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## CORPORATE CODE OF CONDUCT

ISSUED ON: 01/08/2022		Company name change
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## 1. Purpose

ENEOS MOL Synthetic Rubber Ltd. (hereinafter: **EMSR**) established this Corporate Code of Conduct (hereinafter: Code) as the basic rules that all employees (full-time, contract, part-time, and temporary employees as well as employees on short-term contracts) should comply with, in order to execute the management policies

The Code is the provision for **EMSR's** responsibility in relation to the stakeholders during engaging in business activities. We shall not require our employees to act in violation of the Code. Additionally, we shall not disadvantage any employee who refuses to execute an order to perform an act that is in violation of the Code for the reason of said refusal.

### 1.1. Scope

The Code shall apply and binding to all employees of **EMSR**.

### 1.2. The Process Owner

The Process Owner is the HR Manager, who is responsible for the preparation and maintenance of the Code.

### 1.3. Date of effect

From the date of effect **08/08/2022** the provisions of the Code are obligatory and binding for all affected employees of **EMSR**.

## 2. Definitions

**Code:** a Code is a collection of rules, principles, values, and expectations of employees that an organization considers important and essential to its successful operation.

**Code of Conduct:** the Code serves as a guide to fair conduct and aids in ethical decision-making in an organization. The Code is also a communication tool that informs internal and external stakeholders about the values of the organization, employees and management.

**Corporate/business ethics:** rules, principles, and standards for deciding what is morally right or wrong when doing business.

## 3. Corporate Code of Conduct Process Description

### 3.1. Golden Rule as **EMSR** basic ethical Golden Rule

The Golden Rule is the basic ethical value of **EMSR**. The Golden Rule is 'Treat others as you would like others to treat you', or rephrased 'Do not treat others in ways that you would not like to be treated'.

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**EMSR** respects human dignity, autonomy, privacy, human rights, interests of all and treats everyone with respect.

All the **EMSR** employees adhere to the Golden Rule, striving to treat others the way they would like to be treated.

### **3.2. Operation and application of the Corporate Code of Conduct**

This Code contains the principles to be followed to execute our responsibility to individual stakeholders: 'Responsibility to Our Customers/Business Partners', 'Responsibility to Our Employees' and 'Responsibility to Society'. In addition to the above, the common principle is provided to fulfill responsibility to all our stakeholders.

**EMSR** undertakes due diligence when appointing agents, advisers or other intermediaries. All agreements with agents, advisers and other intermediaries require prior approval and **EMSR** shall advise every intermediary on our position on condemning corruption.

**EMSR** conducts procurement processes in a fair and transparent way. **EMSR** undertakes due diligence, as appropriate, in evaluating suppliers, contractors and sub-contractors to ensure that they have effective anti-bribery commitments and policies.

**EMSR** requests all stakeholders to immediately report via SpeakUp! (see in details: Appendix 2.) if any corrupt practices in **EMSR** is suspected or known of. Reporting concerns and raising questions helps **EMSR** to protect the integrity and ethics, furthermore the reputation and financial health of the organization and the business partners, ultimately employees' jobs and the wellbeing of our communities. It is the aim of **EMSR** to prevent and detect ethical misconduct and violation of the law. Furthermore, not reporting unethical behaviour jeopardises the social license to operate and can be considered as ethical misconduct itself.

**EMSR** is committed to fight fraud and does not tolerate fraudulent practices. In order to safeguard **EMSR** values, assets and reputation, we are each personally responsible for acting in good faith, pursuant to the relevant rules and regulations and to be on the lookout for any indication of fraud. Even turning a blind eye to the suspicion of fraud can result in liability for the company and for you personally. Fraud includes all kinds of intentional and wrongful deception. This includes, intentional false representation or concealment of a material fact for the purpose of inducing another to act, to gain an advantage which causes damage. Fraud can also occur without a deceptive element, when persons or parties collude to circumvent due processes in order to create a false appearance of real business activity or a transaction, for personal gain.

**EMSR** is committed to the highest standard of prohibiting money laundering. Money laundering is the process of concealing illicit funds or making them appear to be

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legitimate, so that the criminal origin or nature of the funds or assets is hidden in legitimate business activities. It also covers the use of legitimate funds to support crime or terrorism.

### *3.2.1. Conduct to fulfill Responsibility to our Customers / Business Partners*

When interacting with our business partners and customers, the **EMSR** will:

- Constantly evolve to meet the demand for new materials
- Always strive to increase customer satisfaction
- Act in good faith and maintain fair and equitable business relations
- Continue to be socially and environmentally conscious

#### *3.2.1.1. Code of Conduct for Product Safety*

When performing business activities, we shall abide by the law in relation to product safety, proactively provide adequate product information to our customers and prevent accidents that may be attributed to our products. Through these efforts, we strive to maintain and improve relations with customers.

