Code of Ethics of the Integrity Authority

Conscientia mille testes

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We believe that a peaceful and uplifting future can only be built on honesty and mutual trust

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Chapter 1

Values of the Integrity Authority

Honour

Honour is an inner quality, a moral virtue and ideal that guides the behaviour of the individual or community in the spirit of justice, morality and humanity.

Moral confrontation is the ability of the individual to take responsibility for the consequences of their actions.

Our honour serves as a compass in our everyday lives and gives meaning to what we do.

Service

Service is the act of supporting a community, an institution or cause – an activity that promotes the realisation and success of an endeavour.

The Integrity Authority serves exclusively the public good; all its activities are carried out in the public interest and aimed at promoting the common good.

Economic crimes, especially corruption, pose a serious threat to society. It erodes individuals' trust in one another, the state, the institutions, and has a negative impact on citizens' lives. To ensure that the fight against unethical deeds is effective, all our colleagues are committed to serving the public interest and creating trust. Our service is forging a society upon which the next generations can build a liveable future.

Integrity

A member of the Integrity Authority is a person who, from an ethical point of view, is uncorrupted and irreproachable.

It is necessary to be irreproachable not only on the inside but also on the outside. Whoever fights corruption cannot be smeared. The Integrity Authority's work, just as its employees, must meet the highest standards of integrity and impartiality. Perfect integrity is the least we can do to serve our country.

Determination

The complexity and scale of economic crimes and corruption present a challenge of such magnitude that requires relentless and steadfast determination to defeat. We lead by example through our own work, helping to foster a culture of transparency, accountability and trust.

Professionalism

In the fight against economic crimes and corruption, our professional expertise is key to tackling these challenges effectively and efficiently and to serving the public interest. To this end, the Integrity Authority collaborates with highly and continuously trained professionals and applies and develops the latest technological solutions in the performance of its work.

Teamwork

The key to the Integrity Authority's success is the teamwork carried out by its well-trained and highly committed colleagues for the sake of the common goal. This is what brings success to its efforts. In the context of this teamwork, we collaborate with government, civil-society and private-sector actors, as well as with international organisations. We especially count on the help of whistleblowers.

Teamwork inside and outside the organisation. This is the only way to be successful in the fight against economic crimes and corruption.

The Authority's principles of professional ethics are built upon these values.

Chapter 2

2. **Objective of the Code of Ethics and Integrity**

Section 1

(1) The objective of the Code of Ethics and Integrity (hereinafter referred to as "Code"), considering the long-term service of the public interest, is the establishment of a set of ethical rules relevant to all employees and cooperating partners of the Authority that provide adequate guidance and a point of reference in terms of rules on decent and expected conduct inside and outside of the workplace if that may have a negative impact on the Authority's reputation, judgement by external parties, including requirements concerning conflict of interest, independence, transparency, and responsible work.

(2) This Code sets out fundamental principles of conduct appropriate for work that provide an adequate basis for decent, correct, and uncompromised behavioural norms.

(3) This Code provides guidance to all employees and cooperating partners of the Authority (hereinafter collectively referred to as "colleagues") for identifying, assessing and managing factors that risk compliance with the fundamental principles.

(4) The most important element of the Authority's operations is its commitment to ethical conduct. The conduct of the Authority's colleagues shall reflect integrity and adherence to ethical norms in the performance of their duties, in public life and in their private lives alike.

(5) The Authority requires that its colleagues uphold the ethical standards and familiarise themselves with and adhere to the rules and core principles established by the Authority, both in the performance of their duties and in their conduct, judgement and mindset. In the performance of their official duties and in their professional relationships, the Authority's colleagues shall act in good faith, with due regard for the public interest, and in accordance with the fundamental principles of integrity, fairness, honesty, prudence, reliability, respect, and courtesy.

(6) The examples set by the Authority's leaders are one of the pillars of ethical conduct. The work of the Authority's leaders shall be characterised by a strong emphasis on ethical conduct, high standards of professionalism, responsibility, and transparency.

