

2023



Code of **Conduct**

Introduction by **Laszlo Kis**

CEO of Adaptive Recognition

The strength of a company resides in the exceptional individuals who comprise its workforce. At Adaptive Recognition, we are fortunate to have an extraordinary team whose innovative ideas, collaborative spirit, and unwavering dedication have catapulted us to the forefront of automatic data capture and recognition industry.

At Adaptive Recognition, we recognize that every decision made by our employees, whether they are newcomers or long-standing team members, holds significant influence over our company. Embracing this reality is at the core of our values, which include Entrepreneurial, Responsible, Dedicated, and Inclusive principles. These values serve as the foundation of our internal and external relationships, shaping not only how we perform our duties but also how we are perceived by our customers, partners, and society.

We firmly believe that nurturing thriving employees leads to a more prosperous organization. Since our inception, this understanding has been fundamental to Adaptive Recognition. To ensure ethical conduct and accountability, we have established the Adaptive Recognition Code of Conduct. This comprehensive document outlines the responsibilities held by each of our employees, providing guidance on how our core values manifest in our attitudes and behaviors.

Upholding the Code of Conduct means consistently acting with integrity, abiding by the law, and considering the best interests of our customers, colleagues, and society as a whole.

As a living document, the Code of Conduct evolves through continuous feedback and dialogue. We encourage you to feel comfortable raising any questions or sharing input directly with your immediate supervisor. By doing so, we can collaboratively ensure that the Code of Conduct remains meaningful and effective in guiding our actions. Welcome to Adaptive Recognition!

Laszlo Kis
CEO of Adaptive Recognition



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How do these codes **apply** to me as a Adaptive Recognition Employee

Who is it for?

The Code of Conduct is applicable to all employees of Adaptive Recognition. Any violation of the principles outlined in this code may result in disciplinary actions or, in severe cases, termination of employment. We urge you to carefully review and internalize these principles and values, as each of us bears the responsibility of integrating them into our daily work.

What about Adaptive Recognition's suppliers?

At Adaptive Recognition, we place great importance on maintaining high ethical and legal standards throughout our operations. This extends to our relationship with suppliers and business partners. When establishing agreements with new suppliers or business partners, it is essential to evaluate whether they align with the ethical and legal principles upheld by Adaptive Recognition. For detailed information regarding the standards expected from Adaptive Recognition's suppliers, please refer to the [Supplier Code of Conduct](#).

Questions or concerns

If you have any inquiries or concerns regarding the content of this Code of Conduct or how to apply it in practice, we encourage you to reach out to your designated People/Human Resources contact, your immediate supervisor, or the Managing Director. At Adaptive Recognition, we are committed

to addressing your questions and providing the necessary guidance and support.

Reporting Code of Conduct Violations: What Should I Do if I Observe a Breach?

At Adaptive Recognition, we highly value transparency and accountability. If you become aware of any actions that violate this Code of Conduct, we strongly encourage you to promptly report such incidents to your immediate supervisor. Adaptive Recognition strictly prohibits any form of retaliation against employees who come forward to report or participate in the investigation of a potential breach of these codes. Your courage and commitment to upholding our standards will be fully supported and protected.

If you have concerns about potential retaliation or prefer to report a code of conduct violation through an impartial channel, you can use the [Adaptive Recognition Whistleblowing Channel](#).

Amendments

Amendments to the Adaptive Recognition's Code of Conduct can only be made by the top management.



Acting **responsibly** with Adaptive Recognition's assets

Cost control

At Adaptive Recognition, all employees bear responsibility for the company's finances, not solely those in the finance department. This entails considering the allocation of Adaptive Recognition's resources when engaging in contractual agreements or making payments for services. It is crucial to assess the necessity of actions and evaluate their potential benefit to Adaptive Recognition's business.

Regardless of your position within the company, you play an integral role in Adaptive Recognition's financial operations.

Remember to:

- When entering into agreements, ensure that they align with your level of authority, prioritize Adaptive Recognition's best interests, and adhere to relevant policies.
- Use Adaptive Recognition's equipment responsibly and sustainably.
- Whenever possible, opt for public transportation and explore virtual meeting options, such as video conferencing, when traveling on behalf of Adaptive Recognition.
- Exercise good judgment and comply with local and company policies while traveling. Seek affordable options when booking accommodations and meals.

