroControl Pte. Ltd. Co.;

- taking the necessary decisions in their area of responsibility within the time limits laid down, or taking the necessary initiatives to the competent body, and taking responsibility for their decisions;
- achieving an efficient, balanced and proportionate allocation of tasks, according to the skills and expertise of the staff.

The Company expects managers to be committed to developing a corporate and, within that, ethical culture, and to lead by example in creating and maintaining a harmonious and cooperative workplace atmosphere that fosters employee engagement, promotes a sense of belonging and fosters an appropriate work ethic aligned with objectives.

Managers are also expected to strive to create a workplace climate that condemns all forms of discrimination and to act confidentially and carefully in dealing with any complaints of discrimination.

Managers are also expected to pay particular attention to proactively managing conflicts of interest and averting their adverse consequences.

HungaroControl Pte. Ltd. Co. does not tolerate any form of abuse of management position, and the Company expects managers to exercise their decision-making powers responsibly and to take responsibility for their own decisions.

Managers are also expected to be consistent, realistic and fair in their work-related actions; to seek objective, constructive and fair appraisals when making their findings, to develop employees and to encourage better performance.

Managers not only give but also receive feedback in the course of their work, giving employees the opportunity for self-evaluation.

Managers have a responsibility to enforce the values set out in the Code of Ethics among those under their authority.

D) Protection of intellectual property

The intellectual assets of the N7 Holding Group and HungaroControl Pte. Ltd. Co. are an important tool for successful operations. The protection and enhancement of intellectual property and ensuring its use for the benefit of the N7 Holding Group and HungaroControl Pte. Ltd. Co. is the task and responsibility of all employees. Intellectual property may include, in particular, inventions, patents, trademarks, industrial designs, domain names, copyrights, scientific and technical knowledge, software, databases.

In the case of intellectual property created or acquired using the resources of HungaroControl Pte. Ltd. Co., it is necessary to ensure that it is owned by the Company to the greatest extent possible. The intellectual property of third parties must be respected at all times.

2. In the external relations of the Member Companies

A) Corporate social responsibility

HungaroControl Pte. Ltd. Co. considers it important to seek different forms of corporate social responsibility and to play an active role. The Company pays attention to the people living in its immediate environment, it participates in the daily life of the municipalities and local stakeholders

affected by its activities by establishing a continuous dialogue based on mutual trust, and it helps to solve their problems. At the regional level, special attention must be paid to the planned use of the job-creating effects of HungaroControl Pte. Ltd. Co.

B) Working in an environmentally and energy-conscious way

HungaroControl Pte. Ltd. Co. is committed to protecting the population, infrastructure and natural environment located in its immediate surroundings and in the region. In this context, minimising the potential negative environmental impacts of its activities is a key issue. To this end, it strives to be environmentally conscious in its professional activities, to take into account environmental aspects and to minimise its ecological footprint within reasonable limits.

The introduction of energy-conscious operating principles and the strict observance of and compliance with the principles of economy, economic efficiency and rationality in consumption and use are required.

HungaroControl Pte. Ltd. Co. expects its employees to support the Company's environmental objectives, to be environmentally conscious in their daily work, and to be mindful of environmental aspects and to minimise their ecological footprint within reasonable limits. Environmental consciousness and awareness must be understood in a broad sense, from the implementation of air navigation services, through the planning and execution of projects and procurements, to the smallest details of day-to-day operations, taking into account environmental considerations and avoiding wasteful use of energy and materials.

C) Liaising with external organisations

The N7 Holding Group is obliged to act in a responsible and professional manner, in compliance with the law, in a fair and transparent manner in its dealings with public authorities and in the administration of the different matters, and to facilitate and support the work of the authorities.

The Company expects all employees to pay particular attention to establishing, maintaining and improving appropriate standards of communication and relations with the Government, public authorities and owners.

HungaroControl Pte. Ltd. Co. performs regular and ad hoc data provision to N7 Holding within the specified deadlines and with the appropriate professional content.

The Company strives to develop reliable and transparent relationships with external stakeholders, including representatives and members of national and international professional organisations.

D) Working with business partners

When working with business partners, everyone involved is expected to act with mutual respect, fairness and impartiality. A fair and trust-based relationship should be sought, with a balance of services and remunerations, opportunities and risks.

