

LABOR RULEBOOK

1. General provisions

1.1. This Labor Rulebook ("**Rulebook**") of High Tech Engineering Center Kft. ("**Employer**") regulates the rights and obligations of employees, obligations of the Employer related to the provision and exercise of employee rights arising from work, as well as other relevant labor-related issues.

1.2. The rights and obligations of the Employer's employees shall be decided on by the Employer's Managing Director ("**Director**") in accordance with the law, in particular but not exclusively, Act I of 2012 on the Labor Code ("**Labor Code**") The Director can authorize another person(s), in written form, to exercise the rights of the employer in relation to employees (the Director and other authorised persons together: "**Authorized Person**").

1.3. This Rulebook is adopted for an indefinite period of time and shall apply to all Employer's employees.

1.4. The Employer reserves the right to modify, amend or revoke this Labor Rulebook (including but not limited to its sections on deviations from the applicable legal rules to the benefit of the employee and the provisions granting various advantages to employees not required or contained in the applicable legal rules), whether in part or as a whole, any time without limitation, even without giving prior notice of the change.

1.5. In case of any deviances between the Rulebook and the Hungarian legislation, and/or the individual employment contract, Hungarian legislation and/or the employment contract shall prevail.

1.6. This Rulebook shall enter into force on the eighth day following its publication in the usual manner, i.e. on the notice board and/or on the Employer's internal website.

1.7. This English version of this Rulebook is issued exclusively for information purposes. In case of any discrepancy between the English and Hungarian version, the Hungarian version shall prevail.

2. Establishment of employment relationship

2.1. The employment relationship shall be established based on the employment contract for permanent or for fixed-term employment, to be concluded on Employer's behalf by the Authorized Person.

3. Probation period

3.1. An employment contract may contract the probation period. The maximum duration of the probation period is three months.

3.2. During probation period, the Employer or the employee can terminate the employment contract without notice and without obligation to give reasons, at any time.

3.3. The employee's immediate supervisor shall, no later than 3 working days before expiration of the probation period, submit to the Authorized Person the reasoned evaluation of employee's work during the probation period.

4. Working hours

4.1. A working week shall, as a rule, consist of five working days, from Monday to Friday (general work schedule).

4.2. *Full-time employment*

4.2.1. Full-time employment consists of 40 hours a week.

4.3. *Part-time employment*

4.3.1. The employment contract may be concluded on a part-time basis (there is no minimum).

4.4. *Overtime*

4.4.1. Full-time employees may be required to perform no more than two hundred and fifty hours overtime work in any calendar year. The limitations relevant to overtime work shall be applied in a prorated manner, if the employment

- i. commenced in the course of a year,
- ii. is established for a definite period of time or
- iii. is part-time employment.

4.5. *Redistribution of working hours*

4.5.1. The employer may alter the communicated work schedule if an unforeseen circumstance in its management or operation arises, at least ninety-six hours in advance before the start of the scheduled daily working time.

5. Leaves and rests

5.1. *Rest during daily work*

5.1.1. An employee working for at least six hours a day shall be entitled to rest during daily work in duration of 20 minutes, unless the parties agree otherwise.

5.1.2. An employee working shorter than six hours a day (part-time employment) is not entitled to rest during work, unless the parties agree otherwise. .

5.1.3. An employee working longer than 9 hours a day shall be entitled to rest during work in a total duration of 45 minutes

5.1.4. Rest during daily work may not be used at the start and at the end of working hours.

5.1.5. Rest during daily work shall be organized in a manner to ensure that the work is not interrupted if the nature of work does not allow for work interruptions, as well as if the work with clients is concerned.

5.2. *Daily rest*

5.2.1. An employee shall be entitled to rest in duration of at least 11 hours in continuity within 24 hours, unless otherwise prescribed by the law.

5.3. *Weekly rest*

5.3.1. An employee shall be entitled to weekly rest in duration of two rest days or at least forty-eight uninterrupted hours, unless otherwise regulated by the law.

5.4. *Annual leave*

5.4.1. An Employee is entitled to paid annual leave based on the time spent at work, comprising vested vacation time and extra vacation time.

