

Code of Conduct

Our values. Our principles.

Effective from:
01.05.2023



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Introduction

Business reputation and esteem are never granted and do not survive on its own. MBH Bank Nyrt.'s (hereinafter Bank) business reputation and integrity are in the hands of its staff members. Unlawful or non-compliant conduct may seriously damage the Bank's reputation and adversely affect the Bank's perception among the general public (including the media), our customers, our shareholders and our business partners. All this can ultimately negatively affect the Bank's business performance, market position, the Bank as an employer and the situation of employees.

Without confidence in the Bank's integrity and reliability, the most important pillar of business success is missing. The Bank considers legal, ethical and responsible business conduct to be a fundamental and essential part of its corporate and social responsibility.

The purpose of the Code of Conduct is to be a compass in our day-to-day work. By following it carefully, we can all contribute to the maintenance of the Bank's reputation, to the achievement of our corporate goals, and can, at the same time, promote the establishment and operation of fair, reciprocal business and work relations - all in line with the Bank's social responsibility.

Our obligation therefore goes far beyond mere compliance. Each staff member is responsible for ensuring the preservation of the Bank's corporate culture in their own field, which serves both sustainable corporate development and the Bank's social responsibility.

We thank our staff members and business partners for their support in the above joint work.

MBH Bank Nyrt.



The purpose of the Code of Conduct

The purpose of this Code of Conduct is to lay down ethical requirements for employees in addition to the provisions of the applicable laws and internal regulations governing the operation of the Bank, and to provide support for the identification and prevention of conduct risks, and regulate the procedure for reporting and dealing with conduct violations.

The scope of the Code of Conduct

The Code of Conduct applies to all organisational units of the Bank and its subsidiaries, as well as to all executive officers, employees and other persons in a legal relationship with the Bank and its subsidiaries.

In our daily work, we must act in accordance with the principles and rules set out in the Code of Conduct.

The Bank also expects its business or other contractual partners to comply with the Code of Conduct.

The Code of Conduct lists the most important legal and social expectations and prescribes the conduct expected to comply with them. The rules contained in the Code of Conduct must always be considered together with the internal regulations and instructions containing the applicable detailed rules, and must be interpreted in accordance with them, including the decisions and positions of the supervisory and control bodies. Compliance with the rules contained in the Code of Conduct does not exempt you of responsibility for violating the rules containing the detailed rules.

Our goal is for the Bank's employees to adhere to the standards of conduct set out in the Code of Conduct not only in their internal procedures, but also in relation to the Bank's customers and business partners, and the employees with each other and with the Bank's suppliers.

Acts that endanger the operation of the Bank or adversely affect its reputation, as well as situations that threaten it, must be reported to Compliance without delay.

The members of the Board of Directors and the managers are responsible for the application and enforcement of the Code of Conduct in their respective areas. As managers, they must also set an example in this regard.



Fundamental principles, priority values

Integrity

We want to achieve the strategic and business goals formulated by the management of the organisation fairly and responsibly, respecting the legal environment, professional ethics and all agreements and agreements signed by the Bank.

Compliance with applicable law and ethical requirements, anti-corruption measures

Compliance with the applicable legislation, supervisory regulatory tools and the Bank's internal regulations and instructions is a basic requirement for all staff members during the prudent operation of the Bank. Our goal is for all employees of the Bank to voluntarily behave in accordance with the Code of Conduct. This requires all employees to be aware of legal and other ethical expectations, to which Compliance also contributes by all means. Compliance behaviour is in itself a risk mitigating factor and is therefore of paramount importance in day-to-day work.

The Bank is committed to preventing the emergence of suspected corruption situations, for which it has a group-level anti-corruption policy that sets out the principles and purpose of the Bank's anti-corruption activities.

The Bank shall take all necessary measures to ensure that its staff members are aware of and comply with the rules applicable to them. However, it is the individual duty of everyone to be aware of and comply with the applicable legal obligations, business rules and internal regulations, policies, guidelines that fall within their own role and responsibilities.

