



CODE OF BUSINESS CONDUCT AND ETHICS

Our Company's business success is based on our experience and expertise in specialized knowledge. However here at Wozavez we believe that success not only arises from knowledge but from the principle of treating everybody as ourselves like to be treated. Bearing this principle in mind while obeying the law, both in letter and in spirit, is the foundation for our ethical standards as we set up the following ethical and behavioral rules for the management and the employees with the ultimate goal to help to pursue a fair, transparent and legal business activity and to maintain an attractive, safe, people-centered workplace.

Principle 1: Honesty, Integrity and Fair Play, Compliance with Laws

The Company and its staff are fully committed to the principle of honesty, integrity and fair play in the delivery of services and goods to the public. All staff should ensure that the business operations, applications for services, procurement or staff recruitment, are dealt with in an open, fair and impartial manner. This Code of Conduct sets out the basic standard of conduct expected of all staff and the Company's policy on matters like acceptance of advantages and conflict of interest of staff in connection with their duties. This Code also applies to temporary and part-time staff employed by the Company.

All employees and staff must respect and obey the laws, rules and regulations of the cities, states and countries in which we operate. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

Principle 2: Equal Opportunity for All Employees

The company is an equal employment opportunity employer. Employment opportunities are available regardless of race, color, sex, religion, national origin, age, disability or other legally protected status. This Principle applies to all aspects of the employment relationship, including recruiting, hiring, training, work assignment, promotion, transfer, termination, and wage and salary administration.

Principle 3: Safety-, Health Practices and environmental considerations

The company is committed to an injury-free and illness-free workplace that is operated in an environmentally sound manner in compliance with all relevant laws and regulations that protect worker safety and the environment.

Employees and staff members are expected to perform their work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated.

The company expects its employees and officers to follow all applicable environmental laws and regulations. In case of uncertainty about a responsibility or an obligation it is safest to check with superior employee or mandated officer.

Principle 4: Fair Competition

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices.

The company's policy prohibits any anticompetitive practices which could effect in bounding, restraining or distorting competition, as well as any practices of an unfair competition.

Accordingly, our employees cannot agree (formally or informally) with competitors

- to fix prices or any other conditions of transaction; to limit or control the production, commercialization, technical development or investment;
- to manipulate or divide markets or sources of provisioning;
- to participate with fake offers in tenders or any other forms of competitions for offers;
- to limit or restrain access to market and freedom of competition for other enterprises;
- to apply unequal conditions for equivalent performance to commercial partners, creating in this way a disadvantage in competition;

- to condition signing of acceptancy contracts by the partners for supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

Our employees are prohibited from performing any act of unfair competition manifested through: misappropriating clients of a company by using the relations established with such clients within the function previously held at the company, dismissal or attracting employees of a company for the purpose of setting up a competing company to capture customers of that company or hiring employees of a company in order to disorganize of its work.

At the same time, our employees must not take actions that harm the legitimate interests of consumers or other operations in breach of the competition law.

Principle 5: Governance and anti-corruption

The Company has zero tolerance for corruption. All employees must never offer to provide anything of value directly or indirectly to government officials and business partners to secure an undue advantage.

The company prohibits payment, offers of payment as well as anything of value directly or indirectly with the purpose of influencing or obtaining undue business or personal advantage.

Third parties will only be contracted to perform tasks which aid business interests provided: fees to be paid are reasonable; all arrangements are clearly documented; arrangements are in compliance with company's policies.

Principle 6: Financial Reporting

All transactions of the Company must be duly recorded so as to permit preparation of clear financial statements in conformity with generally accepted accounting principles. No false or misleading entries may be made in the books and records of the Company for any reason, and no employee may engage in any arrangement that results in such a prohibited act.

No undisclosed or unrecorded fund or asset of the Company may be established for any purpose. No payment on behalf of the Company (including those by cash) may be done without adequate supporting documentation or made with the intention or understanding that any part of such payment is to be used for any purpose other than as described by the documents supporting the payment.

Principle 7: Restrictive Agreements with Third Parties

The Company does not condone activities that seek to gain an unfair competitive advantage. No individual may engage in any activity which violates any valid restrictive agreements entered into by that individual for the benefit of a third party, and no individual may, directly or indirectly, use or disclose any confidential information or trade secrets of a third party that the individual obtained while employed by or associated with such third party.