5.4.2. From the point of view of vacation, time spent at work shall include:

- (a) any duration of exemption from work as scheduled;
- (b) any duration of paid leave;
- (c) any duration of maternity leave;
- (d) the first six months of leave of absence without pay for caring for a child;
- (e) any duration of incapacity;
- (f) any duration of leave of absence without pay taken up to 3 months for the purpose of actual reserve military service;
- (g) the duration of exemption from work specified in Paragraphs b)–l) of Subsection (1) of Section 55 of the Labour Code:
 - the duration of a treatment in a healthcare institution related to a human reproduction procedure, as specified in the relevant legislation;
 - the duration of mandatory medical examination;
 - the length of time required for donating blood, i.e. a period of at least four hours;
 - for nursing mothers, one hour twice daily, or two hours twice daily in the case of twins during the first six months of breastfeeding, and thereafter one hour daily, or two hours daily in the case of twins until the end of the ninth month;

- two working days upon the death of a relative¹;
- the duration of classes in the case of employees pursuing elementary school studies, the duration of training if participating in initial and continuing training by agreement of the parties;
- the duration of being engaged in firefighting operations in a voluntary or industrial fire brigade;
- when called upon by the court or an authority, or the duration of participating in proceedings in person;
- for up to ten working days a year during the period of preparation of lawful adoption, for the purpose of visiting with the child to be adopted in person;
- any duration of absence due to personal or family reasons, or as justified by unavoidable external reasons; furthermore
- any duration specified by employment regulations.

5.4.3. Vested and extra vacation

The amount of vested vacation time shall be 20 working days.

Employees shall be entitled to extra vacation time as follows:

- (a) 1 working day over the age of twenty-five;
- (b) 2 working days over the age of twenty-eight;
- (c) 3 working days over the age of thirty-one;
- (d) 4 working days over the age of thirty-three;
- (e) 5 working days over the age of thirty-five;
- (f) 6 working days over the age of thirty-seven;
- (g) 7 working days over the age of thirty-nine;
- (h) 8 working days over the age of forty-one;
- (i) 9 working days over the age of forty-three;
- (j) 10 working days over the age of forty-five.

¹ Relative: spouses, next of kin, adopted persons, stepchildren, foster children, adoptive parents, stepparents, foster parents, siblings, and domestic partners, spouses of the next of kin, spouse's next of kin and siblings, and spouses of siblings.

The Employee shall be first entitled to extra vacation time in the year when reaching the age specified above.

The Employee (i.e. both the father and the mother) shall be entitled to extra vacation time as follows:

- (a) 2 working days for one child;
- (b) 4 working days for two children;
- (c) a total of 7 working days for more than two children

under sixteen years of age.

The extra vacation time referred to in the previous Section shall be increased for children with disabilities by 2 working days per child.

For the purposes of entitlement to extra vacation time, a child shall first be taken into consideration in the year of his birth and for the last time in the year in which he/she reaches the age of sixteen.

An employee, whose employment relationship was concluded or terminated during the year, shall be entitled to a commensurate portion of vacation time for such year. Any fraction of a day that comes to half a day shall count as a full working day.

5.4.4. Allocation of vacation time

5.4.4.1. Vacation allocated by the Employer

Vacation time shall be scheduled and allocated by the Employer with regard to the interests of the employee. The Employer shall record and process the vacation requests in quarters of years, with regard to the order of receipt thereof and the workload.

Employees shall notify their immediate supervisor of their request for more than 5 consecutive days of vacation in a given quarter as soon as possible, but no later than 15 calendar days before the planned vacation. The immediate supervisor of the employee shall evaluate the request in 5 calendar days. Employees shall notify their direct report of their request for less than 5 consecutive days of vacation in a given no later than 10 calendar days before the planned vacation. The direct report of the employee shall evaluate the request in 5 calendar days.

With regard to the tasks to be performed, the individual employees may not go on vacation at the same time but shall observe the restrictions they shall be informed about by their direct report. The direct report of the employee may approve or reject the request with consideration to the workforce available (in the period affected by the vacation). The allocation of the vacation shall fall within the exclusive powers of the Employer, except for the case described in Section 5.4.7

In the case of employees whose simultaneous absence is not permitted for reasons of work organization, the employee filing his/her request for vacation first shall be given priority. The Employer reserves its right to take into consideration individual circumstances worthy of equitable consideration.

In the event the employee did not request at least 50% of his/her annual vacation in the first two quarters or filed a request to take out at least two thirds of his/her annual vacation by the end of July, the Employer may allocate at least 10 days of vacation in its own discretion, even without the employee's consent, provided that it informs the employee no later than 15 days prior to the date of commencement of the vacation.

Vacation time shall be allocated in the year in which it is due. Vacation time shall be considered allocated during the year when it is due, provided that it begins during that year and the portion allocated in the following year does not exceed five working days. Depending on the parties' agreement, the Employer shall allocate extra vacation time granted based on the age of the employee (see Section 5.4.3.) by March 31 of the year following the year in which it is due.

Except for the case described above, vacation time may only be transferred to the subsequent year in the event of the incapacity (sickness) of the employee or, if the employment was established on or after October 1, the Employer may allocate vacation time in its own discretion on or before March 31 of the subsequent year.