Nevertheless, the Bank also pays special attention to compliance with high ethical requirements when recruiting staff members and developing its performance appraisal system and remuneration strategy.

We do everything within the framework of the Bank's day-to-day activities and during the establishment and maintenance of business relations to maintain an ethical business conduct. The Bank prohibits and seeks to prevent all forms of corruption, and always investigates and sanctions any objectionable behaviour. The suspicion and appearance of illicit influence should also be avoided.

We take strict action against offending behaviour. Our principle is 'zero tolerance', i.e. that intentional and grossly negligent infringements cannot be left without consequences.

The Bank is required to report on compliance with anti-money laundering, anti-corruption, ethical and other compliance principles as part of mandatory education and examinations.

Transparency

We are committed to ensuring that every banking activity meets the requirement of transparency. In this way, we can ensure that all stakeholders have the opportunity to make independent, informed and substantiated decisions.

Fair treatment and non-discrimination

We enforce fair and equitable treatment based on respect and esteem as an integral part of the business culture in our dealings with customers, business partners, employees, competitors and any other person, as well as the wider public (including the media).

We reject all forms of discrimination especially based on sex, age, ethnic origin, religious or political belief, belonging to any interest group, sexual orientation, different native languages and any other direct or indirect discrimination-based excluding conduct.

Sustainable development

Sustainable corporate development is of paramount importance to us, and in this context we are constantly striving to make good use of our resources. In the course of banking, we take into account the ecological, economic and social environment, treat valuable resources sparingly and frugally, avoid processes that have a negative impact on the environment, and treat our staff members responsibly. Sustainability aspects are unavoidable in business transactions and business relationships, where we act ethically. The aspects of the Bank's activities comply with international and domestic environmental, ethical and social standards, and we consider it mandatory for us to maintain that status.

In our offices we arrange for the separate collection and removal of hazardous and plastic waste. We strive to reduce paper-based communication by electronisation and by using digital options.

Staff members, as members of the community and individually, are responsible for achieving the above goals.

Corporate social responsibility

We are committed supporters of the social, scientific, cultural-artistic and sports fields. In our day-to-day banking activities, we monitor the direct and indirect social and environmental impacts and consequences of banking decisions. Social and environmental responsibility is an integral part of the Bank's business policy.

The long-term, sustainable, balanced operation of society is in our fundamental interest, therefore we take responsibility for the social environment, which is also significantly affected by the Bank's business operations. The Bank provides all the assistance necessary for its staff members to carry out voluntary activities in the framework of social participation.

Provision of quality, customer-centred service

It is important for us to have a steady standard of service provided by the Bank, to develop products that focus on the needs of customers and are developed on the basis of them, with competitive pricing that can be understood by customers, and to develop predictable, fast financial organisational processes. In order to facilitate the most informed transaction decisions of our customers, we pay increased attention to balanced, comprehensible, transparent and clear information, during which the continuous availability and comprehensiveness of the necessary information are ensured. When designing products, it is particularly important that they are tailored to the actual needs, circumstances, and knowledge of customers and provide a financial solution that meets customers' objectives. With regard to the pricing policy of the products offered by the Bank, our priority goal is to create a fee and cost structure that is as simple as possible and can be tracked by the customer.

In our operation, we pay special attention to the fact that the Bank or our services may not be used for illegal business activities, such as terrorist financing, money laundering or other criminal offences.

Misleading advertising and information is unacceptable to the Bank.

Respect for market competition

The Bank and all its employees are committed to fair market competition that complies in all respects with applicable laws and the principles of business conduct, and offers the greatest possible benefit to society. The Bank shall refrain from any conduct which may result in a restriction of competition or abuse of an economic dominant position. We support competition for customers and the resulting fair markets where business associations and customers enter into fair agreements that are beneficial to both of them. In accordance with the principles of predictability and proportionality, the Bank strives to ensure that customers' transactional decisions are always determined by their own requests and interests and their satisfaction with the Bank within the framework of fair rights and obligations set out in the agreement, and not create unreasonable and disproportionate administrative barriers in establishing, maintaining and terminating a customer relationship. The Bank respects the freedom to choose a service provider.