How do I safeguard confidential information at Adaptive Recognition?

At Adaptive Recognition, the protection of confidential information is of utmost importance. All employees are bound by the confidentiality clauses outlined in their employment contracts, and this responsibility continues even after leaving the company.

Preserving non-public information about Adaptive Recognition and its customers is essential for maintaining our competitive advantage and building trust. We embrace knowledge sharing and transparency as guiding principles that foster innovation and resilience within our organization.

To ensure the appropriate handling of information, there are specific details that Adaptive Recognition expects you to safeguard and limit the distribution of to a select group of individuals. Guidelines and policies are in place to help you identify, classify, mark, and handle such confidential information.

The fundamental principle is for the author of information to appropriately classify it, determine if restricted access is necessary, and define how it should be stored, transmitted, and processed. When sharing confidential information, exercise caution and limit its dissemination to authorized individuals only. Share it on a need-to-know basis to avoid involving more people than necessary.

It is crucial to keep confidential information secure. Refrain from sharing it with family, friends, or in public spaces, including public transportation or social media platforms. Please be mindful that working in a public area on a public network increases the risk of intercepted communication. Adhere to this policy when working in such environments.

By diligently safeguarding confidential information, we reinforce trust, maintain our competitive edge, and uphold Adaptive Recognition's commitment to the highest standards of data protection.

Examples of confidential material

- Security Information
- Detailed Sales Information
- Non-Public Product Information
- Personal and Sensitive Information
- Business Strategies
- Contract Information

How do I protect Adaptive Recognition's Intellectual property

Our success stems from the innovation, valuable ideas, inventions, and strategic business approaches that distinguish us as a leading company in our industry. The assets and confidential information pertaining to our business represent years of dedicated effort and warrant safeguarding. As an employee, you have a responsibility to protect these assets and information, thereby preserving Adaptive Recognition's competitive advantage.

How do I protect Adaptive Recognition's physical property

We prioritize maintaining robust security measures to safeguard our equipment and facilities. All resources, both physical (buildings, hardware, equipment) and non-physical (data processing), should be utilized solely to enhance Adaptive Recognition's operations. It is the responsibility of every employee to protect our assets and resources against misuse and wastage.

Prioritizing data protection

We are committed to safeguarding the privacy of our employees and customers. We recognize privacy as a fundamental human right and consider robust privacy practices to be a valuable competitive advantage. By prioritizing privacy, we aim to build trust in the market and attract an even greater number of customers.

At Adaptive Recognition, we prioritize the protection of the data entrusted to us by our customers. Our commitment is reflected in the customer contract, which includes the data processing agreement (DPA).

The DPA serves as the legal basis for processing our customers' personal data. We adhere to the authorized purposes outlined in the DPA and ensure that personal data is not processed in any other manner or for any other purpose without proper authorization.

Therefore, we kindly request that you exercise special attention and care when accessing data that may be linked to an individual. We prioritize the responsible handling of personal data to ensure compliance with data protection regulations.

Additionally, we process personal data of our employees as a data controller during their employment. This processing is carried out to facilitate the fulfillment of the employment contract. We are equally dedicated to upholding privacy in this context and take appropriate measures to ensure the confidentiality and security of employee data.



Promoting a safe and healthy working environment

At Adaptive Recognition, we uphold the principles of human dignity and rights in the workplace. We are dedicated to fostering an environment that values respect, fairness, equality, and non-discrimination.

Our commitment extends to both our internal operations and our relationships with external partners. We strongly oppose forced labor and child labor in any form. All employees at Adaptive Recognition are encouraged to assess the potential impact of their decisions on human and labor rights and to report any violations of our standards to management, our Human Resources department, or through our confidential Whistleblower system.

Prioritizing employee wellbeing

We prioritize the health and safety of our employees. We are dedicated to providing a secure working environment that promotes employee well-being. It is the responsibility of all employees to actively uphold and promote a safe working environment, and to promptly report any violations of our safety standards.