The Employer therefore expressly requests that employees notify the Employer of their requests for vacation as soon as possible and take out their vacation time as a whole. Otherwise, it will be allocated by the Employer in its own discretion, which will not necessary be in accordance with the employees' needs. The Employer may provide financial compensation for vacation time in the event of the termination of the employment, exclusively.

5.4.5. The Employer shall allocate seven working days of the vested vacation time in a given year in no more than two parts, at the time requested by the employees, except for the first three months of the employment relationship. The employee shall notify the employer of such request at least fifteen days in advance.

5.4.6. Unless otherwise agreed, the Employer is not obligated to allocate vacation in a manner that employees shall be released of the obligation to work for at least fourteen consecutive days once in a calendar year. Employees shall be notified of the scheduled date of their vacation time no later than fifteen days before the first day of vacation.

5.4.7. An employee shall use the annual leave according to the plan of use of annual leave, all based on the decision on use of annual leave to be delivered to the employee by the Employer.

5.4.8. In a calendar year in which an employee establishes the employment relationship or in a year in which the employee's employment relationship is terminated, the employee shall be entitled to the proportionate part of the annual leave.

5.4.9. The proportionate part of the annual leave shall be determined in a manner that the duration of full annual leave shall be determined to the employee according to the criteria referred to in Article 5.4.1, 5.4.2, 5.4.3, 5.4.4 and 5.4.5 of this Rulebook, and then one twelfth of thus determined annual leave shall be determined and multiplied by the number of full months of work for the employer in that calendar year. When establishing the proportionate part of annual leave, decimal point from 0.5 and more shall be rounded to 1 (one) working day of proportionate annual leave.

5.4.10. Maternity leave

Mothers shall be entitled to twenty-four (24) weeks and are obliged to take out two weeks of maternity leave.

Maternity leave shall also be provided to a parent who provides care for a child under court decision or resolution of the guardian authority capable of enforcement on account of the mother's health condition or death.

In the absence of an agreement to the contrary, maternity leave shall be allocated to commence no more than four weeks prior to the expected time of birth.

If the child receives treatment in an institute for premature infants, the unused portion of the maternity leave may be used after the child has been released from the institute up to the end of the first year following birth.

The duration of maternity leave, except where entitlement is specifically connected to work, shall be recognized as time spent at work.

5.4.11. Paternity leave

Fathers shall be entitled to 5 or, in the event of the birth of twins, 7 days of extra vacation, which may be taken out before the end of the second month following the date of birth and requested through the HR department.

Employees requesting paternity leave shall present the original birth certificate of the child(ren) at the HR department (or the death certificate, if the child was stillborn). The Employer shall keep records of the vacation due to fathers, including the name of the father, the number of the days of vacation and the time of their taking, the amount of the absentee fee due for the time of vacation and the fact that the original document has been presented.

5.4.12. Unpaid leave for taking care of a child

Employees (i.e. both father and mothers) shall be entitled to unpaid leave at the times requested by the employee for the purpose of taking care of his/her child, until the child reaches the age of three.

5.4.13. Such unpaid leave, as well as the maternity leave described in Section 5.4.12 shall end

- i. if the child is stillborn;
- ii. if the child dies, on the fifteenth day following death;
- iii. on the day following placement of the child – according to the provisions set out in specific other legislation – into temporary custody, temporary or permanent foster care, or in a social institution with room and board for over thirty days.

5.4.14. In the cases described in paragraphs (i)-(iii), the period of leave shall be no less than six weeks from the date of birth-

5.4.15. In addition to what is contained in this Section, employees shall be entitled to unpaid leave for providing care for a child in person until the child reaches the age of ten, during the period of receiving child-care allowance.

5.4.16. The leave of absence without pay shall end at the time the employee has indicated. Employees shall submit the request for leave of absence without pay in writing, at least 15 days in advance.

5.5. *Leave with salary compensation (paid leave)*

The employee shall be entitled to a so called absentee pay:

- i. for the duration of leave;
- ii. in the cases the employee is exempted from his/her obligation to be present and to work
 - for the duration of the compulsory medical examination, and
 - for the period of at least four hours necessary for the donation of blood,
 - for breastfeeding mothers, twice daily for one hour during the first six months of breastfeeding, twice daily for two hours in the case of twins, and once daily for one hour until the end of the ninth month, and twice daily for two hours in the case of twins,
 - two working days in the case of a death of a relative,
 - in the case of continuing general school education and, by agreement between the parties, training or further training, for the necessary time to complete training.
 - the employees may, if justified by the circumstances of the investigation on the employee's misconduct, the employee may be exempted from his work duties for the period required for the investigation, but not more than 30 days.
- iii. at the request of a court or authority or for the time necessary to attend the proceedings in person if heard as a witness;
- iv. if wages are paid on a time or performance basis for the daily working time, if working time is reduced on account of a public holiday falling on a regular working day.

