

CODE OF CONDUCT

Knowledge and observance of the expectations defined in the Code of Conduct enables our employees to perform their job duties subject to a standard system of moral requirements. Implementation of commonly espoused values during everyday work greatly contributes to the development of the corporate culture of ADR and to creating a better work environment.

It is our fundamental interest to let our business partners know our quality requirements, since our relationships must be based on clarity, transparency and mutual trust.

1. Working conditions, tolerance, equal treatment

ADR strives to create working conditions that comply with the requirements of fair employment, furthermore, it exercises its utmost efforts to acknowledge ethical behaviour in the workplace and to apply equal treatment.

The employees and customers of our company shall not sustain any harm on account of their gender, race, colour of skin, being member of a national or ethnic minority, mother tongue, disability, health status, religion or ideological conviction, political or other opinion, family status, maternity, pregnancy, paternity, sexual orientation, gender identity, age, social origin, asset situation or belonging to an interest representing organization.

We consider direct and indirect adverse discrimination; harassment and sexual harassment; unlawful separation; retribution or any instruction aimed at these unacceptable. (Harassment: a conduct violating human dignity, with the purpose or effect of creating an intimidating, hostile, degrading, humiliating or offensive environment around the particular person. Sexual harassment: physical contact and advances, sexually coloured remarks, whether by words or actions.)

We consider the employment of persons under the age of 18 and those serving their prison sentence with our company and our subcontractors to be unacceptable.

2. General behavioural norms of the employees

When performing their job duties, our employees must observe the following norms in their workplace.

2.1 Main characteristics of the behaviour of the employee

- identification with the professional and business objectives of ADR,
- professional skills,
- development of the competences, knowledge necessary for the job duty; willingness for constant development,
- openness and flexibility,
- commitment, a motivated approach, taking responsibility and initiative,
- performance, quality and success orientation,
- cooperation, trusting one another, community building, togetherness,
- being knowledgeable, information sharing.

2.2 Fundamental norms related to the work environment and working

- our outfit and appearance should always be proper for the workplace, decent, presentable, clean;
- persons working in designated positions are required to wear work dress;
- we are responsible for not using our working time for private purposes;
- by learning and applying the principles and practice of work safety, protection of health and the environment, we constantly strive to mitigate or eliminate the health, accident and environmental risks;

- when accidents or incidents occur, by our behaviour we support the saving of lives and assets, the objective exploration of the circumstances, the prevention and avoidance of similar events;
- the protection of work capacity, health and bodily integrity is everyone's personal responsibility;
- we report for work in proper condition capable of working; working under the influence of alcohol or illicit drugs is strictly prohibited.
- we must protect our work environment: we keep the floor and wall surfaces clean and free of any damage;

2.3 A customer and partner-focused approach

- For the purposes of this Code of Conduct customer means all the contractual customers, partners, principals and subcontractors of ADR, as well as third parties authorized by these who get in contact with the staff of ADR (e.g. representatives of the customer, drivers, auditors, etc.). **Our employees must strive to earn the satisfaction of our customers and business partners by their behaviour.**
- the customer relations of our employees should be characterized by attention, respect, professionalism, objectivity, accuracy, speed and observance of deadlines;
- our employees must display polite, patient, but consistent, objective behaviour towards our customers;
- if the settlement of a conflict situation, customer complaint goes beyond our official decision-making power or professional competence, then we must arrange for the involvement of a manager with the appropriate power of decision;
- it is an expectation that our employees should not settle any conflict or dispute between themselves in front of our customers. We should not make negative remarks about ADR or any of its organizational units, managers, employees in front of customers.

2.4 Fundamental expectations regarding communication

- polite tone, objective style;
- clear, accurate, accessible formulation and explanation;
- efforts at open, clear, two-way, straight, trust-building external and internal communication;
- mutual respect and recognition of values.

2.5 Expectations about the behaviour of employees in management position

The managers act as role models as well, in order to develop an atmosphere that supports good community spirit, cooperation, efficient working, they make efforts to resolve any conflicts that may arise by involving the affected persons themselves.

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- At the organizational unit managed by them they should make efforts to know their subordinates, to map their level of skills and to develop their professional knowledge constantly.
- They may only make decisions on the assessment of the activities of their subordinates based on merits, performance and work-related factors.
- In addition to implementing strategic aims and interests, they must make efforts to establish a cooperation of appropriate level with the rest of the organizational units of the company and their managers, to ensure the accurate and fast exchange of the necessary information, and efficient joint working in general.

3. Cases violating ethical behaviour

3.1 External conflicts of interests

The honesty of business life highly depends on the extent we can prevent illegitimate personal connections, systems of relations and interests that influence decisions. The employees are required to prevent and report every situation and activity concerning which conflicts of interest may arise between their activity at the Company and their personal or family-run economic activities.

For this reason our employees are required to report in writing to the manager exercising the rights of the employer if they or a close relative of theirs (within the meaning of Article 685 (b) of the Civil Code) is a member or owner, executive officer, employee, agent, subcontractor, consultant (with a uniform expression: participant) or wish to be such in the future of an economic association that maintains a regular economic relationship with the employer or performs partially or fully the same economic activity as the employer.

An employee with a conflict of interest regarding a given customer may be excluded from involvement in serving that customer, furthermore, they must not fulfill an executive position at ADR and must not be involved in the assessment of a tender of any economic association or other organization in which they or their relatives have any ownership or other interest or hold an executive position.