(7) It is the personal responsibility of each of the Authority's colleagues to uphold and cultivate a culture of integrity and professionalism, and to prioritise it over personal interests.

3. Scope of the Code

Section 2

(1) This Code shall apply to all bodies, organisations, Board members, employees, advisors, and business partners of the Authority.

(2) The Authority expects all its colleagues, Board members, advisors, and business partners to familiarise themselves with the contents of this Code. Furthermore, it expects all persons and organisations having dealings with the Authority to acknowledge the rules of conduct set out in this Code as standards to be observed and upheld in the course of their cooperation with the Authority.

(3) All persons falling within the scope of this Code shall familiarise themselves with, adhere to, and provide a written declaration confirming their acceptance of and commitment to comply with its provisions.

Chapter 3

4. Principles of professional ethics built upon the values of the Authority

4.1 Honour

4.1.1 Fairness

Section 3

(1) The Authority's colleagues shall act fairly and in a manner befitting their profession and shall demonstrate determination, openness, straightforwardness and honesty in the performance of their professional duties, in their working relationships and in their private lives.

(2) Fairness encompasses fair conduct and credibility.

(3) The Authority unequivocally condemns and fights all forms of fraud, intentional and malevolent misrepresentations.

(4) In relation to its internal ethical standards of conduct and business relationships, the Authority considers fraud, in addition to the definitions set out in criminal law, to include the intentional misrepresentation or concealment of circumstances or facts by persons or parties seeking to obtain undue benefits, with the aim of inducing others to act or refrain from acting by circumventing rules and procedures and creating a false impression of a business activity or transaction.

4.1.2 Justice

Section 4

The Authority's colleagues shall perform their duties with due regard to the law, morality and justice, ensuring at all times that the application of law is consistent with the original objectives of the legislation and that their conduct is ethically sound.

4.2 Integrity

4.2.1 Integrity

Section 5

The Authority is committed to employing individuals who demonstrate moral integrity and consistently comply with professional and ethical rules. The Authority's colleagues shall conduct themselves, including outside working hours, in a manner that maintains public confidence in the Authority and its colleagues and strengthens the Authority's moral standing.

4.2.2 Independence, conflict of interest

Section 6

(1) The Authority's colleague shall perform the duties falling within their remit independently, ensuring that the rules on conflicts of interest are thoroughly analysed, understood and applied.

(2) It is incompatible with the interests and integrity of the Authority for colleagues' personal relationships, involvement in external activities, participation in business enterprises or other interests to influence, or appear to influence, decisions made in the performance of their duties.

(3) The Authority's colleagues shall refrain from any activity and situation that could, either in reality or in appearance, call into question the objectivity and impartiality of their decisions.

(4) In respect of independence and conflicts of interest, the Authority operates an internal control system that enables, in the course of its activities, the continuous monitoring of compliance with independence requirements and the identification and ongoing monitoring of threats to independence, with the aim of ensuring that its colleagues avoid any situation that could compromise their independence.

(5) In respect of independence, the Authority's colleague shall consider the following circumstances:

- a person whose close relative is a senior employee, an official, a supervisory board member, an owner or a member holding ownership interests in, or acts as an auditor or advisor to, a person or organisation subject to the investigation shall not be eligible to lead the investigation or serve as a member of the investigation team;
- a person who, within the two years prior to the commencement of his or her employment with the Authority, held an official position, served as a senior employee, a supervisory board member, an owner or a member holding financial or ownership interests in, or acted as an auditor or advisor to, a person or organisation subject to the investigation shall not be eligible to lead the investigation or serve as a member of the investigation team;
- a person who, or whose close relative, has a lending, leasing or surety relationship with a person or organisation subject to the investigation shall not be eligible to lead the investigation or serve as a member of the investigation team. This restriction shall not apply to loans granted by credit institutions under their general terms and conditions;
- a person who, within the two years prior to the commencement of his or her employment with the Authority, worked in the area concerned by the subject matter of the investigation at the budgetary body subject to the investigation shall not be eligible to lead the investigation or serve as a member of the investigation team;
- a person leading an investigation or any member of the investigation team shall not partake in an investigation involving a matter in the handling of which he or she was involved within the two years prior to commencement of his or her employment with the Authority;
- a person leading an investigation or any member of the investigation team shall not partake in an investigation concerning a matter about which he or she possesses substantive information

for other reasons or involving persons with whom the investigator or the person leading the investigation has a relationship that could influence, or call into question, his or her impartiality and objectivity in exercising his or her judgement and making decisions.