5.6. *Leave with no salary compensation (unpaid leave)*

5.6.1. The Employer – on request - can allow to an employee the leave with no salary compensation (unpaid leave), not including the case in point 5.4.14 of this Rulebook.

5.6.2. During the period of unpaid leave, the employee's rights and obligations arising from employment shall be dormant, unless otherwise provided by the law.

5.7. *Temporary incapacity for work (sick leave)*

5.7.1. An employee shall be entitled to 15 working days of sick leave per calendar year, which could be scheduled on the basis of and in accordance with the medical certificate issued by the employee's doctor.

5.7.2. In case of temporary incapacity for work, an employee shall be obliged to notify the immediate supervisor thereof no later than one hour after the start of employee's working hours, unless it is not possible for unavoidable external reasons.

5.7.3. An employee shall submit the medical certificate (issued by the doctor) [i.e. properly issued, as required under the Hungarian law, especially as defined in the Government Decree under No. 102/1995.

(VIII. 25.) on the medical evaluation of incapacity and capacity for work and its monitoring] verifying their eligibility for sick-allowance 2 working days from their being declared to be fit work with the Employer.

5.7.4. An employee is entitled to 70% of his/her base salary (i.e. absentee fee, calculated in accordance with the Labor Code) during the sick leave.

Following the expiry of sick leave, if an employee is unfit for work, the employee may be entitled to sick pay. The amount of sick pay may be 60% or 50% of the average daily earning, depending on the time spent in insurance and possible hospital care, according to the relevant legislation.

6. Wages

6.1. An employee shall be entitled to appropriate wage which shall be determined in accordance with the law, this Rulebook and the Employment Contract.

6.2. The wage consists of the following:

- (i) wage for work performed and time spent at work (wage stipulated in the employment contract);
- (ii) incentive based on employee’s contribution to the Employer’s business success (awards, bonuses, etc.)
- (iii) other benefits determined by the law, this Rulebook and the Employment Contract (e.g. Cafeteria).

6.3. The wage, in terms of Article 6.2 of this Rulebook, is the wage comprising the taxes and contributions charged on the salary, that is gross amount.

6.4. The *wage* for work performed and time spent at work may compromise the followings:

- Basic wage;
- Performance wage;
- Wage supplements.

General supplement	wage rules
Sunday	premium

The amount of wage supplement is calculated based on the employee’s base wage for one hour. In determining the base amount of wage supplement, the amount of the basic monthly salary shall be divided by 174 hours in the case of regular daily working time or by the commensurate part of 174 hours in the case of irregular daily working time or part-time work.

50 %, if the employee work regular working hours in shifts, in stand-by jobs or at employers engaged in commercial activities covered by the Trade Act, and at providers of services auxiliary to commercial activities and providers of tourist services of a commercial nature

Special payment for shift work
Night work wage supplement
Wage supplement for overtime work performed in addition to the daily working time
Wage supplement for work performed above the working time banking
Wage supplement for work performed above the payroll period
Stand-by wage supplement
On-call duty wage supplement

100 %, if the employee is required to work on a public holiday or an employee who does not fall under the first point is required to work on Easter Sunday, Whit Sunday or a public holiday falling on a Sunday.

30 % for work performed between 18 p.m. and 6 a.m.

15 %, if the duration of the work exceeds one hour

50 %

100 %, if it falls on a public holiday or on a scheduled weekly rest day, unless the employer provides another weekly rest day

50 % or to time off

100 %, if it falls on a public holiday

50 % or to time off

100 %, if it falls on a public holiday

20 % or to time off

40 %

50 %, if the work performed cannot be measured

6.5. Basic wage

6.5.1. The basic wage is determined based on the conditions defined by the rulebook on organization and systematization of jobs, the job held, the complexity of the duties to be performed and the time spent at work.

6.6. Mandatory wage increase

Following the end of maternity leave and leave of absence without pay according to the Section 127-132 of the Labor Code (e.g., long-term sick leave takes place more than 30 days), the employer shall make an offer to the employee for having his/her wages adjusted, taking into consideration the average annual wage improvement implemented in the meantime by the employer for employees in the same position. In the absence of such employees, the rate of actual annual wage improvements implemented by the employer shall be applied.

7. Cost reimbursement

7.1. An employee shall be entitled to the reimbursement by the Employer of the following costs:

- for commuting to and from work as set forth under Section 7.2.;
- costs incurred by a business trip in the country;
- costs incurred by a business trip abroad;
- for accommodation and meal costs during field work and stay, unless the accommodation and meals have been provided to the employee by the Employer free of charge.