As part of the competition compliance programme, we will improve employee engagement and continuously review the Bank's activities along the requirements of market competition.

Co-operation, communication

We believe in adhering to honest, open communication both in the internal banking relationship and in our relationships established with customers and business partners. We also credibly represent the banking position in professional forums and in internal relations. In all situations, we strive for problem solving, positive communication, and collaboration. We do not transfer the problems and responsibilities that arise to external factors or other areas, but work on a common solution.

Protection of banking values

We treat banking property with care, which we use exclusively for official purposes related to our banking business.

All staff members are responsible for protecting the bank property and other material or non-material values of the Bank from loss, damage, theft or other misuse, and are also responsible for their proper and careful use.

The Bank's work equipment and other items may in principle only be used for banking purposes. Use by a private or unauthorised person is not permitted. It is prohibited to take out assets belonging to the Bank from the territory of the Bank without permission.

All staff members are responsible for using bank-owned assets and resources only to the extent necessary in the course of their work, and for keeping the principle of reasonable savings in mind and enforcing them at all times.



Data protection and confidentiality obligation

The Bank attaches great importance to the protection and proper handling of personal data. A lot of confidential information is generated during banking operations. In connection with our customers and business partners, we collect a large number of sensitive data in our daily activities, which we store and manage within the legal framework. The processing of personal data, economic and business secrets entrusted to us requires the utmost care, and we consciously and continuously protect these types of data and observe the measures and rules for their handling as a daily task for all our staff members.

Comprehensive protection of confidential information, know-how, business and banking and securities secrets is particularly important in cooperation with customers, business partners and market participants.

In addition to public data, all other data available to the Bank may be transferred to third parties only within a regulated framework, in the case of certain types of data only with Compliance or management licence. The obligation of confidentiality does not end with the termination of the employment relationship, it also falls on the former employee.

We respect and protect the confidential information of others. We process personal data only for the intended purpose, to the extent and for the time necessary. Access to or use of information that cannot be justified by banking tasks is severely sanctioned with its criminal consequences.

We act in accordance with the same rules and with the same responsibility in relation to the handling of the personal data of the Bank's staff members.



Behaviour towards customers

The Bank considers it important that its employees act in the course of their daily activities, taking into account the following aspects:

- draw the customer's attention, if necessary, to the relevant legal provisions in force, provide the necessary information in good time to support performance according to the agreement,
- provide balanced, non-diversionary comprehensive information, including the advantages and disadvantages (risks), of the product or service, in order to reduce information asymmetry and support the responsible transaction decision, in a verifiable manner
- An investment product should be described with respect to the MiFID test completed according to the customer's personal responses, based on the customer's compliance and suitability.
- in customer relationships, seek to ensure that customers understand the contractual terms of the product offered or sold to them, thereby considering the risks inherent in it, and are aware of the negative consequences of non-compliance with their contractual obligations,
- behave towards customers with professional awareness, honesty, helpfulness and a sense of responsibility,
- show cooperative and helpful treatment throughout the customer relationship life cycle (before the conclusion of the agreement, during the contractual relationship and after the termination of the agreement)
- as a responsible salesperson, strive to promote responsible and transactional decisions matching the particular customer's long-term interests with their proactive behaviour, and maintain their impartiality in all cases.

Behaviour towards suppliers

The Bank selects its contractual partners according to objective criteria, whom it expects to enforce and adhere to all the principles and rules of conduct in the entire supply chain, which the Bank has also formulated for itself in the Code of Conduct and to which it adheres.

Behaviour towards business partners is also characterised by professional awareness, honesty, initiative and helpfulness, and responsibility.

The Bank strives for long-term cooperation in its business relations, however, all employees must maintain their independence and impartiality in their relations with business partners. We use a tendering system for our higher value purchases and enforce conflict of interest principles.

We also avoid bias, influence, and their mere appearance.