(6) To avoid situations of conflict of interest, the above-mentioned conditions apply to all persons, business organisations, or company groups thereof, that have a direct influence on the subject under investigation.

(7) The Authority's colleagues shall disclose without delay any involvement in an investigation in which, based on the foregoing or other considerations, their independence may be called into question. Failure to disclose, in a timely manner, any circumstance that precludes their independence (no later than the working day following the day on which they become aware of it) shall give rise to disciplinary liability.

(8) In respect of matters relating to conflicts of interest, the Authority's colleagues shall not have any managerial, supervisory, oversight or accounting relationship with their relatives or close associates in connection with their employment relationship with the Authority.

(9) The Authority's colleagues—

- shall not engage in any activity or display any behaviour that is unbecoming of their office or that may jeopardise the impartial and independent performance of their duties;

- shall not engage in any party-political activity, hold office in a political party, or engage in public affairs on behalf or in the interest of a political party;

- shall not hold office in or engage in public affairs on behalf or in the interest of any advocacy group or lobbying organisation, except for employment advocacy groups and mandatory public body membership.

(10) The Authority's colleagues may take on other employment only with prior approval of the President. The Authority's colleagues shall disclose any scientific, teaching, artistic, reviewing, editorial, intellectual activities protected by intellectual property rights, and voluntary activity of public interest prior to the commencement of their employment relationship.

(11) The Authority's colleagues shall not hold an executive position or serve as members of the supervisory board any business entity.

(12) The Authority's colleagues shall report without delay any situation giving rise to a conflict of interest in the course of their employment relationship with the Authority, so as to enable the President of the Authority to decide on the elimination of the cause of the conflict of interest.

4.2.3 Free of improper influence

Section 7

(1) The Authority is committed to showing zero tolerance to all forms of bribery and corruption. Combating bribery and corruption is one of the Authority's most important duties.

(2) The Authority considers bribery and corruption to encompass any benefit, fee, advantage, direct or indirect improper favour that violates generally expected social expectations and ethical norms and is capable of exerting undue influence, where such benefits, fees, advantages and favours are given or received in the form of offers or promises in exchange for business or financial advantages or payments.

(3) The Authority's colleagues shall report to the Integrity Advisor any instances of bribery or corruption of which they become aware, as well as any situation that may give rise to a risk of such conduct.

(4) The Authority's colleagues shall without exception avoid any transaction or circumstance that may give rise to actual bribery or the appearance of corruption.

(5) The Authority's colleagues shall not use their official position or influence deriving therefrom to induce others to provide, or promise to provide, any financial or other advantage to them or, by virtue of their position, to any other person, or to grant them or any other person an undue advantage.

(6) The Authority's colleagues shall not use their official position or influence deriving therefrom in a manner that could create the impression that their activities outside the Authority are supported by the Authority or by public bodies in general. In particular, they shall not refer to their position within the Authority when engaging in scientific, teaching, artistic, reviewing, editorial or other intellectual activities protected by intellectual property rights outside the scope of their official positions, or when making public appearances unrelated to their official position. Public appearances shall be subject to the President's approval.

4.2.4 Business gifts, hospitality, services offered

Section 8

(1) Business gifts, hospitality, and services offered are items or services of purely symbolic and ordinary value, intended as gestures of goodwill, which are offered or given to the Authority's colleagues or their close relatives.