7.2. *Reimbursement of costs for commuting to and from work*

7.2.1. The rules relevant to the reimbursement of the costs of travelling to work are set out in Government Decree 39/2010. (II. 26.) (hereinafter: the „**Gov. Decree**”).

Based on the Gov. Decree, the Employer shall reimburse the costs incurred by the employee in connection with travel to work as follows.

7.2.2. Travel to work shall mean

- daily travel from and to work between the place of residence or abode located outside the municipal area and the place of work for the purpose of work by long-distance means of transport and local public transport, or
- daily travel to and from work between the place of residence or abode within the municipal area and the place of work for the purpose of work, if the employee cannot reach the place of work either with local or long-distance public transport because of its geographical location.

7.2.3. The Employer shall reimburse to the employee no less than 86% of the price of the season ticket or one-way ticket purchased by the employee in order to get to work, provided that the employee travels to the place of work

- (i) in a 2nd class railway car on an inland or cross-border national public railway line,

- (ii) by a scheduled national, regional or suburban bus,
- (iii) on a suburban railway line (HÉV), or
- (iv) a scheduled boat or ferry.

7.2.4. Reimbursement of the cost of traveling home

Traveling home shall mean the travelling to and from the employee's place of residence on no more than one occasion – or no more than four times a month a non-standard work schedule is applied.

The Employee shall reimburse at least 86% of the price of the ticket or season ticket purchased by the employee in order to travel home, but no more than HUF 39,730 per month, provided that the employee travels home:

- (i) in a 2nd class railway car on an inland or cross-border national public railway line,
- (ii) by a scheduled national, regional or suburban bus,
- (iii) on a suburban railway line (HÉV),
- (iv) a scheduled boat or ferry or
- (v) by aircraft.

7.2.5. If an employee, based on the Employer's approval, uses the company car for private purposes, the employee shall not be entitled to the reimbursement of cost of public transportation fare because in that case it shall be deemed that the Employer has provided own transportation to the employee.

8. Other benefits

8.1. The Employer can provide presents for employee's children under the age of 16 for Christmas and/or New Year, in the amount of non-taxable amount stipulated by the law governing personal income tax.

8.2. The Employer can provide one-time cash benefit to an employee who got married and/or to an employee who has had a child, up to the amount of EUR 500, in HUF equivalent calculated at the middle exchange rate of the National Bank of Hungary on the date of payment

8.3. The Employer can provide, individually determined, cash allowance to an employee, as solidarity allowance, in the following cases:

- in case of prolonged and serious illness of an employee;
- in case of an employee's accident at work;
- if an employee's need to purchase certain medicines;
- incurred costs of employee's medical treatment, in the country and abroad;
- elimination of damage to employee's property resulting from natural disasters;

8.4. In order to implement quality additional social protection of employees and their family members, may provide other forms of additional collective or individual health and social benefits.

8.4.1. The decision on conclusion of a contract with an insurance company and payment of a premium for the purpose of implementing collective or individual forms of supplementary health and social protection shall be made by the Authorized Person.

8.5. The Employer may grant a loan disbursement to an employee employed for an indefinite period of time, at the employee's request.

8.5.1. The decision on approval and disbursement of a loan to an employee shall be adopted by the Authorized Person, after which the Employer, in its capacity as the lender, and the employee, in his/her capacity as the borrower, shall conclude a loan agreement.

8.6. An employee can exercise the right to use a company car in accordance with the relevant internal rule of the Employer or based on the Authorized Person's case-by-case decision.

8.7. In addition to the above, the Employee may be entitled to other benefits based on the Employer's case-by-case decision.

9. Calculation and payment of wages

9.1. Monthly wages shall be paid by the tenth of the month following the month to which it pertains.

10. General provisions on liability

10.1. The employee shall provide compensation to the Employer for any damage caused by violating his/her obligation arising from the employment because of not having acted according to the applicable standard.

10.2. The amount of the compensation, in case of non-executive employees, may not exceed the employee's absentee pay for four months. In the event of causing any damage intentionally or by gross negligence, the employee shall indemnify the Employer for the damage caused in full.

10.3. Executive employees shall be subject to full liability for damages caused by negligence too.

10.4. The employee may not be held liable for any damage which was not foreseeable at the time of the damage or which caused by the Employer's misconduct or which resulted from the Employer's failure to comply with its obligation to remedy the damage.

11. Employee's exemption from work in the event of an internal investigation

11.1. Informal proceeding

As far as it is possible, the employee and his/her immediate supervisor shall settle minor violations of obligations informally. The immediate supervisor shall interview the employees concerned and also ask for the opinion of the HR department, if necessary, as part of the informal proceeding. The immediate supervisor shall summarize the findings of the proceeding and specify for the employee his/her suggestions as to the resolving of the problem and the follow-up of the suggestions.