We embrace diversity

We recognize the importance of embracing diversity to foster success. We value employees with diverse

backgrounds, experiences, and skills, as they contribute to the growth and development of our organization.

We believe that a diverse workforce is essential for our progress. Moreover, we strive to create a supportive working environment that empowers every employee to reach their full potential.

It is the responsibility of all our employees to actively contribute to creating an environment that embraces diversity and promotes collaboration.

Promoting respect and inclusion

We uphold a zero-tolerance policy against discrimination, harassment, and bullying in any form. We are committed to fostering an inclusive and respectful workplace where all employees are treated fairly and equitably. We strictly prohibit any form of inappropriate sexual comments or advances, as well as actions or comments related to sexuality, race, gender, disabilities, or any other matter unrelated to Adaptive Recognition's business.

If you or a colleague experience any form of discrimination or harassment, please contact your People/HR leader, Managing Director, or utilize the

Adaptive Recognition Whistleblowing Channel.

Immediate action will be taken to address the issue.



Maintaining integrity: **Avoiding** conflict of interest

Mitigating conflict of interest

At Adaptive Recognition, it is important to recognize and navigate situations where personal relationships or financial interests intersect with our professional obligations and commitment to Adaptive Recognition. All employees are expected to refrain from engaging in, or appearing to engage in, activities that could result in a conflict between their personal interests and the best interests of Adaptive Recognition.

Regardless of your position within the company, you play an integral role in Adaptive Recognition's financial operations.

Remember: As an employee of Adaptive Recognition, it is crucial to prioritize the best interests of the company and steer clear of conflicts. If you become aware of a possible conflict of interest, it is your duty to promptly report it. When uncertain, seek guidance from your leader to ensure your actions align with Adaptive Recognition's business objectives.

Navigating conflicting relationships

We understand the importance of maintaining impartiality and avoiding conflicts of interest in our decision-making processes. If personal relationships have the potential to influence our professional judgments, such as in hiring, promotions, performance management, or salary decisions, it is essential to take appropriate measures.

Navigating Gift Acceptance

At Adaptive Recognition, we recognize that conflicts of interest can arise when receiving or offering gifts, entertainment, or other business courtesies from current or potential customers or partners. While occasional gestures, business dinners, or entertainment are acceptable and can foster positive relationships, it is crucial to ensure they are not excessive or create an appearance of impropriety.

To ensure transparency and uphold ethical standards, it is essential to seek guidance from your leader before accepting or extending gifts or business courtesies. Together, we can make informed decisions that align with Adaptive Recognition's values and maintain a high level of integrity.

DO: Refrain from participating in decision-making processes that involve relatives, spouses, partners, close friends, or other personal relations. By consciously avoiding potential conflicts of interest, we uphold the integrity and fairness that define Adaptive Recognition's commitment to excellence.



Representing Adaptive Recognition in public

Social Media: Building a Positive Presence for Adaptive Recognition

At Adaptive Recognition, we acknowledge the significance of social media as a platform to connect with our customers, foster trust, and receive valuable feedback. When representing Adaptive Recognition on social media channels, it is crucial to prioritize the best interests of our company.

By maintaining a professional and positive online presence, we can effectively showcase the values and strengths of Adaptive Recognition. Remember to engage with customers respectfully, respond promptly to inquiries, and utilize social media as a means to strengthen our brand reputation.

Together, let us leverage the potential of social media to cultivate meaningful connections with our audience while upholding the values and objectives of Adaptive Recognition.

Navigating social media: best practices

- Be honest and stick to the facts
- Practice politeness and professionalism
- Avoid engaging in disparaging remarks
- Report negative comments to your leader
- Do not post confidential information
- Seek guidance if you are unsure

Guidelines for Public Representations and Media Engagements

At Adaptive Recognition, the protection of confidential Public appearances and media engagements are crucial for shaping the public perception of Adaptive Recognition. When representing Adaptive Recognition, it is vital to maintain a positive image by being well-prepared, professional, and courteous.