(2) Gifts given or received, as well as services offered, shall not be used as a means of influencing decision-makers, shall not be given or accepted in expectation of reciprocation, and shall not exceed the customary limits applicable to business gifts, hospitality, and services offered. The value of any such gift or service shall not exceed HUF 10,000 per item and per person, or HUF 50,000 per person on an annual basis. In certain cases, gifts or services offered may be accepted, subject to an individual decision by the President, where their acceptance is not, by their nature, capable of exerting influence on the recipient, or where their value is acceptable in the context of diplomatic interactions.

(3) It is prohibited to accept or offer any gift, service or hospitality that could give rise even to the appearance of bribery, improper influence, the payment of a bribe, or an expectation for reciprocal consideration, or that is given for the purpose of exerting lawful or unlawful influence on the performance of the Authority's duties.

(4) The Authority's colleagues shall not solicit or accept any gift from any person or organisation that has, or wish to establish, a client relationship or any other procedural or business relationship with the Authority, and whose fundamental interests may be influenced by any action or omission on the part of the Authority's colleagues.

4.3 Determination

4.3.1 Commitment to the common good

Section 9

Taking full account of the guiding principles and objectives of the Authority, the Authority's leaders and colleagues shall, in the performance of their duties, show commitment to the common good, demonstrate social responsibility and solidarity, and strive to promote the common good in order to achieve the Authority's goals.

4.3.2 Commitment to revealing financial risks

Section 10

(1) The Authority is fully committed to the fight against money laundering.

(2) The Authority's colleagues shall fulfil their statutory reporting obligations in matters that come to their attention in connection with their activities and relate to the prevention and combating of money laundering and terrorism financing, insider trading, market manipulation, and counterterrorism. Detailed rules concerning the assessment of money-laundering activities involving funds and other assets obtained through prohibited or illegal activities and concealed under the guise of seemingly legitimate business activities, as well as the adoption of appropriate measures, are set out in the Authority's Anti-Money Laundering and Anti-Terrorism Regulations.

4.4 Service

4.4.1 National interest

Section 11

The genuine common good is always in the best interests of every individual. The Authority shall perform its duties in the interest of the common good, identifying the common good with national interests. The Authority’s colleagues shall at all times prioritise the common good over individual and group interests.

4.4.2 Protection of public assets

Section 12

(1) The Authority has at its disposal material and immaterial assets, financial and non-financial funds of value. The Authority’s colleagues shall protect public assets and use them adequately and reasonably in the performance of their duties.

(2) The improper or negligent management of public assets is incompatible with ethical conduct. The Authority’s colleagues may use the equipment provided to them for the performance of their official duties solely for the performance thereof. Equipment provided for work may be used for personal purposes arising during their daily work only to the minimum extent necessary and in compliance with generally accepted practices.

4.4.3 Transparency

Section 13

(1) Transparency and accountability are in the centre of the mentality and activities of the Authority. The Authority’s leaders and colleagues shall perform their duties in a properly documented, transparent and verifiable manner.

(2) The Authority shall publish information of public interest and information accessible to the public in the public interest in relation to its work in an articulate and simple manner that is accessible to the public on equal terms.

(3) Where the Authority becomes aware of, or has reason to suspect, that its colleagues have violated any of the core values set out in this Code, the Authority’s colleagues shall report any such violation, and the leaders shall decide on the initiation of ethical proceedings.

4.5 Professionalism

4.5.1 Taking responsibility

Section 14

The Authority's colleagues shall, in the performance of their duties and in all their decisions and actions, show personal commitment to the Authority's values, act conscientiously and with due care corresponding to their respective responsibilities and safeguard the Authority's values.

4.5.2 Objectivity

Section 15

The principle of objectivity requires that professional duties be performed free from bias, conflicts of interest, or undue influence by others. The Authority's colleagues shall perform their duties impartially and objectively.

4.5.3 Professional competence

Section 16

(1) The Authority's colleagues shall perform their duties with the appropriate level of professional expertise and due care. It is the responsibility of the Authority's colleagues to acquire and maintain the professional knowledge necessary to ensure that they are able to perform their professional duties competently, in line with current technical and professional requirements and standards. The Authority shall support its colleagues in this regard.