If the issue cannot be settled by means of an informal proceeding, a formal disciplinary proceeding and investigation shall be conducted.

11.2. Formal disciplinary proceeding and investigation

The Employer's goal with the disciplinary proceedings is to investigate the facts related to the suspicion of culpable breach of obligation without delay. Although the level of the formal proceeding and investigation depends on the nature of the statements and varies case by case, it may include among others the involvement of the competent managers, auditions with the employees or any witness, the review of the relevant documents and evidences.

The investigation shall be conducted, and the decision made, or the disciplinary measure determined shall be carried out, if possible, by the responsible HR officer (or the person designated by him/her), with the involvement of the employee's immediate supervisor.

The employee may make comments, statements and present his/her own evidences during the disciplinary proceeding.

Once the statements, evidences and all other information relevant for the issue have been collected, the Employer shall determine the time and date of the investigatory discussion.

The leader of the investigation may postpone the investigatory discussion, if an additional investigation needs to be conducted, e.g. in order to hear other witnesses with consideration to the circumstances raised by the Employer.

Immediately after the investigation is closed, the leader of the investigation shall inform the Authorized Person, who shall decide within 15 days on the basis of the findings of the investigation. The employee shall be informed in writing of the employer's decision, including its reasons and the adverse legal consequence imposed without delay. The decision shall be usually made in 7 days from the discussion, but no later than in 30 days after the date of commencement of the proceeding. Should the manager leading the investigation fail to make his/her decision by such deadline for a reason beyond his/her control, the deadline may be extended by 5 additional days.

11.3. If it is reasonably necessary in order to investigate the circumstances of the breach of obligation, the Employer may release the employee of his/her obligation of availability and work for the period necessary to conduct the investigation, but no more than 30 days. The employee is entitled to his/her absentee fee for such period.

12. Adverse legal consequences (sanctions) for the employee's wrongful breach of duty

- written warning, which must include a notice to comply with the law and a warning that the employer has the right to terminate the employment relationship with notice or with immediate effect in the event of further and repeated misconduct.

In the case of minor infringements or repetition of previous infringements and as a result, the employee may receive a written warning. In the written warning the employee is informed, inter alia, that if he/he commits the same misconduct repeatedly, or fails to improve his/her conduct and/or performance, this may lead to further disciplinary action or even termination of the employment. After 12 months, a written warning is not taken into

consideration for disciplinary purposes or as an aggravating circumstance for termination purposes, provided that the conduct and performance will be satisfactory.

- withdrawal of the right to use a company vehicle for a maximum of **3 months** from the finding of the breach of obligation in one or more instalments over a calendar year;

Should the employee or the person to whom he/she has transferred the use of a company car, provided that such transfer of use is authorized, has not complied with the usage rules on the company car, also qualifies as a wrongful breach of the duty arising from the employment and may be sanctioned by adverse legal consequence.

- reduction or loss of bonus entitlement for a maximum of **3 months** from the finding of the breach of obligation;
- non-promotion for a maximum of **3 months** from the finding of the breach of obligation;
- employee relocation for a maximum of **3 months** from the finding of the breach of obligation;
- the application of a fine, by deduction of wages, with the possibility of a **50%** reduction in the basic salary of the employee concerned at the time of establishing a legal consequence for a maximum period of **two months**. The total amount of the fine and/ or other financial consequence may not exceed one month's basic wage of the employee concerned.

Adverse legal consequences may be cumulated at the same time, within the relevant statutory limits.

Termination of employment

If the employee's behavior or performance under the expectations has not improved despite the infringement procedure(s) or if he/she has committed a new serious breach of obligation which in itself justifies termination of employment, the Authorized Person may decide on the application of the adverse legal consequence or the termination of the employment relationship with notice or without notice within its own discretion. However, an adverse legal consequence cannot be imposed for a wrongful breach of duty, which is also referred by the employer as a reason for termination of the employment.

12.1. Wrongful breach of the employee's duty qualifies as in particular but not limited the following and in addition to the terms of the Employment Agreement:

12.1.1. If the employee, through his/her own fault, commits a breach of duty, particularly in the following cases:

- if performing the work duties in an undiligent and negligent manner;
- if abusing the position or exceeding powers;
- if using the means of work in an inexpedient and irresponsible manner;
- if failing to use or if using the provided work resources and personal protective equipment for purposes other than the intended;