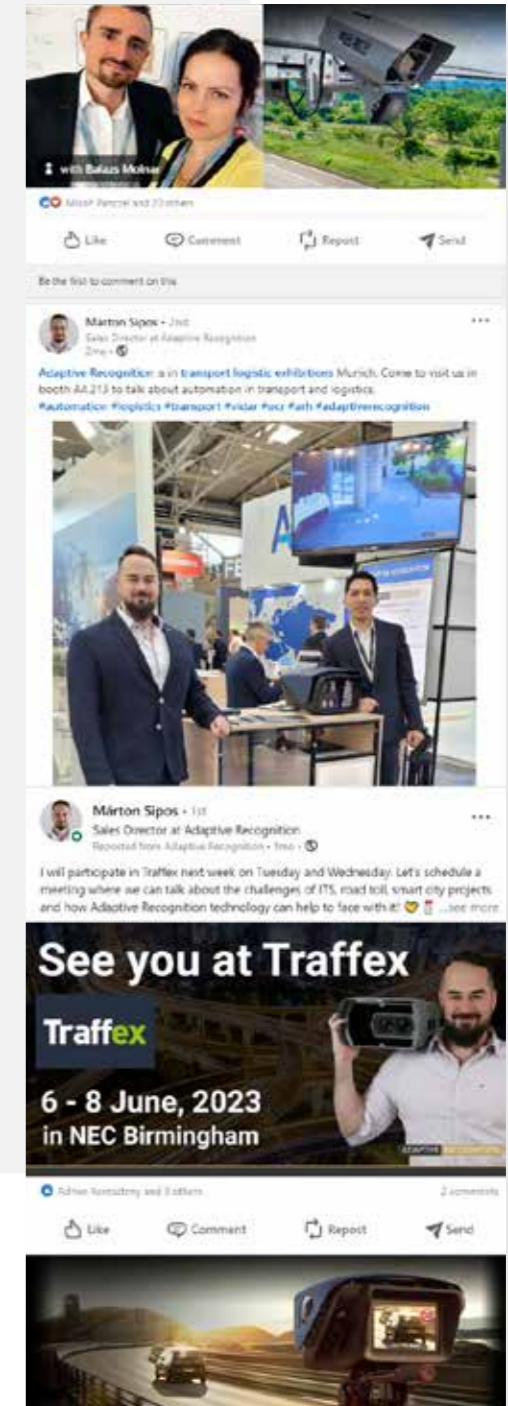
Prior permission from your leader is required before representing Adaptive Recognition in public, such as participating in panel discussions or delivering presentations at public events.

To ensure consistent messaging, it is important that all public information about Adaptive Recognition is coordinated and approved. As an employee, you should not engage with the press unless authorized by your Managing Director, the designated PR representative at the country level, or the Adaptive Recognition Group PR team. If approached by members of the press, kindly redirect them to one of these authorized individuals.

Any inquires from financial analysts or investors should be directed to our CEO for appropriate handling.

Representing Adaptive Recognition in public

- Be well prepared
- Ensure that any professional presentation reflects our values
- Always answer questions in a polite and professional manner
- Do not comment or confirm confidential information.
- Do not post confidential or financial information.
- Do not post confidential or financial information.
- If a crisis should occur, communication should be handled by Head of Marketing Department



Embracing environmental responsibility

Our commitment to environmental responsibility

At Adaptive Recognition, we recognize the importance of minimizing our environmental impact. We believe that both our company and employees have a responsibility to contribute towards a sustainable future. We take a precautionary approach to environmental challenges and actively promote greater environmental responsibility.

We are dedicated to providing our customers with eco-friendly products, services, and technologies. To learn more about our sustainability initiatives, please visit our website and refer to the Adaptive Recognition Sustainability Policy. Together, we can make a positive difference for the environment.