(2) Maintaining professional competence requires continuously monitoring changes in relevant technical and professional rules and standards, as well as mastering and applying them in practice.

(3) With a view to achieving the Authority's objectives, the Authority's colleagues shall continuously strive to develop their professional expertise and expand and maintain the skills necessary to perform their duties competently within their professional environment.

4.5.4 Confidentiality

Section 17

(1) The Authority's colleagues shall treat all information obtained in the course of their duties as confidential and use such information only for work-related purposes and in strict compliance with applicable rules.

(2) The Authority's colleagues shall not disclose to third parties any information obtained in the course of their duties or use such information for their own benefit or that of any third party. They shall also avoid the appearance of any such conduct.

4.5.5 Confidentiality and protecting trade secrets

Section 18

(1) Any information collected or created in the course of work shall be property of the Authority. Such information may be used or disclosed to external parties only in the performance of the Authority's official functions, in connection with and in the interest of work-related activities, and only to the extent

necessary. The use or disclosure of the Authority's data or information for private or personal gains is prohibited.

(2) It is the primary duty of the Authority's colleagues to safeguard the Authority's secrets and trade secrets, including preventing unauthorised and unlawful access to (inside) information collected and stored in the course of the Authority's procedures.

(3) The Authority's colleagues and persons or organisations having dealings with the Authority shall not, without the Authority's prior written consent, disclose to third parties any fact, data or information in relation to the Authority or its operations. Furthermore, it is prohibited to act in any way that would enable third parties to access any such fact, data or information. The duty of confidentiality shall not extend to the disclosure of data of public interest or to statutory obligations to provide data, report information or disclose information relating to data that are publicly accessible in the public interest.

(4) Detailed rules concerning Confidentiality and the protection of trade secrets are set out in the Authority's Regulation on Confidentiality and the Protection of Trade Secrets.

4.5.6 Professional conduct

Section 19

(1) The Authority's colleagues shall comply with all relevant internal and external regulations and refrain from any conduct or action that they know, or ought to know, is or may be detrimental to the Authority's reputation and credibility.

(2) The Authority's colleagues shall act in mutual cooperation with and in support of their co-workers. The Authority's colleagues shall, in their interactions with one another, respect one another's personality, human dignity and age, and make objective statements about one another's work.

4.5.7 Protection of intellectual property

Section 20

Any intellectual property purchased by the Authority or created and developed by its employees shall form part of the Authority's assets. Such intellectual property may not be used, reproduced or shared for personal purposes outside the scope of the Authority's work or for the benefit of any third party.

4.5.8 Data security

Section 21

(1) The Authority is committed to ensuring the confidential handling and integrity of the data made available to and stored by the Authority, as well as maintaining strict control over access to such data.

(2) In respect of electronically stored and processed data, the proper and professional handling, use and operation of information systems, including compliance with information safety requirements, are responsibilities of the Authority.

(3) Access to the Authority's information systems and data processed and stored thereon may only be granted to authorised system administrators and users.

(4) Where feasible, the Authority's information must be avoided from being stored on computer equipment not owned by the Authority. The Authority's information may be used or stored on computer equipment not owned by the Authority only in accordance with the Authority's regulation on file management and information security and the restrictions set out therein. Any information or data stored on computer equipment not owned by the Authority shall be property of the Authority. Such information

and data shall be subject to the Authority's rules on data security and the protection of assets and intellectual property.

(5) Computer equipment owned by the Authority may be used for private purposes only to an extent and in such a manner as not to compromise the security of the Authority's data and systems.

4.5.9 Complaint management

Section 22

(1) Reporting ethical issues provides an opportunity for the effective identification and prevention of issues and legal violations.

(2) The Authority operates adequate and safe systems for reporting complaints concerning internal ethical issues defined in this Code, in such a manner as to enable the protection of the identity of reporting persons and the prevention of any potential retaliation arising from the act of reporting.