If any member of staff becomes aware of, or perceives a high risk of, a business partner violating the law or failing to comply with the principles of ethical financial management or cooperation, he

or she should immediately report this to his or her supervisor in order to determine the necessary further action.

III. THE ETHICAL REQUIREMENTS EXPECTED OF EMPLOYEES

It is through the Company's employees and contracted partners that the Company guarantees that its efficient operation is in compliance with the set ethical principles, and therefore the Company attaches particular importance to ensuring that those concerned are aware of the Company's ethical principles in relation to work and out-of-hours conduct and the consequences of breaching the provisions of this Code of Ethics.

III.1. Preventing conflicts of interest, identifying and managing potential conflicts of interest

For the purposes of this Code of Ethics, a **conflict of interest** is defined as any direct or indirect influence of individual activities, personal relationships or interests on the employee's work performance, conduct, including his/her decisions, in the course of performance of his/her job responsibilities, which is contrary to the interests of the Company or its owners.

HungaroControl Pte. Ltd. Co. expects its employees to perform their work and to conduct themselves outside working hours, whether in business or personal relationships, in a manner that does not affect their work performance and conduct in the performance of their job responsibilities, and does not conflict with the interests of the Company or its owner.

A specific subset of conflicts of interest, defined by law or internal regulation, are cases of incompatibility of interest. An incompatibility of interest is a (potential) conflict of interest defined as such by a law or internal regulation. Where internal regulations lay down specific detailed rules for an incompatibility of interest, the incompatibility of interest must be dealt with in the light of those rules, including the obligation to disclose them. In the case of purchases not subject to the Public Procurement Act, a conflict of interest exists if an employee involved in the procedure or its preparation or who is able to influence the outcome of the procedure has, directly or indirectly, a financial, economic or other personal interest which may be considered to affect the impartial and objective exercise of his or her functions.

The Company will cooperate in good faith to manage or eliminate operational and business risks arising from conflicts of interest.

The Company examines the possibility and addresses the effects of conflicts of interest, including incompatibility of interest, both before and during the employment relationship.

To this end, HungaroControl Pte. Ltd. Co. sets out the declaration rules, examines conflicts of interest and takes the necessary preventive or reactive measures (e.g. discharge procedure) to manage the risks, as described in the ITSZ and other internal regulations on the performance of certain tasks related to the establishment, maintenance and termination of employment relationships, as well as other internal regulations on conflicts of interest.

The Company expects its employees, if they are aware that they are involved in a conflict of interest, to inform the Company in the manner set out in the above regulations. A breach of the obligation to make the declaration may constitute a breach of the obligation to work, may constitute a breach of a material obligation and may give rise to legal consequences.

If there is a presumption that other persons are in breach of the ethical requirements set out in this Code of Ethics, the Company will provide both its employees and contracted partners and any other external persons with the opportunity to report the breach using the contact details set out in Chapter IV of this Code of Ethics.

For the purposes of this Code of Ethics, conflicts of interest shall include, but are not limited to, the following:

a) Conflict of interest in relation to **employment by the Company:**

An employment related conflict of interest may arise where

- i. the person employed or intended to be employed by the Company
 - is a political or public figure or a relative of such persons, or;
 - is an employee of any partner who has a contract with the Company, or;
 - is an executive employee/subordinate of the Company who is related to another executive employee/subordinate of the Company by blood (i.e. a relative) or by personal relationship or other relationship, provided that such relationships present a risk of affecting the impartial work performance or decision making of the employee concerned or of resulting in a failure to act independently and objectively or in the acquisition of undue personal advantage, or
- ii. has another employment relationship/other work-related legal relationship – provided that this carries a risk that this relationship may affect the employee's impartial performance or decision-making, or that it may result in the employee's failure to act independently and objectively or in the acquisition of an undue personal advantage.

When considering whether there is an employment related conflict of interest

- relative: spouse/domestic partner, next of kin (blood relative in the direct line of descent), adopted, step- and foster child, adoptive, step- and foster parent, guardian, brother, spouse/domestic partner of the next of kin, the next of kin and brother of the spouse/domestic partner, the brother's spouse/domestic partner,
- political or public figure: any person who assumes a political or public role, and who is a party in interest to an existing or proposed business or contractual relationship with the Company or is an executive officer of a legal entity that is a party in interest to an existing or proposed business or contractual relationship with the Company.