Our employees are also required to report in writing to the manager exercising the rights of the employer if they or a close relative of theirs (within the meaning of Article 685 (b) of the Civil Code) have previously been employed by a representative of an economic association that maintains or is about to maintain a regular economic relationship with the employer, or if their personal acquaintance is independent of ADR and their position at ADR.

3.2 Internal conflict of interest

ADR imposes no restriction on its employees being in kinship, family or couple relationship. In such cases the relevant employees shall inform their manager having the rights of employer, who will assess the given situation and decide on whether the existing relationship causes any conflict of interest in the fulfillment of the relevant job position(s). If there is a conflict of interest, then it is the responsibility of the employer to terminate the existing situation by transforming the job position or transferring the relevant persons within the company.

3.3 Acceptance of gifts

Employees of ADR must not accept or ask for, either directly, or indirectly, any benefit, money, gift, loan, discount or advantage from persons in contact with them or with ADR that would serve to influence their impartiality and judgment.

Expressions of business courtesy, such as minor gifts or entertainment are only allowed if their aggregate value within one calendar year and concerning one customer does not exceed the amount of HUF 20,000 and does not serve to motivate the recipient to commit a violation of duty or to refrain from any action. Our employees must reject any benefit in excess of this value and immediately notify their supervisor accordingly.

Even business gifts under the value of HUF 20,000 may only be accepted from customers with a contractual relationship with ADR. Every attempt at giving presents shall be rejected if it serves the purpose of gaining preferential treatment for the customer, a subcontractor or employee involved in the fulfillment of the task under the commission of the customer by the employees of ADR, or if it is intended to influence the activity of ADR in any way.

Managing directors, the chief financial officer and the chief logistics officer may accept gifts or entertainment in a higher annual allowance, between HUF 20,000 and 100,000, but they shall report these to the ethics committee. Any business gifts above the value of HUF 100,000 may only be accepted with individual permission.

Gifts bearing the logo of a customer shall only be used outside the workplace.

3.4 Other financial matters

Employees of ADR may not illegally grant or accept financial loans or assistance from each other, from subcontractors contracted by ADR, or from the employees of ADR. Such activity may be carried out only within the contractual framework described in the legislation, of the free will of both parties and with knowledge of the risks. ADR shall not be liable for any problems arising from such transactions.

3.5 Corruption

Our employee must not apply bribery or corruption to obtain a business benefit.

3.6 Free market competition

ADR is a committed supporter of free market competition and therefore it strictly observes the provisions of the Law on the prohibition of unfair market condition and restriction of competition.

3.7 Deception

It is not permitted to provide false information or data in order to deceive customers, business partners, competitors or employees. True, clear and professional answers must be given to every question.

It is a material ethical misdeed to abuse the trust of the customers or the information received, to use these for any other purpose without the permission, approval of the customer (e.g. include in a database).

3.8 Obtaining personal benefits against the interests of ADR

It is considered an ethical misdeed

- to attempt to obtain personal benefits by using the fixed assets, intangible assets and services of ADR;
- to attempt to obtain personal benefits while representing ADR, taking advantage of its reputation;
- to use business relationships for obtaining personal benefits.

4. Activity in political life and in trade unions

We do not restrict anyone's activity in political life or in trade unions. In the case of such activities, we expect our employees:

- not to use the name of ADR,
- not to create the impression that ADR is committed to any political movement or party,
- not to join any group whose aims or operation is contrary to the interests of ADR,
- not to use the assets of ADR (fax, telephone, photocopier, etc.) in their activities;
- not perform pertinent activities in their workplace.

Employees may pursue political activities during their holidays/non-working time, as regulated by law or contract.

In such cases reasonable holiday may be given pursuant to the applicable rules of law and the pertinent agreements, but the effect of absence on continuous business operation must be taken into account.

5. Environment

In our socially responsible activities we pay special attention to environmental awareness. ADR expects its employees to protect the environment while working, to ensure that waste is collected selectively, any hazardous waste is disposed of properly, they must pay attention to water and energy saving, make efforts to use the raw and ancillary materials economically, saving as much as possible (e.g. fuel, paper). They should give preference to recyclable materials and products as much as possible.

6. Social media

We expect our employees to refrain from any use of social media that may adversely affect the reputation and legitimate economic interests of ADR or the economic association maintaining a regular economic relationship with ADR.

7. Reporting and settlement of ethical misdeeds

If the employee experiences such conduct in their work environment that may give rise to the suspicion of a violation of the Code of Conduct of ADR, they may report it to the ethics officer of ADR, who will investigate the report and take action in order to terminate the unethical conduct.

At the time of the issue of this policy, the ethics officer of ADR is: the Chief Logistics Officer

The ethics officer will investigate the case within 15 days and is required to give a written reply to the person who reported it. If the person who reported the case has not received a reply within 15 days, or they are not satisfied with the reply and with the resolution of the situation, then they may approach the ethics committee, which is composed of the managing directors of ADR and the chief financial officer of the company, on the email address of etikaibizottsag@adr-logistics.hu

When making the report, the person reporting the suspicion must also respect the personality rights of the person affected by the suspicion, so forwarding of personal data to any person not affected by the ethics-related matter is prohibited.

ADR declares that if any employee who seeks advice in good faith, expresses their concerns or reports a misconduct, it will proceed according to the Code of Conduct. The employee must not be disadvantaged in any way, directly or indirectly because of the report.

If the person who reported the ethical misdeed knew that the reported misdeed was not committed, or was not committed by the person identified by them, then an ethical procedure may be initiated against them.

8. Application of adverse legal consequences

If the provisions contained in the ethical policy of ADR are violated, we shall proceed according those set forth in the contract of employment and Article 56 of the Labour Code.