- if refusing to act in accordance with the instructions of the immediate supervisor and/or of the Employer;
- if failing to perform or untimely performing the work obligations;
- if violating the no competition obligation established by the employment contract;
- if violating the obligation to keep confidential information determined by the employment contract and a special agreement concluded between the employee and the Employer;
- if disclosing or attempting to disclose the data that have been determined as a trade secret or confidential data and/or confidential information by the law, other regulations, and/or an act of the Employer;
- if providing false information regarding the Employer to the competent authorities and other persons;
- in case of illegal or unauthorized disposal of the Employer's funds;
- in case of unscrupulous, negligent and irresponsible attitude towards the property of the Employer or third parties entrusted to the employee (means and objects of work, tools, installations, etc.);
- in case of untidy maintenance of the space in which the goods, documentation, etc. are stored, which results in damage to items or goods;
- in case of improper keeping of documents, materials, products, raw materials or means of work;
- if using for private purposes the property of the Employer or third parties entrusted to the employee;
- in case of actions by which the employee caused or could have caused damage to the Employer;
- if failing to report or if concealing the occurrence of damage to the property of the Employer or third parties entrusted to the employee;
- if concluding contracts that are unfavorable or harmful to the Employer, or providing incorrect or incomplete information that influenced the conclusion of such contracts;
- if providing inaccurate information and statements for the purpose of deception, which has led or could have led to harmful consequences for the Employer;
- if violating the work obligations related to safety and health at work, as well as those related to fire protection, in accordance with the law, other regulations and/or acts of the Employer;

- in case of non-compliance with measures and regulations on occupational safety (measures and regulations on protection of life and health of employees, means of work and the environment);
- in case of non-compliance with the measures and regulations on protection against fire, explosion, natural disasters and harmful effects of toxic and other dangerous substances;
- if handling money and securities of the Employer contrary to the instructions of the immediate supervisor and/or the Employer and/or contrary to the acts of the Employer;
- if forging documents;
- in case of illegal use of the Employer's seal and stamp;
- if giving and receiving bribes, gifts or other benefits in connection with work, other than usual gifts;
- political solicitation and propaganda (distribution of programs, leaflets and other material of political parties and other political organizations, propaganda political speeches, etc.);
- in case of actions aimed at organizing political parties and other political organizations at the Employer, aimed at encouraging Employer's employees to join political parties and other political organizations (signing application forms, issuing membership cards, etc.), collecting signatures of employees for political demands, declarations, pamphlets, etc. political parties and other political organizations;
- if abusing labor-related rights;
- if failing to report changes in data or if providing inaccurate data that affect the decision of the Employer;
- if disturbing one or more employees in the work process;
- if giving incorrect statements, unfounded accusations, slander, threats, etc., in order to create unhealthy interpersonal relationships with the Employer, as well as for personal gain;
- in case of indecent and incorrect attitude towards associates or business partners of the Employer;
- if inciting another employee to perform or if assisting the employee in committing a breach of duty;
- if concealing the committed violation of work obligation and the perpetrator;
- if failing to act in accordance with the provisions of the Information Security Policy, or in accordance with the provisions of another general or individual act of the Employer which regulates the information security of the Employer; and

- if committing another violation of the work obligations determined by this Rulebook, another general act of the Employer or the employment contract.

12.1.2. If the employee fails to respect the work discipline, or if the employee's conduct is such that he/she may not continue working for the Employer, including particularly in the following cases:

- if unjustifiably refusing to perform tasks and to execute the orders of the Employer in accordance with the law and this Rulebook;
- if failing to submit a certificate of temporary incapacity for work in accordance with the law;
- if abusing the right to leave due to temporary incapacity for work;
- due to coming to work under the influence of alcohol or other intoxicants, or the use of alcohol or other intoxicants during working hours, which has or may have an impact on the performance of work;
- if having provided incorrect information that was decisive for the establishment of the employment relationship;
- if having provided incorrect information that affected the exercise of the employee's rights in relation to work;
- if an employee who works in high-risk jobs, where special medical fitness has been established as a special condition for work, refuses to be subjected to an assessment of medical fitness;
- if violating the smoking ban, in accordance with the law;
- if coming to work late without a justified reason for three working days in one month or a total of five working days in a calendar year;
- in case of unjustified departure from work before the end of working hours for three working days in one month or a total of five working days during a calendar year;
- in case of unjustified absence from work for two working days in one month or three working days in a calendar year;
- if sleeping during working hours;
- in case of employee's actions at work and out of work that violate or may damage the interest and reputation of the Employer, which includes, without limitation, the presence on the social networks and other electronic media;
- in case of discrimination, sexual and any other harassment of employees;
- in case of inappropriate behavior towards employees of the Employer (including, without limitation, quarrels, swearing, indecent treatment, defamation, insults, etc.);

- if causing disorder, quarrels or physical conflicts, as well as if participating in a physical conflict at the Employer or on a business trip;
- if reading the daily press, newspapers and magazines during working hours;
- if using the Internet for private purposes;
- in other cases of non-compliance with work discipline or employee's conduct which, in the opinion of the Director or the Authorized Person, is such that the employee may not continue working for the Employer;

The procedure rules for the internal investigation of wrongful breach of the employee's duty set out in Section 11 of this Rulebook apply accordingly, with a view of Section 78(2) of the Labour Code. In practice, it means that the adverse legal consequence may be exercised within 15 days of becoming aware of the cause of the wrongful breach of duty by the Authorized Person, but not later than one year after the breach committed, or, in the case of a criminal offence, until the statute of limitations has expired. The date of the employer's knowledge should be considered when the Authorized Person becomes aware of any and all relevant circumstances regarding the employee's breach of obligation, in particular the identity of the employee who committed the misconduct, the description of the breach of obligation, the employee's culpability and the seriousness of the given misconduct.