When establishing an employment relationship, temporary employment or assignment, the persons exercising the employer's rights are obliged to take into account any information not listed above but available to them which may give rise to an employment related conflict of interest.

Certain cases of employment related conflicts of interest are specifically provided for in the Company's internal regulations as **incompatibility of interest under labour law**, including, among others, in the following regulations:

- Organisational By-laws,
- Policy on the exercise of employer's rights, transfer of posts of employment and substitution,
- Organisational Instructions of the Chief Financial Officer on the performance of certain tasks related to the establishment, maintenance and termination of employment.

b) Conflict of interest with respect to the use of the Company's business and official relations, data and information and assets:

The data, information, business and official relations and contacts of HungaroControl Pte. Ltd. Co. may only be used in the interests of the Company and its owner. The employees of HungaroControl Pte. Ltd. Co. may not use data and information relating to the Company's activities and internal affairs for their own or others' benefit.

Employees are entitled to use Company-provided assets for private purposes only to the extent and in the manner specified in the internal regulation(s) and/or employment contracts.

HungaroControl Pte. Ltd. Co. expects its employees to act with special care in relation to information and data that they obtain in connection with their work or at their workplace, to prevent and preclude any unauthorised and unlawful access both during and after the employment relationship, not only with third parties but also with the Company's employees.

It is a strong expectation of HungaroControl Pte. Ltd. Co. that employees handle information obtained in the course of their work responsibly within their area of responsibility, do not use it in an unauthorised manner and strictly comply with the provisions of the law and internal regulations on classified data and confidentiality.

The rules on confidentiality are set out in the employee's contract of employment, which requires the employee to keep business secrets disclosed to him/her in the course of his/her work. In addition, the employee must not disclose to any unauthorised person any information that he/she has learned in the course of his/her employment and the disclosure of which could be prejudicial to the employer, the entity exercising the ownership rights or any other person. Confidentiality does not extend to the disclosure of data of public interest and to the obligation to provide data and information on data accessible on public interest grounds, as defined by law.

c) Conflict of interest in terms of business relationships:

A conflict of interest may arise if the Company and its employee, or the employee's relative, are in business competition with each other for the following reasons:

- ca. a business interest held by the employee or a relative of the employee, as defined below; or
- cb. the employee's relative is employed by or holds a position with the Company's contracted partner which has a decisive (dominant) influence on the performance of the contracted partner's services to the Company or on the enforcement of its interests; or

- cc. other employment relationship / other work-related legal relationship of the employee.

For the purposes of this Code, the business interest must be reported

- if the scope of activities of the business association wholly or partly owned by the employee, or the employee's post of employment or the task(s) performed by the employee, affect the scope of tasks of HungaroControl Pte. Ltd. Co., as defined in the Articles of Association, or
- if such business interest may, in any way, affect the performance of the employee's job responsibilities and/or the interests of the Company and its owners; or
- if its notification is expressly required by the Company.

Certain cases of conflict of interest known as **incompatibility of economic interest**, are specifically provided for in the Company's internal regulations, including, among others, in the following regulations:

- Cash Management Policy,
- Procurement and Public Procurement Policy,
- Contracting Policy.

d) Conflict of interest in relation to gifts:

- da) A gift is any benefit, irrespective of its value or form, given by an external or internal party to an employee of the Company in connection with his or her employment. Acceptance of a gift creates a conflict of interest if it exceeds the permitted amount or, regardless of the value, if it affects the decision or performance of duties of a Company employee in a way that is unfavourable to the Company.

HungaroControl Pte. Ltd. Co. considers as a gift any monetary or non-monetary benefit, movable property (e.g.: souvenir), real estate, valuable rights and interests, advantage, service, discount, invitation or hospitality that has a monetary value.

For the purposes of this Code of Ethics, a gift given by a professional or business partner of the Company or any third party to an employee or relative of the Company, or a gift given by an employee of the Company to a professional or business partner of the Company shall be considered to be a gift.

- db) Employees of HungaroControl Pte. Ltd. Co. may only accept or give gifts or hospitality (accommodation, catering, travel, etc.) from or to business partners if the gift or hospitality concerned complies with applicable legislation, the rules applicable to HungaroControl Pte. Ltd. Co., the requirements laid down by the owner, internal regulations and the provisions of the Code of Ethics.