Behaviour towards employees

Staff members perform their duties in the knowledge of the legislation in force and in full compliance with it. The framework and detailed rules of their work are contained in the internal instructions and regulations. In addition, they are responsible for complying with ethical standards according to general value judgment.

The staff members promote the successful operation of the Bank by carrying out their work honestly, without bias, impartially, without unauthorised influence, at the highest possible professional level, to the best of their knowledge, responsibly.

The protection of the Bank's reputation is the responsibility of all staff members, which must be taken into account not only when working, but also when spending their free time. The presence in the social media, as well as the possible political involvement of the employee, requires maximum respect for the interests and reputation of the Bank.



Corporate culture

The Bank supports competence and creativity. We require our own responsibility and commitment from our staff members. Our goal is to enable our staff members to develop and use their individual talents and skills to the best of their ability.

One of the keys to our success is the commitment and learning skills and willingness of employees. We provide them opportunities for professional development through continuous training and the operation of an internal education system.

The Bank supports its staff members so that they can keep work and private life in a reasonable balance, as this can also increase their job satisfaction. The Bank takes into account the interests of its employees on the basis of fair consideration, respects their personal rights, and recognizes their right to privacy. In return, the Bank expects its staff members to responsibly protect their health and work force. It is especially important for the Bank that the family and employment and professional development of its staff members are compatible.

Contributing to all this, the Bank provides a healthy, non-discriminatory work environment. In order to ensure the well-being of the employees, it runs an annual health programme and employs an occupational physician.

Expectations from managers

The managers strive to cooperate with their subordinates, provide the necessary support for their work, and set an example for the staff members with their actions.

Appropriate recognition of the skills and abilities of the available workforce, ensuring overall staff member satisfaction, and creating a good work environment are of paramount importance. It is especially important for us that managers respect the individual values, dignity and uniqueness of our staff members in their management, monitoring and evaluation activities, as well as in their daily relationships.

Conflicts of interest

Interests may conflict when different business aspects of several parties need to be considered simultaneously or when a private interest is confronted with a banking obligation.

Basically, we strive to prevent conflicts of interest. If a conflict of interest does arise despite the most diligent proceedings, then - in addition to its exploration - the senior management and Compliance must be informed in order to consciously handle the conflict of interest situation.

Employees may promise or accept a gift in the course of their work only within strict limits and only if its value does not exceed the ordinary and reasonable extent of the occasion and the position of the acceptor. It is strictly forbidden to accept money, vouchers or anything of other value that may affect the employee.

In connection with their job duties, the employee must be authorised by their managers and Compliance prior to acceptance.

The Bank also expects its employees to behave in all cases, on the basis of which their fair conduct is unquestionable and their tasks are performed solely on the basis of objective, professional considerations.

Insider information

Insider information is kept strictly confidential.

All forms of insider dealing are prohibited and result in legal sanctions.

All those who have non-public information that may have a material effect on the price of financial assets are considered insiders.

Under no circumstances may an insider use the information which has come to their knowledge, until it has been made public, to obtain an advantage in connection with their own transactions, whether directly or with the involvement of a third party.

Insider information may not be passed on to an staff member or third party.



Combating money laundering and terrorist financing

The Bank is actively working with its means to prevent, curb and detect money laundering, terrorist financing and economic crime. The Bank shall take continuous measures to prevent anyone from using its organisational system, infrastructure, products, services for the purpose of money laundering or terrorist financing, or from providing or providing the appearance of any assistance from the Bank.

The Bank cooperates with the competent authorities and takes the necessary action even in the event of the slightest suspicion of money laundering or terrorist financing.

We fully comply with EU and UN Security Council sanctions and embargoes. We consistently comply with international and domestic embargo regulations, money laundering regulations and related legislation.

The Bank does not finance illegal arms business, drug trafficking, child exploitation work, the slave trade, prostitution or corruption.

The Bank does not and will not finance persons or business associations managed or controlled by persons qualifying as unreliable, having been sentenced for any related criminal act.