#### *3.2.1.2. Code of Conduct for Fair and Proper Transactions*

- ❖ We shall observe laws regulating transactions, such as competition laws.
- ❖ In transactions with small-size subcontractors, we shall not perform unfair practices such as delayed payment to subcontractors.
- ❖ To prevent our technologies and products from being used for harmful affairs and actions which may threaten international peace and safety, we shall observe laws and regulations in relation to import and export, including foreign exchange and foreign trade control laws.
- ❖ With regard to purchase transactions, we shall conduct transactions that are fair, transparent, and based on economic rationality, as well as consider our responsibility to society, such as compliance with laws and ordinances, protection of resources, environmental conservation, safety and human rights.

#### *3.2.1.3. Code of Conduct for Gifts and Entertainment*

- ❖ Whether inside or outside the country, we shall not give gifts to and/or entertain politicians, government officials or other relevant parties in a manner that may generate profits through illegal means or violate bribery regulations.
- ❖ When making contributions to political figures/parties or other organizations, we shall do so in a proper manner and observe all applicable laws and regulations.
- ❖ We shall not give or receive gifts and provide or receive entertainment to or from customers, suppliers, and other stakeholders, which may be regarded as bribery or unfair acts. We shall not be involved in the exchange of gifts or entertainment that may go beyond the accepted social norms.
- ❖ Within the **EMSR**, we shall not give and/or receive gifts and/or provide entertainment.

**EMSR** abides by and support laws that prohibit bribery and corruption.

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The transparency and appropriateness of gifts and hospitality are especially important during bidding and tendering processes. Small value with a total gross value under 50 EUR, promotional gifts (e.g. pens, keychains, and calendars), other business gifts, items, services, business meals, beverages and conference participation given without the intention to exert influence may be accepted without being reported as gifts.

However, any type of given or received gifts with a total gross value of or over 50 EUR must be reported and can be accepted only with the written approval of the Ethics Council. Gifts, business meals and program events with a value exceeding 50 EUR that are not reported, may be regarded as acts of bribery. Any gift given or hospitality provided, with the intent of exerting unlawfully influence, is considered bribery regardless of the value, whether or not it is registered.

If a gift cannot be rejected for reasons of courtesy or for practical reasons (e.g. it is already delivered and could not reasonably be sent back) direct manager gives permission to keep the gift under 50 EUR or whether to offer it to charity or as a community benefit.

All gifts, business meals and program events of a value exceeding 50 EUR must be reported to the direct manager and to the Ethics Council, regardless of whether accepted or not. If left unreported, it may be regarded as a bribe. Make sure that our partners are familiar with the Code.


### *3.2.2. Responsibility to Our Employees*

All employees should expect:

- To be evaluated and rewarded based on fair standards
- Continuous opportunities to grow by challenging themselves
- Acceptance of the diversity of fellow colleagues and to be provided a workplace where all employees can work together as a team

#### *3.2.2.1. Code of Conduct for Providing a Comfortable Work Environment*

- ❖ We shall ensure the fair treatment of employees, based on each person's tasks, roles, and level of commitment.
- ❖ We shall respect the diversity of our workforce and make efforts to create a workplace environment that enables every employee to make the best use of their abilities and to find a rewarding sense of satisfaction in their work.
- ❖ We shall respect the human rights and diverse characteristics of all individuals, and shall not discriminate against gender, age, nationality, race, ethnic group, origin, religion, beliefs, social status, physical disability, sexual orientation, or other relevant conditions when determining employment status and/or working conditions.
- ❖ We shall not force religion and/or belief on others.
- ❖ We shall provide a workplace free from sexual harassment and any harassment arising from positions of power. In addition, we will not engage in or make verbal

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comments with sexual connotations that will make counterparts feel uncomfortable.

- ❖ We shall strive to maintain and improve safety and hygiene levels for all relevant parties, based on our belief that 'safety is of utmost importance to everyone working in manufacturing and the bedrock of business activities'. Additionally, we shall pay sufficient attention to the maintenance of the mental and physical health of ourselves and those we work with.
- ❖ In the event that a staff member reports the violation or possible violation of the law and/or the Principles of Corporate Ethics to his/her superiors and/or internal/external hotline, we shall fully protect the said staff member's identity and protect him or her from unfavourable treatment.
- ❖ We will provide a work environment that facilitates flexible 'work life management' for employees and strive to improve both productivity and employee satisfaction.