- dc) No such gifts may be accepted or given

- which is likely to promote individual interests, reduce the commitment to the Company or, in the case of a gift to a partner, to the company it represents, or influence a decision,
- money, non-cash payment instruments, coupons, gift vouchers, travel vouchers and securities, irrespective of their value, with the exception of an invitation to or

discount or voucher ensuring free or reduced-price participation at a professional event, conference or training, or

- accommodation and travel expenses in case of invitation to a professional conference, event or training.

dd) A gift up to the value of HUF 20,000 per occasion, which the employee does not have to notify to the employer in the manner specified in the ITSZ, may be accepted and may be given, subject to the exceptions set out in the above Section.

de) *Professional conferences, training, events*

Invitations (complimentary tickets, vouchers, coupons, etc.) to professional conferences, training courses and events with a value exceeding HUF 20,000 may be accepted or provided if the employee has notified the employer of this in the manner specified in the ITSZ, and above HUF 100,000 if the acceptance or provision of the gift has been approved by the Company.

df) *Normal business lunch or other meals for business purposes*

Normal business lunches or other meals of a value exceeding HUF 20,000 but not exceeding HUF 40,000 may be accepted or provided – as a general rule – if the employee has notified the employer in the manner specified in the ITSZ; above the HUF 40,000 threshold, if the acceptance or provision of the gift has been approved by the Company.

The line manager may accept or provide normal business lunches or other meals in excess of HUF 20,000 but less than HUF 100,000 if he/she has notified the employer in the manner specified in the ITSZ. The line manager may accept or provide a business lunch or other meals in excess of HUF 100,000 if he/she has notified the employer in the manner specified in the ITSZ and the Company has approved it.

Normal business lunches or other meals with government agencies, international bodies or other bodies, with a value exceeding HUF 20,000 – implemented for business purposes in the framework of cooperation – may be accepted or provided if the employee has notified the employer in the manner specified in the ITSZ.

Irrespective of the value limit, the employee does not have to notify the employer of any normal business lunch or other meal for business purposes with representatives of the direct or indirect owner of the Company, their group companies or joint ventures or their owners.

dg) *Other gifts*

Other occasional gifts (e.g. invitations to sporting events, other non-professional events, material gifts) exceeding HUF 20,000 but not exceeding HUF 40,000 may be accepted and given if the employee has notified the employer of this in the manner specified in the ITSZ.

Other occasional gifts exceeding HUF 40,000 may be accepted and given if the employee has notified the employer of this in the manner specified in the ITSZ and the Company has approved it.

Other gifts of a total value exceeding HUF 40,000 received from the same party on several occasions within one business year may be accepted and given if the employee has notified the employer of this in the manner specified in the ITSZ and the Company has approved it.

The line manager may accept and give other gifts exceeding HUF 20,000 but not exceeding HUF 100,000 if he/she has notified the employer of this in the manner specified in the ITSZ. The line manager may accept and give other gifts exceeding HUF 100,000 per occasion or other gifts from the same party on several occasions within a business year, exceeding HUF 100,000 in total, if he/she has notified the employer of this in the manner specified in the ITSZ and the Company has approved it.

dh) The CEO may accept or give a gift exceeding HUF 20,000 if he/she has notified the Company of this in the manner specified in the ITSZ.

e) Conflict of interest in relation to **outside activities:**

Conflict of interest may arise if the legal relationship, social position, or conduct outside working hours of an employee of the Company, which does not otherwise result in a conflict of interest, affects or may affect his or her position or the perception of his or her position at the Company, or as a result of which there is a risk that the legitimate interests or reputation of HungaroControl Pte. Ltd. Co. or its owner may be damaged.

The employee must not engage in any conduct – not even outside working hours – which, in particular by reason of the nature of the employee's post of employment or his or her position in the employer's organisation, is likely to jeopardise directly and effectively the reputation, legitimate economic interests or the objectives of the employment relationship of his or her employer or its owner. This obligation does not limit or exclude the legitimate exercise of the constitutional and employee rights.

While respecting privacy, HungaroControl Pte. Ltd. Co. expects its employees to ensure that their conduct and activities outside working hours do not conflict with their obligations arising from their employment with HungaroControl Pte. Ltd. Co., that their conduct does not damage the reputation of the Company and that their actions comply with the ethical standards set out in the Code of Ethics.

