

Anti-corruption Announcement

The owners and the management of K&H Pénzforgalmi Szolgáltató Kft. (K&H Payment Services Ltd., hereinafter: Company) declare a zero tolerance policy with regard to acts of corruption, and in particular, active and passive bribery. In the implementation of its anti-corruption strategy, the Company also takes strong action against gifts that exceed the threshold value.

“Executive level commitment” is the commitment of senior management to prevent bribery by those associated with them. Management must foster a corporate culture in which bribery is not acceptable under any circumstances and take responsibility for the effective formulation and implementation of the Anti-Corruption Programme.

The Board of Directors has approved an Anti-Corruption Strategy that incorporates all relevant provisions and principles of the Company’s Compliance Charter, including the implementation strategy. This document will be prepared by the Compliance function of the Company.

The Company will perform, at least annually, a risk assessment based on predefined criteria to evaluate the nature and the extent of its exposure to potential internal and external risks of bribery.

The Company regularly assesses the nature and the extent of its own exposure, resulting of its own business activities, to potential internal and external risks of bribery that may be committed on its behalf by persons associated with it. The assessment will be carried out on a regular basis, but at least once a year, and documented in an appropriate form.

The key risk mitigation measures are measures adapted to the specific needs and risks of the entity, and are formulated as more detailed procedures or general principles, such as the “four eyes principle”, the principle of dual control, proper delegation procedures, segregation of duties, etc.

Taking into account the outcome of the risk assessment, management will develop detailed rules and procedures to ensure that the anti-bribery policy and specific anti-bribery objectives are enforced to a reasonably extent. Accordingly, internal procedures will be put in place to prevent bribery by persons associated with the Company. Such procedures must be designed to be proportionate to the risk of bribery to which the Company is exposed and to the nature, scale and complexity of the Company’s activities. The procedures must be practical and accessible, and the Company must ensure that they are effectively implemented and the rules are complied with.

The Company must enter into force general rules containing anti-corruption elements. Their implementation will be monitored simultaneously with their introduction, and the extent of their enforcement be taken into account when analysing the implementation of the Anti-Corruption Programme.

In addition to the specific due diligence requirements set out in these rules and principles, a more general, proportionate and risk-based anti-corruption due diligence process is required for all other business relationships.

Accordingly, in addition to, and beyond the more in-depth due diligence procedures, basic due diligence procedure must be carried out in all cases before a business relationship is established, as follows:

- **Determining the scope and depth of due diligence:** the scope and depth of due diligence should be defined for the business relationship; some (e.g. companies incorporated in riskier

countries) may require a more detailed check, while others may only require targeted due diligence.

- **The method of conducting due diligence:** anti-bribery due diligence is comprised of the research, investigation, evaluation and monitoring that the Company undertakes so that it can ascertain whether the companies and individuals it is in a business relationship with are or have been acting in accordance with the Company's Anti-Corruption Programme. Research and investigation can be carried out through internet searches, the use of more targeted tools containing information regarding corruption, or by requesting documents and certificates from the partner on its anti-corruption policies and measures.
- **Frequency of due diligence:** at least every three years for partners identified as high risk.

The Company defines corruption as an event that triggers termination of the relationship with the **supplier**, and, in accordance with its social responsibility policy for Suppliers requires them to sign an anti-corruption statement.

Financial institutions must sign the Anti-Corruption Questionnaire before being accepted as a partner.

The Company also screens its **investments** in companies and entities for corruption and bribery.

Appropriate due diligence must be carried out when appointing members of the Board of Directors and when selecting new recruits, with special regard to senior managers and employees who may be placed in positions where they are exposed to the risk of bribery. In addition, Human Resources must manage the risk of bribery on an ongoing basis, not only at the time of recruitment.

In the case of mergers or acquisitions, due diligence must include an examination of the possibility of corruption.

Bribery:

There are different (local and international) definitions of bribery. In the present case, the term "bribery" is used in its ordinary sense, and not as defined by law.

- Giving/offering a benefit for the purpose of unduly influencing others is considered bribery (active corruption),
- receiving/accepting a reward for performing an act that would not otherwise have been performed or for failing to perform an act that would otherwise have been performed (passive corruption),
- or promising or giving an advantage to public officials who are not permitted to be influenced, with the intention of obtaining business or other gain (official corruption).

The Company takes decisive actions to deal with any form of bribery under its Anti-Corruption Programme, even in cases not discussed above.

Gifts:

The Company recognises the importance of fostering good business relationships between the Company and its clients through means outside the scope of professional cooperation. The Company seeks to establish criteria for transparent and reasonable behaviour to protect its employees and partners.