The Bank takes into account the FATF recommendations.



Consumer protection

In addition to the classic consumer protection tools, our Bank also strives to increase the efficiency of financial consumer protection by continuously exploring and evaluating consumer protection needs.

We carry out our consumer protection activities along the lines of responsible and fair service provider behaviour and the promotion of conscious consumer behaviour. A key element of this bilateral responsibility is a responsible, prudent procedure on the part of the consumer. Therefore, one of our most important tasks is to raise financial consumer awareness to a higher level by continuously expanding consumers' financial knowledge.

In our communication with consumers, we strive to avoid difficult-to-understand or ambiguous, non-detailed information, and to help consumers find their way through simple and comprehensible explanations when familiarising them with each legal framework. We prefer clear, unambiguous communication aimed at enforcing cooperative behaviour.

When designing our products and services and determining their contractual terms, we keep in mind compliance with consumer protection recommendations already in the product development and process organisation phase, and we place great emphasis on advertising our products and services on easy-to-understand contractual terms and conditions. Our general contracting terms and conditions are always in accordance with the requirements of good faith and integrity, are sufficiently clear and uncontroversial, and are intended to strike a balance and maintain a balance of rights and obligations for consumers.

Credibility of financial statements

The Bank prepares its individual annual accounts and consolidated accounts in a form based on international accounting principles (IFRS). The Bank publishes both individual and consolidated audited accounts approved by the General Meeting on its website, in addition to official electronic publication and deposit, thus ensuring the transparency of its financial position. The data of the report provide a real and reliable picture of the Bank's assets and liabilities.

Reporting and handling fraud, other information

If staff members are unsure whether their specific procedure complies with the rules, they can turn to their superiors or Compliance with their questions and comments. Compliance contacts:

 etikaikodex@mbhbank.hu

Colleagues can find information about the Code of Conduct, internal regulations issued by Compliance, sample statements, current information, and the staff members responsible for answering individual questions on the bank's intranet portal.

The Bank also operates an internal fraud reporting system, which also provides an anonymous opportunity for staff members and third parties to report possible irregularities, deficiencies or misconduct by staff members.

If, as a staff member, you become aware of any violation of the law or any internal rules, other ethical violations, you may (also) comply with your reporting obligation by sending a notice to the following e-mail address in order to maintain complete anonymity:

anonimbox@mbhbank.hu

The Bank does not identify the senders of the notifications sent to this address within the bank in any way, they guarantee them complete inviolability and anonymity in connection with the notification.

Indications from an external e-mail address will remain anonymous if they do not provide identifying information about their sender and are not included in their e-mail address. In the case of an anonymous report, we cannot notify the anonymous notifier of the result of the inspection.

Compliance with the Code of Conduct, which is also the individual responsibility of each staff member, is monitored and controlled by Compliance within the Bank.

The Bank also operates an Ethics Committee specifically to support compliance with the rules of the Code of Conduct and the professional management of priority cases.

In order to ensure the representation of employees' interests, the Ethics and Conciliation Committee of the Works Council also has the authority to clarify any irregularities or disagreements within its scope of operation. The Commission also has a role to play in resolving conflicts between employees and between managers and employees.

All these forums are intended to ensure that the Code of Conduct comes to life and works, as well as to comply with its provisions as fully as possible.

Related regulations

Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (Hpt. - CIFE Act)

Act CLXV of 2013 on Complaints and Notices of Public Interest

Act V of 2013 on the Civil Code (Ptk. - Civil Code)

Act C of 2012 on the Criminal Code (Btk. - Criminal Code)

Act I of 2012 on the Labour Code (Mt. - Labour Code)

Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information (Infotv. - Privacy Act)

Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (Bsz. - Investment Services Act)

Act CXX of 2001 on the Capital Market (Tpt. - Capital Market Act)

Act LVII of 1996 on the Prohibition of Unfair and Restrictive Market Practices (Competition Act)

Act CXXV of 2003 on Equal Treatment and the Promotion of Equal Opportunities