HungaroControl Pte. Ltd. Co. expects its employees to use the Internet and social networking sites in accordance with the provisions of the Company's regulations in force and the values set out in this Code of Ethics, and to be mindful of this also with regard to the information (posts, images, data) they make public about themselves.

The Company expects employees to refrain from posting any information on social networking sites or other forums that could jeopardise the legitimate economic interests or reputation of HungaroControl Pte. Ltd. Co. or its owner. They should also refrain from publishing private opinions, comments or criticisms that are negative or condemning to the Company.

Respecting fundamental constitutional rights, HungaroControl Pte. Ltd. Co. does not prohibit its employees from engaging in political and public activities outside working hours as private individuals, in accordance with the relevant legislation and internal regulations, while avoiding any conflict of interest or incompatibility of interest as mentioned in this Code of Ethics.

The rules on external communication are set out in the Organisational Instructions on the Rules for External Communication of HungaroControl Pte. Ltd. Co.

f) Conflict of interest in relation to the **Company's customers and business partners:**

It shall be considered as a conflict of interest, if such a circumstance arises in the course of an activity not related to the employee's post of employment, performed in favour of a person or organisation doing business with the Company, or in the course of the provision of a service or the performance of a contract by the Company, which creates or involves a risk of loss of interest on the part of the Company.

g) Conflict of interest in the **internal operation or internal processes of the Company:**

It is the fundamental expectation of HungaroControl Pte. Ltd. Co. that its employees perform their duties in accordance with the law and internal regulations, with the interests and objectives of the Company and the purpose of each work process in mind, and that they assist in good faith in identifying and dealing with any errors or potential hazards that may arise. For all these reasons, it is essential that employees are up to date with the different pieces of legislation that affect their activities and with the general professional rules that apply to their employment and their employment relationship.

HungaroControl Pte. Ltd. Co. also expects its employees to take care to initiate a review of the rules where necessary, including as a result of changing circumstances.

HungaroControl Pte. Ltd. Co. believes that it is important for employees to help each other in approaching the tasks and difficulties that arise in the course of their work. The Company expects employees to work proactively, not to wait for problems to arise before seeking solutions, but to take independent initiative to solve them.

The high quality of services provided by HungaroControl Pte. Ltd. Co. is a guarantee that its employees act responsibly and with the highest professional standards in their daily work, keeping in mind the strategic objectives, and perform their tasks reliably and efficiently. The Company believes that it is more important to admit mistakes than to maintain the appearance of impeccability or flawlessness, so that everyone can learn from the mistakes.

The Company expects employees to seek guidance from their manager if they are uncertain about the proper application of a rule, regulation or about any professional matter.

All employees have decision-making latitude and are accountable for their decisions and the work they do.

HungaroControl Pte. Ltd. Co. expects its employees to take responsibility for any wrong or inappropriate decisions or actions (if any) and to do their utmost to correct them in a lawful and professional manner; to accept legitimate criticism as an intention to improve and to respond accordingly.

Certain procedural or other conflicts of interest relating to the Company's internal operations are specifically provided for in the Company's internal regulations listed below:

- Internal Audit Charter,
- Information Security Policy,
- Rules of Procedure of the Just Culture Commission,
- Organisational Instructions of the Director of Technology on the management of

- access rights,
- Organisational Instructions of the Director of Flight Safety, Quality Management and Internal Control on the investigation of incidents related to the provision of air traffic services and air navigation services by HungaroControl Pte. Ltd. Co.,
- Instructions of the Head of the Human Resources Department on the publication of the Fatigue Management Manual for Air Traffic Controllers,
- Instructions of the Head of the Human Resources Department on the publication of the Fatigue Management Manual for Flight Information and Operational Support Personnel,
- Instructions of the Head of the Human Resources Department on the publication of the Stress Management Manual,
- Instructions of the Head of the ATM Training and Service Management Department on the English and Hungarian language proficiency test for air traffic controllers and flight information officers,
- Organisational Instructions of the Director of Technology on the rules of mobile communications and mobile device management.

III.2. Other employee-related expectations

a) Capacity for development

HungaroControl Pte. Ltd. Co. operates in a constantly changing business and legal environment, therefore it is important that the challenges of this dynamic environment are seen as opportunities for the employees to develop their own professional skills.

HungaroControl Pte. Ltd. Co. expects from the whole organisation, including its employees, that they bring out the best performance in their work, professional and personal preparedness, striving for continuous development and renewal.