Principle 8: Government Contracts and Services

The Company is strictly committed to complying with all applicable laws and regulations relating to government (public procurement) contracts and services. Deal with any governmental entity, including public international organizations, every company employee is responsible for knowing and complying with all rules that apply to government contracting and interactions with government or public sector employees and officials.

Our company is committed to the highest standards to ensure that its reports, certifications and declarations to government officials are accurate and complete and that any deviations from contract requirements are properly approved. Our staff is obliged to show high respect to submission of accurate invoices to government that comply with all regulations regarding invoicing and payments.

Principle 9: Acceptance of Advantages

It is the policy of this Company to prohibit employees and all staff from soliciting or accepting any advantage from any persons having business dealings with the Company (e.g. clients, suppliers, contractors). Employees who wish to accept any advantage from such persons should seek advice and permission from the mandated officer. (Appendix 1)

Any gifts offered voluntarily to employees in their official capacity are regarded as gifts to the Company and they should not be accepted without permission. By default, staff should decline the offer if the acceptance could be perceived as against the interest of the company, or that of society, or lead to complaints of bias or impropriety.

For gifts presented employees in their official capacity and of low nominal value (below 1000 HUF), the refusal of which could be seen as unsociable or impolite, can be exceptionally accepted. In other circumstances, the staff should seek for a clear (i.e. in writing) and immediate (within 5 days from the offer) consent from the mandated officer to accept the gifts.

Proper records shall be kept of the applications and permissions. Each permission will indicate the name of the applicant; the occasion of the offer; the nature and estimated value of the gift, and whether permission has been granted for the applicant to retain the gift or other directions have been given to dispose of the gift. The permissions must be signed and dated by both the officer in charge and the applicant. (Possible ways of disposal of such gifts are listed at Appendix 2.)

Principle 10: Conflict of Interest

A conflict of interest situation arises when the “private interests” of employees and an member of staff compete or conflict with the interests of the Company. “Private interests” means both the financial and personal interests of the staff or those of their connections including: family members and other close affiliates; personal friends; the clubs and societies to which they belong; and any person to whom they owe a favor or are obligated in any way.

All employees should avoid using their position or any information made available to them in the course of their duties to benefit themselves, their affiliates or any other persons with whom they have personal or social ties. They should avoid putting themselves in a position that may lead to an actual or perceived conflict of interest with the Company.

Failure to avoid or declare any conflict of interest may give rise to criticism of favoritism, abuse of authority or even allegations of corruption. In particular, staff involved in the procurement process should declare conflict of interest if they have beneficial interest in any company which is being considered for selection as the Company supplier of goods or services.

When called upon to deal with matters of the Company for which there is an actual or perceived conflict of interest, the staff member should make a declaration in writing to his/her immediate superior. He should then abstain from dealing with the matter in question or follow the instruction of the mandated officer who may reassign the task to other employee.

(Appendix 3 provides some examples of conflict of interest situations that may be encountered by staff.)

Principle 11: Misuse of Official Position

Any employee or member of staff who misuses their position for personal gains or to favor their relatives or friends are liable to disciplinary action or even prosecution. Examples of misuse include a any employee responsible for the selection of suppliers giving undue favor or leaking information to his/her relative's company with a view to giving away an undue advantage.

Principle 12: Handling of Classified or Proprietary Information

No procurement-sensitive information shall be obtained, directly or indirectly, from any source, that is not publicly available or otherwise authorized for disclosure by the government; is confidential internal government information, such as pre-award, source selection information; or any proprietary information of a competitor, including, for example, bid or proposal information, during the course of a procurement or in any other circumstances where there is reason to believe that the release of such information is unauthorized.

Employees are not allowed to disclose any classified or exclusive information to anybody without authorization. Staff who have access to or are in control of such information should at all times provide adequate safeguards to prevent its abuse or misuse. Examples of misuse include disclosure of information in return for monetary rewards, or use of information for personal interest. It should also be noted that unauthorized disclosure of any personal data may result in a breach of the applicable legislation on privacy.

Principle 13: Property of the Company

The Company employees and officers should protect company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on profitability. All Company assets are to be used for legitimate business purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Assets should not be used for non-company business. The obligation of employees and officers to protect assets includes proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties

Principle 14: Outside Employment

Employees who wish to take up paid outside work, including those on a part-time basis, must seek the written (date and signed) permission and guidance from the management before accepting the job. Approval will not be given if the outside work is considered to be in conflict with the interest and values of the corporation.

Principle 15: Compliance with the Code

The Code of Conduct shall be commonly known and consistently implemented to ensure this our Company conducts the following procedures.