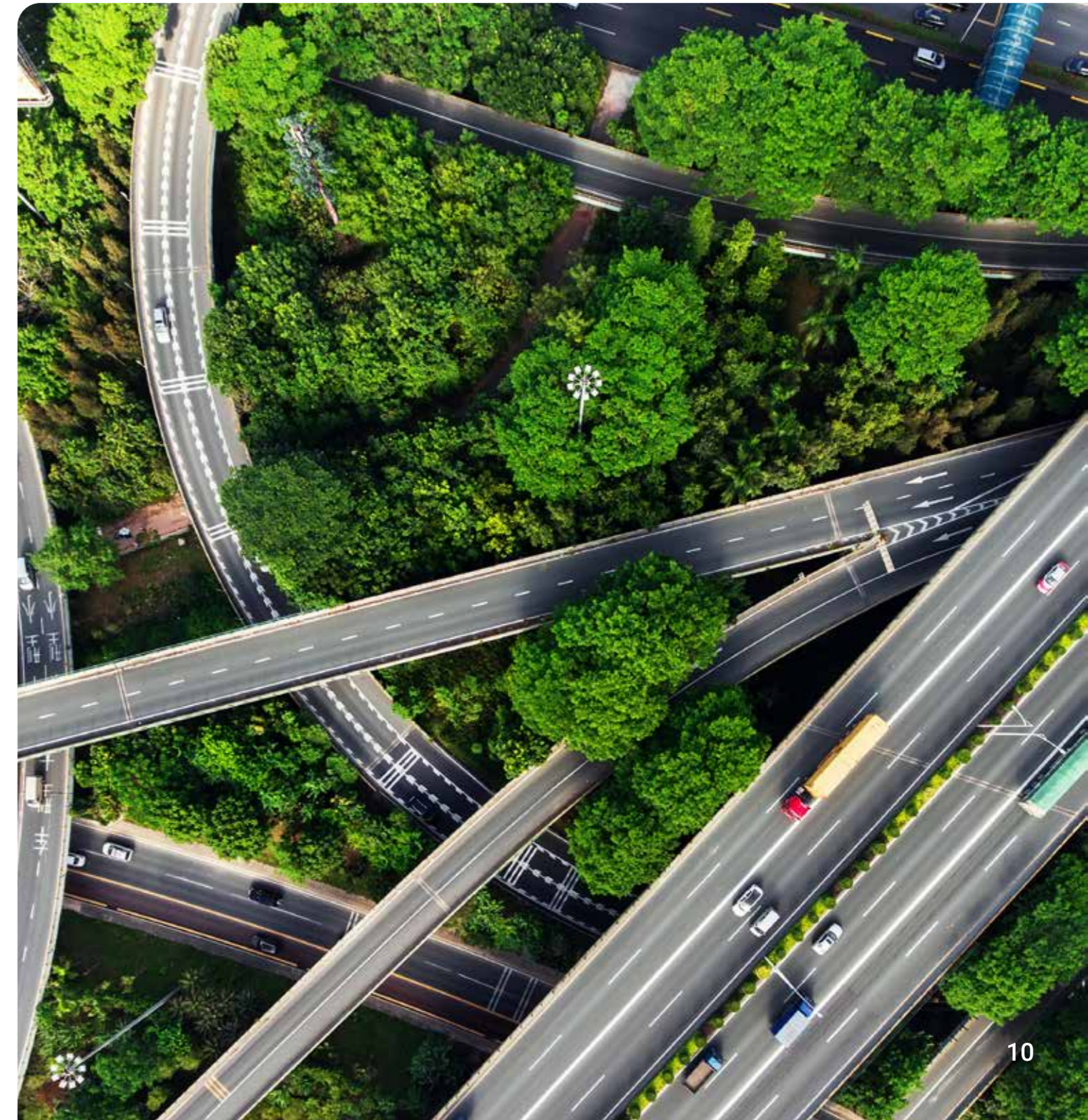
Together, let us leverage the potential of social media to cultivate meaningful connections with our audience while upholding the values and objectives of Adaptive Recognition.

How can I support Adaptive Recognition's environmental responsibility

- Minimize unnecessary business travel and opt for sustainable alternatives. Whenever feasible, particularly for air travel, we encourage the use of technologies like video conferencing to reduce non-essential business trips. In cases where travel is essential, prioritize train or bus transportation over air travel as long as the overall travel time is not significantly longer, from door to door.
- Adaptive Recognition encourages minimizing waste generation. One effective approach is extending the

lifespan of hardware, such as computers, screens, and phones, as much as possible. This practice not only helps reduce emissions but also conserves valuable resources.