(3) The detailed rules on the handling of ethical complaints submitted to the Authority are set out in the Authority's Code of Ethics. In the event of observation of any legal violation or irregularity concerning the Authority's functions, notifications and complaints may be made in accordance with the provisions of the Act on Complaints and Public Interest Disclosures.

4.5.10 Equity

Section 23

The Authority shall make its decisions within the framework established by applicable rules – including legislation, professional standards and internal regulations – on the basis of common sense and humanity, taking into account the actual circumstances as assessed to the best of its professional expertise.

4.5.11 Freedom from prejudice

Section 24

The Authority shall treat all businesses, social organisations, religious institutions and private individuals, equally, regardless of their field of activity, geographical location, corporate or other form of organisation, personal traits, including race or ethnicity, skin colour, religious beliefs or world views, origin, gender, sexual orientation, age, gender identity or the expression thereof, nationality, marital status, or health condition.

4.5.12 Sustainability

Section 25

The Authority is committed to ensuring the sustainability of its day-to-day operations from environmental, social and corporate governance perspectives. In the context of sustainability, the Authority shall make every effort to minimise the impact of its activities and to protect nature, so as not to endanger future generations. The Authority's core activity, namely fighting corruption, also has a significant social impact in relation to sustainable development goals.

4.6 Teamwork

4.6.1 Management obligations

Section 26

(1) The Authority's leaders shall have a special responsibility to—

- act as role models;
- familiarise the Authority's colleagues with this Code, as well as the standards of conduct and other duties expected of them;
- monitor whether their colleagues' conduct reflect the utmost respect for and adherence to the provisions of this Code;
- support and encourage their colleagues to raise constructive questions in good faith;
- ensure that colleagues who raise questions or express opinions are not subjected to any form of attack or retaliation and, if they become aware of such an incident, promptly initiate an investigation and, in consultation with the Integrity Advisor, make a recommendation to the President of the Authority concerning the appropriate measures to be taken;
- help clarify any misunderstanding among their colleagues in a direct and effective manner;
- promptly report to the Integrity Advisor any matter requiring investigation into suspected violations of the provisions of this Code,
- lead and evaluate their colleagues according to the rules of ethical conduct, based on due consideration and analysis, and without prejudice or discrimination.

4.6.2 Human rights

Healthy and safe work environment

Section 27

(1) The Authority is committed to creating and operating safe work circumstances.

(2) In the course of its operations, the Authority shall pay the utmost attention to the aspects of occupational safety and property protection. All colleagues of the Authority shall comply with occupational health and safety regulations and notify their managers as soon as possible if they observe any hazardous activity.

Equal treatment

Section 28

(1) The Authority is committed to upholding human dignity and mutual respect.

(2) The Authority rejects all forms of discrimination.

(3) The Authority shall fully embrace and respect diversity among its employees, business and professional partners, organisations and authorities cooperating with or otherwise engaging with the Authority, as well as private individuals having dealings with it, including differences in faith, religion, nationality, beliefs, and cultural and social background.

(4) The Authority shall at all times take a stand against any form of harassment, humiliation, insult, degradation, intimidation, or hostility directed toward its leaders, employees or partners, and shall firmly reject all forms of defamation and slander.

Protection of privacy

Section 29

The Authority is committed to ensuring the protection of privacy and personal information. The Authority shall take preventive measures for the protection of personal information managed and stored in its data bases.

Fair employment practices

Section 30

(1) The Authority firmly believes that the most important resource at its disposal is human capital; therefore, the Authority is committed to retaining, protecting and developing its workforce.

(2) The Authority is committed to complying with applicable legislation and to ensuring fair employment practices and remuneration.

4.6.3 Ethical proceedings

Section 31

If the Authority's colleagues violate any of the principles of professional ethics set out in this Code of Ethics, or any internal or external rules, and thereby causes damage to the Authority or any third party, or damage the Authority's reputation, they shall be subject to ethical proceedings for ethical misconduct or infraction of discipline in accordance with the provisions of the Authority's ethical regulations.