### 3.2.3. *Responsibility to Society*

All members of the **EMSR** will honour our responsibility to both the local and global communities through:

- Responsible and respectful business practices (Responsible Care) that consider the environment and safety
- Support of environmental conservation by providing eco-friendly products
- Reduction of our environmental impact throughout the entire product lifecycle
- Active contribution to conserving biodiversity throughout its business activities and the entire product lifecycle

#### 3.2.3.1. *Code of Conduct for the Environment and Safety*

- ❖ We will seek to form a symbiotic relationship with society by promoting accident-free and disaster-free operations and securing the safety of our employees and local communities.
- ❖ We will strive to conserve the environment by reducing environmental loads/impacts throughout the life cycle of a product, from development to disposal.
- ❖ We will comply with all relevant laws and regulations in using chemical substances in our business activities.
- ❖ To help prevent global warming and promote effective use of valuable resources, we will make active efforts in our business activities, such as resource saving, energy conservation, waste reduction, and recycling of used products.
- ❖ We will pay utmost consideration to the maintenance, conservation and sustainable use of biodiversity that supports our daily lives and our business activities.

#### 3.2.3.2. *Code of Conduct for Respecting Human Rights*

- ❖ We will respect and uphold basic human rights, such as the Universal Declaration of Human Rights, declared internationally and protected under constitution and will not infringe basic human rights.

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- ❖ We will abide by the relevant labour code and respect workers' right of association and right for collective negotiation in the realm of basic labour rights.
- ❖ We shall never allow child labour or forced compulsory labour, whether at the **EMSR** or in the workplaces of business partners and collaborating companies.

#### 3.2.3.3. *Code of Conduct for Risk Management*

We will keep track of imminent or potential risks we may face and prevent such risks before they happen. Should any risk become evident, we will strive to minimize its adverse effects on our business activities and society.

#### 3.2.3.4. *Code of Conduct for Corporate Social Responsibility*

- ❖ As a responsible member of society, we will make active efforts to meet societal demands and address social challenges, as well as to contribute to society through our business activities.
- ❖ We will pursue sustained efforts in corporate social contribution activities by taking full advantage of the chemical and technological knowledge on which the business foundation of the **EMSR** has been built.
- ❖ We will actively encourage our employees to be involved in society and voluntarily join activities that benefit society.

**EMSR** related responsible regularly reports on our corporate giving and sponsorship in an open and transparent manner. Accordingly, **EMSR** only co-operates with and participates in well-regulated and transparent enterprises that conduct themselves in the same manner as we do in business. In order to preserve the trust placed in our company, we have transparent, regulated sponsorship and charitable donation systems.

#### 3.2.3.5. *Code of Conduct against Antisocial Forces*

Our basic policy, upheld by our top executive and company as a whole, is to reject any relation with antisocial forces including any business transactions, and firmly reject any demand with collaboration from police and external organizations specialized in security issues.

#### 3.2.3.6. *Code of Conduct for Coexistence with International Society*

In our international business activities, we shall abide by the relevant laws and rules, respect local culture and customs, and conduct business operations in a manner which will contribute to the development of local communities.

#### 3.2.4. *Responsibility to All Our Stakeholders*

The **EMSR** will maintain its responsibility to all of its stakeholders by:

- Striving to prevent any loss of reputation for the company or its corporate values, including intangible values such as social credibility and dignity.

##### 3.2.4.1. *Code of Conduct for Fair Fulfillment of Daily Duties*

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- ❖ We shall not perform any dishonest transactions with the aim of securing unfair private gain through commercial transactions or other business practices.
- ❖ We shall accurately record job duties and shall not record anything falsely and/or fictitiously.
- ❖ The employees of **EMSR** must not act in a way that creates, or potentially creates a conflict of interest for the **EMSR**. If such a situation occurs, the person(s) concerned must report it via SpeakUp! and / or their superior.

**EMSR** respects the privacy of employees and does not normally take an interest in what people do outside of work. However, there is a fiduciary relationship between **EMSR** and its employees and other partners, whereby conflicts of interest may occur if an employee's private activities could potentially interfere with the expected loyalty to **EMSR** interests.

A 'Conflict of interest' occurs when a personal relationship, participation in external activities or interest in another venture influences or could be perceived to unlawfully influence decisions. Conflict of interest situations must be avoided, and employees must refrain from any action that could interfere in any way with their ability to take impartial and objective decisions on behalf of **EMSR** or jeopardise **EMSR** interests. Conflicts of interest can jeopardise your own reputation and that of **EMSR**, could cause damage to **EMSR** interests and have a negative impact on work morale.