Employees are involved in all stages of code development. We held periodic trainings and interactive meetings discussing key points.

Our Company helps our employees and members of staff to familiarize with provisions this Code of Conduct by making presentations for new employees and introducing the channels through they can get further help in case of doubt. However it is the personal responsibility of every staff member to understand and comply with the Code of Conduct. Every member of the staff shall sign a declaration of Principle to this purpose. The mandated employee keep declarations of Principle.

Higher ranked employees should support the code, lead by example and ensure that their subordinates understand and comply with the standards and requirements stated in the Code. Any doubts of interpretation or problems encountered, as well as any suggestions.

Any employee who violates any provision of the Code will be subject to disciplinary action. In cases of suspected corruption or other criminal offences, a report will be made to the appropriate authorities.

Principle 16: Sanctions

The Company can take prompt and appropriate remedial action in response to violations of the Code. Any employee who engages in conduct prohibited by the Code will be subject to discipline actions and sanctions in accordance with the labor law.

Once a complaint has been placed, the mandated officer will initially analyze it and s/he may meet privately with the applicant to understand the facts surrounding the issue. Following a fact-finding phase, an investigative meeting could be held with the employee alleged of the violation, to further ascertain the facts and receive observations.

The sanction may be under the form of:

- Warning;
- Private or public letter of reprimand;
- Transfer to other tasks or unit;
- Suspension from duties;
- Termination or removal.

The decision should be issued in writing (date and signed), indicating a summary of the facts, reference to the specific violation and motivations.

The mandated officer shall report serious violations to appropriate government or legal authorities.

Principle 17: Reporting

Employees have a responsibility to promptly report to the Company any violation of the Code. All reports are treated the highest degree of trust and confidentiality. Our mandated officer is available for staff personally in his/her office, via telephone and e-mail.

Employees will not be disciplined or retaliated against in any way for reporting violations in good faith. Retaliation against any employee for reporting policy violations, or for testifying, assisting or participating in any manner to inspections is strictly prohibited. Any employee who believes he or she has been subjected to or has witnessed retaliation must immediately report the alleged retaliation to the officer.

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APPENDIX

Appendix 1: Definition of Advantage and examples of prohibitions

“Advantage” means:

- any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;
- any office, employment or contract;
- any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- any other service, or favor, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- the exercise or tolerance from the exercise of any right or any power or duty; and
- any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs above.

Every employee commits to:

- Do not solicit, accept, offer, promise or pay a bribe either directly or through a third party. This includes “facilitation payments”.
- Do not accept transportation, travel expenses or accommodations for trips that are not business related.
- Do not offer or accept donations for parties, including going-away parties.
- Do not solicit or accept personal discounts that are not available to all employees or available to the general public.
- Do not offer or accept personal rebates or refunds that are a result of company's purchases.
- Do not offer or accept excessive or inappropriate meals or entertainment. Generally, an excessive amount would be an amount you would not normally spend on yourself.

Gifts provided should not give the appearance of unduly influencing, obligating the recipient or providing an improper advantage to the company. Gifts or entertainment should not reflect adversely on the company or the recipient's company and the gifts should be given openly. The gift or entertainment should be accurately accounted for in the employee's expense report and on the company's books and records. If you have questions regarding whether or not to accept or offer a gift or invitation, consult with the ethics officer.

Appendix 2: Examples of ways to dispose of gifts presented to a staff member in his official capacity

- If the gift is of perishable nature (e.g. food or drink), it shall be shared among the office or during an activity organized by the Company.
- If the gift is a useful item, it may be sent to a charitable organization.
- If the gift is of historical or other interest, it may be sent to a library or museum.
- If the gift is suitable for display (e.g. a painting, vase, etc.), it may be retained for display in the Company's premises.
- If the gift is a personal item of low value (below 1000 HUF), it may be retained by the recipient.

Appendix 3: Examples of Conflict of Interest Situations

- A staff member has a financial interest in a company that is being considered for selection as the company's supplier of goods or services.
- A staff member accepts frequent gifts from the company's suppliers or contractors.

Appendix 4: Guideline questions for employees

When facing a potential unethical behavior the staff member should ask her/himself the following questions:

- a) Is it in accordance with the company's practices and policies?
- b) Is it legal?
- c) What do my colleagues/Manager/HR Director/Ethics Officer think?
- d) How would I feel about telling someone else what I had done?
- e) How would our client react?
- f) How would the company feel if this was reported in the National newspaper?
- g) To what extent will this affect the environment?