13. Amendments to the contracted working conditions or data change

13.1. The Employer is entitled to temporarily employ their employees to jobs and workplaces other than what is contained in the employment contracts, or to another employer in accordance with the Hungarian Labour Code. This duration may not exceed a total of forty-four scheduled working days or three hundred and fifty-two scheduled hours during a calendar year. This shall proportionately apply if the employment relationship commenced during the year, if it was entered into for a fixed term or in the case of irregular daily working time and part-time work. If the temporarily change affects the employee's job position, the given employee is entitled to the wage prescribed for the job in question, or at least to the base wage fixed in the employment contract.

13.2. The employee is obligated to inform the Employer immediately or at the latest within 3 working days about the change of personal data on the employee (such as address, number of children, bank account number, etc.).

14. Termination of employment relationship

14.1. An employment relationship shall terminate:

- upon the employee's death;
- upon the dissolution of the employer without succession;
- upon the expiration of the fixed term;
- in the case the employer taking over the economic entity under the legal transaction referred to in Subsection (1) of Section 36 of Labor Code or on the strength of law is not covered by the Labor Code.

14.2. An employment relationship may be terminated:

- by mutual consent;
- by notice;
- by dismissal without notice.

14.3. The notice period shall begin at the earliest on the day following the date when dismissal is communicated.

14.4. Where employment is terminated by the Employer, the notice period shall begin at the earliest on the day after the expiry of the following periods:

- incapacity to work due to illness, not to exceed one year following expiration of the sick leave period;
- absence from work for the purpose of caring for a sick child;
- leave of absence without pay for providing home care for a close relative.

14.5. The period of notice is thirty days unless otherwise provided in the employment contract.

14.6. In case of notice by the Employer, the thirty-day notice period shall be extended:

- by five days after three years;
- by fifteen days after five years;
- by twenty days after eight years;
- by twenty-five days after ten years;
- by thirty days after fifteen years;
- by forty days after eighteen years;
- by sixty days after twenty years

of employment at the Employer.

14.7. By agreement of the parties the notice periods referred to in Articles 14.5 and 14.6 may be extended by up to six months.

14.8. The Employer can terminate the employment contract concluded with the employee only for reasons in connection with the employee's behavior, ability in relation to the employment relationship or in connection with the Employer's operation.

15. Non-compete clause

15.1. The employee is not allowed, during the employment relationship with the Employer, as well as at most 2 years after the termination of the same, in any way, directly or indirectly, to: (i) offer, persuade or try to persuade any employee, consultant, professional advisor or any other person who is in a business and/or professional relationship with the Employer or the Employer's related person, to terminate or request a change of employment or any other professional relationship with the Employer or the Employer's affiliate, or to be employed or provide services to any other legal or natural person; and (ii) offer, persuade and/or attempt to persuade any former, current or future client of the Employer or the Employer's affiliate, to reduce the scope of its business that it has, intends to have or expects to have with the Employer or with the Employer's affiliate.

15.2. The non-compete clause established by this Rulebook and/or by the employment contract applies to the territories of all states where the Employer and the Employer's affiliates have registered offices (Republic of Serbia, Bosnia and Herzegovina, USA, Hungary) as well as the territories of all states, (including federal states, republics, kingdoms and any other form of government) in which the Employer and its affiliates provide or export their services (i.e. the states in which clients, customers and recipients of services performed by the Employer and its affiliates have their headquarters, branches, representative offices or such like), including in particular all member states of the European Union, all countries making up the United Kingdom, Switzerland, China, Norway, Israel, Iceland, Russia, Ukraine, Belarus, Georgia, Liechtenstein, Monaco.

15.3. If the employee violates the non-compete clause determined by this Rulebook and/or the employment contract, he/she is obliged to pay to the Employer the amount of the contractual penalty in the amount determined by the employment contract, and in case the Employer incurs the damage exceeding the amount of contractual penalty, the same shall be entitled, in accordance with the law, to claim compensation for all damages (including the lost profit) incurred, in addition to the amount of the non-compete consideration already aid to the employee.