#### 3.2.4.2. Code of Conduct for Use of the **EMSR**'s Assets and Intellectual Properties

- ❖ We shall efficiently use the **EMSR**' facilities, machines, equipment and any other commodities. We shall not use the **EMSR**'s properties for private interest.
  - ❖ We shall protect the know-how, patents, utility models, industrial designs, trademarks and other relevant intellectual property.
- Any theft, misuse or waste of company assets or funds has to be reported via SpeakUp! and / or to the direct manager immediately when becoming aware of it.

#### 3.2.4.3. Code of Conduct for the Control of Information

- ❖ We shall not obtain information necessary for our business activities by any illegal means.
- ❖ We shall strive for thorough control of confidential information concerning the **EMSR**, and/or third parties, including customers of, or suppliers to, the **EMSR**. We shall also prevent such information from unauthorized disclosure, and from being leaked or used illegally.
- ❖ While being employed or after leaving a company, we shall not provide to others, without rightful authority, confidential information which has been obtained in the course of company duties. We shall not use such information for private interest.
- ❖ We shall observe the Act on the Protection of Personal Information and strive to prevent illegal acquisition, use and disclosure of personal information while conducting our business.



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Information, data and knowledge are critical assets of **EMSR** and its business partners. All employees and business partners are responsible for protecting confidentiality, integrity and accessibility of data created, accessed, modified, transmitted, distributed, stored or used within **EMSR**, regardless of the actual place and form they take (electronic, paper-based, other physical format, etc.)

Through information technology solutions and regulations, we are committed to ensuring the confidentiality, integrity and availability of electronically stored data, during the full lifecycle of data through the storage, processing and transfer of said data.

### **3.3. Violation of the Code**

Any deliberate or negligent act conduct or omission that is contrary to the described principal values and behavioural standards is considered as an ethics violation. Ethics violations may result in disciplinary action up to and including termination of contractual relations.

## **1. Appendices**

Appendix 1 - List of modifications


Appendix 2 - SPEAKUP! – Ethics Grievance Mechanism

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Appendix 1

## List of modifications

Version No.	Description of change	Date of effect
Rev. B	<ul style="list-style-type: none"> <li>• ENEOS MOL Synthetic Rubber Ltd.</li> <li>• EMSR;</li> <li>• E-mail: SpeakUp_EMsr@emsr.hu;</li> <li>• Phone: +36 (30) 51-39-646 line (operates 24/7 with answering machine)</li> </ul>	08.08.2022

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## Appendix 2

### **SPEAKUP! – Ethics Grievance Mechanism**

**EMSR** provides secure and accessible channels through which internal and external stakeholders can obtain advice or raise concerns (“whistleblowing”). Reports can be made anonymously and will be treated as confidential, without risk of reprisal.

**EMSR** ethical reporting channels secure confidentiality and adequate protection. **EMSR** does not tolerate any retaliation against persons reporting misconduct in good faith. Moreover, everyone is encouraged to act responsibly and report immediately ethical concerns when such situation is detected!

SpeakUp! is governed by the applicable “whistle-blower” protection legislation of Hungary. Should you be in any doubt about how to assess a given situation or have any questions regarding the Code, you should seek practical guidance via SpeakUp!. Every non-compliance incident reported via SpeakUp! line will be assessed and if the criteria is met, it will be investigated.

If you experience any kind of possible violation of the Corporate Code of Conduct you shall report it via SpeakUp!:

- E-mail: [SpeakUp\\_EMsr@emsr.hu](mailto:SpeakUp_EMsr@emsr.hu)
- phone: +36 (30) 51-39-646 line (operates 24/7 with answering machine)
- via post: **ENEOS MOL Synthetic Rubber Ltd.**, Ethics Council, 3581 Tiszaújváros, TVK-lpartelep

The reports will be reviewed and investigated by the Ethics Council.

#### **Ethics Grievance Mechanism process steps**

- 1) receiving of the report /grievance
- 2) acknowledging the case and providing information on process to the stakeholders
- 3) assessing of the nature of the problem
- 4) assigning of the responsibility to competent unit
- 5) investigating the case
- 6) approval of the investigation report
- 7) ethics resolution is prepared (if ethical aspects of the case induce)
- 8) communicating the decision and recommendations to stakeholders
- 9) monitoring the implementation of corrective measures
- 10) reporting and publishing anonymous case studies to avoid similar cases to happen in the future

The consequences for ethical misconduct are applied within the framework of applicable legislation - Civil Code, 1996 LVII. Act on the Prohibition of Unfair Market Conduct and Restriction of Competition, MT, Collective Agreement - and can vary from verbal warnings to the termination of employment or business relations.