The rules on accepting and giving gifts, as well as on hospitality, donations and sponsorships are essential to maintaining our clients' trust in the Company and its employees.

Offers of gifts or hospitality, whether given or received, should be evaluated in accordance with the criteria set out in the relevant internal rules, and the basic criteria set out therein should be taken into account by all when deciding whether an offer, whether given or received, is acceptable. For this, the thresholds set by the Company in its internal regulation will be taken into consideration.

A gift is a benefit offered/accepted by an employee of the Company to/from an external partner (client, supplier, public officer, etc.) as a token of appreciation, without any charge or consideration in return. Gifts can take various forms: it may be a souvenir, movable or immovable property, a business gift, donation, bequest, insurance policy proceeds, any kind of service, below-market pricing, personal discount from a supplier, etc.

Offers of gifts or hospitality, whether given or received, will be evaluated by the Company according to the following criteria:

- For normal business relations, the offer should be in good taste, within the bounds of moderation and common sense.
- The eventual public disclosure of the case should not cause embarrassment for the Company (or damage its reputation).
- It may not be in conflict with the law, internal regulations or the Company's Code of Ethics.
- It may not give rise to any expectation of consideration in exchange ("quid pro quo").
- It may not be given/accepted as a kickback or gratuity (e.g. to obtain or retain business or to secure an undue advantage).
- It is to be provided/accepted voluntarily and without request.

The Company strictly prohibits the following:

- Bribery.
- "Adult" entertainment, indecent exposure, gifts or events with sexual content
- Providing/accepting "kickback"
- Accepting and offering cash as a gift (or the equivalent of cash, such as a gift card or gift voucher, gift certificate, security, or other financial instrument, etc.)
- Inheritance from clients (except for inheritance between relatives): employees of the Company who would be the beneficiaries of a will or donation must inform the testator/donor that they are obliged to reject the bequest/donation immediately upon becoming aware of it. If an employee wishes to accept the inheritance or donation, they must submit their resignation. An employee accepting the inheritance/donation in violation of the rules must be dismissed.

The Company declares the following thresholds for gifts:

- Maximum value of gift/entertainment per gift: EUR 500 per person, per partner and per year.
- The value of the gift/entertainment may not exceed EUR 250 per occasion. If the value of the gift/entertainment exceeds the indicated limit of EUR 250 per occasion, but does not exceed EUR 500, the express prior written consent of the member of the Board of Directors responsible for the area in question is required, in accordance with Principle VIII.
- If the maximum value of the gift/entertainment exceeds the indicated limit of 500 EUR/year, either per occasion or the aggregate maximum value for the calendar year, the approval of the Board of Directors is required, in accordance with Principle VIII.
- Invitations to participate in events, including accommodation and/or travel expenses, are acceptable if their value does not exceed the indicated limit. Exceeding this threshold requires

the express prior written consent of the member of the Board of Directors responsible for the area in question, in accordance with Principle VIII.

- The threshold does not apply if a specific budget has been approved for events organised for a group of clients. Any circumvention of the principles is strictly prohibited.

Circumvention of the principles by involving family members (life partner, child, ..) is strictly forbidden. Gifts or entertainment offered **specifically and directly to family members** of staff members are not acceptable.

Gifts in the form of **future services or other non-monetary benefits** (e.g. a promise of a job) are prohibited. It is prohibited to offer or accept a gift/reward to or from a party involved in an ongoing **tender** procedure (i.e., before the conclusion of a contract).

In the context of relations with **public officers**, the Company declares special rules. All Company employees shall proceed with utmost prudence when giving gifts or entertaining public officials.

The general conditions and prohibitions (including the thresholds) defined above also apply to relations with public officials. In addition, it is not permitted to a Company employee involved in an investigation in progress to offer or accept gifts or entertainment to/from a public official conducting the investigation (e.g. working for a supervisory/regulatory authority).

A discount offered by a Company supplier to an employee of the Company as an individual can only be accepted if it is not higher than the discount offered by the supplier to its best customers.

An offer to all staff or a group of staff linked to the client may be accepted.

Donations to charities is an established way to improve corporate image and foster good local relations. However, problems may arise, for example when local public officials are involved in a donation drive. Donations for the benefit of the local community are in principle allowed.

Sponsorship is an established way to improve corporate image and fostering good local relations. Decisions/initiatives regarding sponsorship should always be based on the interests of the company (some business objective, usually to increase brand visibility and value) and not on private interests or the interest of the decision-maker(s). The Company does not provide any support to political parties, organisations or events, nor to public organisations. No exceptions to this rule are allowed.