HungaroControl Pte. Ltd. Co. believes that the results of research and development and the provision of better solutions are the driving forces behind the achievement of outstanding performance and joint success.

Employees are expected to be open to learning and absorbing new experiences, to follow developments in their field and to apply them in their daily work. They are expected to be proactive in change and be able to innovate themselves, so that change is a real opportunity for themselves and for HungaroControl Pte. Ltd. Co. as a whole.

b) Non-discrimination

HungaroControl Pte. Ltd. Co. expects its employees to respect the requirement of equal treatment and to treat their colleagues with respect and without prejudice.

A basic expectation of all employees is to refrain from even the appearance of discrimination or negative judgement. No direct or indirect discrimination against others shall be permitted, in particular on the grounds of the following – real or perceived – characteristics:

- a) gender,
- b) racial origin,
- c) skin colour,
- d) nationality,
- e) nationality,
- f) mother tongue,
- g) disability,

- h) state of health,
- i) religious or ideological conviction,
- j) political or other opinion,
- k) marital status,
- l) motherhood (pregnancy) or fatherhood,
- m) sexual orientation,
- n) sexual identity,
- o) age,
- p) social origin/background,
- q) financial status,
- r) part-time or fixed-term nature of the employment relationship or other work-related legal relationship,
- s) membership in an organisation representing employees' interests,
- t) any other circumstance, characteristic feature or attribute.

III.3. Managing trade secrets, avoiding misuse of internal data and information

During and after their employment, the employees of HungaroControl Pte. Ltd. Co. are required to act in accordance with the following principles when processing data in connection with their post of employment:

- They shall keep strictly confidential and safeguard any trade secrets they become aware of in the course of their activities, as well as any essential data and information relating to the operation of the N7 Holding Group or HungaroControl Pte. Ltd. Co. and its members;
- They shall be required to treat confidentially, safeguard and use only in the context of their work any data and information received from business partners and suppliers, in accordance with the business interests of the N7 Holding Group and HungaroControl Pte. Ltd. Co.;
- They shall avoid the dissemination of any data or information that is contrary to the business interests of the N7 Holding Group or HungaroControl Pte. Ltd. Co.;
- In addition to the above, the security and confidentiality of the data and information they have access to must be preserved at all times;
- Data/information may be transferred to another person only in compliance with the applicable laws and the internal regulations;
- The protection of personal data, the disclosure and processing of and access to confidential, classified and any non-public data/information may only be carried out in accordance with the provisions of the law, regulations and relevant authorisations, to the extent necessary for the performance of the tasks;
- They must refrain from any use of data and information contrary to the purposes for which they are processed or in any way that could give them or others an unlawful gain, advantage or benefit;
- They shall be obliged to avoid the dissemination of any data/information about the N7 Holding Group, HungaroControl Pte. Ltd. Co. or their partners, including in particular any data/information that is suspected to be incorrect or seriously inaccurate.

Based on the above, any activity suspected or detected of infringing or breaching a trade secret or other proprietary data or information must be reported immediately to the immediate supervisor.

IV. BREACH OF THE ETHICAL STANDARDS EXPECTED OF EMPLOYEES

HungaroControl Pte. Ltd. Co. encourages its employees and partners to report to the Company any violations of the rules or standards set out in this Code of Ethics. The Company guarantees that a bona fide whistleblower shall not suffer any adverse legal consequences in connection with the notification made by them. The Company or the whistleblower protection lawyer acting on the Company' behalf will investigate all notifications and, if the identity of the notifier is known to the Company, provide feedback on the outcome of the investigation.

Notifications can be made using one of the following options:

- a) through the whistleblowing system operated by an external service provider (whistleblower protection lawyer) that provides whistleblowing protection,
 - by e-mail to: integritas@klartlegal.eu,klartlegal.eu,
 - by phone: +36 1 796 36 70,
 - on the whistleblower platform operated on the website of the whistleblower protection lawyer: <https://klartlegal.eu/bejelentovedelem/>, and
- b) by email to integritas@hungarocontrol.hu.

Information on the operation of the whistleblowing system, the notification procedure and the processing of personal data is available on the Company's website.

In the event of a breach of the standards set out in the Code of Ethics, the Company shall act in accordance with the provisions of the ITSZ and may apply the sanctions set out therein.