- We promote the use of public transportation whenever feasible for work-related travel. Additionally, we encourage our employees to consider sustainable alternatives such as biking or walking for their daily commute to and from the workplace. By embracing these greener transportation options, we contribute to a more sustainable future.
- We prioritize the environmental impact of our business decisions. Whether it's procurement, web hosting, travel, or any other areas, we always take into account how these choices may affect the environment. Furthermore, when selecting suppliers, we ensure they adhere to the **Adaptive Recognition Supplier Code of Conduct**. By making responsible choices, we contribute to a more sustainable future.



Upholding legal compliance: Our commitment

As employees of Adaptive Recognition, we are committed to adhering to the laws and regulations of the countries in which we operate. Given our global presence, legal requirements may vary across jurisdictions.

While you are not expected to be familiar with every legal detail, it is crucial to have a good understanding of the relevant legislation to identify and address any potential illegal activities within Adaptive Recognition. If you have any uncertainties regarding legal requirements, please seek guidance from our legal counsels before making any decisions.

Outlined below are key legislative frameworks that apply to all Adaptive Recognition entities and employees. Please note that this list is not exhaustive and additional laws may be applicable.

Anti-corruption

As an employee of Adaptive Recognition, it is essential to always act with fairness and transparency when making decisions or taking action on behalf of the organization. Engaging in bribery or accepting bribes to influence decisions or actions is considered corruption, which is both illegal and detrimental to the reputation and trustworthiness of Adaptive Recognition.

We strictly prohibit all forms of corruption within our organization. We also hold our business partners, including suppliers, distributors, agents, and joint venture partners, to the same high standards of integrity and ethics. Together, we uphold the principles of transparency, honesty, and accountability in all our business dealings.

Preventing money laundering

Money laundering involves the process of disguising unlawfully obtained funds to make them appear legitimate, allowing individuals to use the money without revealing its criminal origin.

At Adaptive Recognition, we strictly condemn money laundering, as it is an illegal activity. We are committed to preventing the use of Adaptive Recognition's assets, including equipment and services, in any form of money laundering. We uphold the highest standards of integrity and compliance, ensuring that our resources are not misused for unlawful purposes. By actively combating money laundering, we contribute to a secure and transparent business environment.

Promoting fair competition

At Adaptive Recognition, we emphasize the importance of fair competition and compliance with all relevant local, EU, and international laws and regulations. As an employee, it is your responsibility to understand and uphold our anti-competition policy to mitigate risks for Adaptive Recognition.

Anti-competition regulations aim to safeguard consumers and society by preventing practices that undermine fair competition, leading to higher prices, limited choices, compromised product quality, and decreased innovation. Examples of such practices include:

- Collaborations between companies to manipulate pricing, allocate markets, or stifle technological advancements.
- Abuse of dominant market position by a single company to impose unfair pricing or hinder competition from other market players.

If you suspect a breach of our anti-competition policy, it is imperative to promptly report the issue to your leader or utilize **Adaptive Recognition's designated Whistleblowing Channel**.

- We outperform our competitors based on merit and integrity. We believe in achieving competitive advantages through

superior performance, upholding ethical values, and adhering to the law.

- We strictly prohibit the unauthorized acquisition or disclosure of proprietary information or trade secrets. It is forbidden to engage in activities that involve obtaining such information without proper consent or soliciting its disclosure from employees of other companies, past or present.

As an employee or leader at Adaptive Recognition, you should:

- Never exploit others through manipulation, concealment, misuse of privileged information, blackmail, misrepresentation of facts, or any other illegal trade practices.
- Never participate in price fixing, bid rigging, market or customer allocation, or any other anti-competitive activities deemed unlawful.
- Understand that business entertainment and gifts, when appropriate and within reasonable limits, serve to foster goodwill and constructive relationships. They should never be used to gain unfair advantages with customers, vendors, or government representatives.
- Avoid accepting gifts at Adaptive Recognition, unless they meet the following criteria: (1) non-monetary and compliant with our anti-corruption policy, (2) in line with customary business practices, (3) reasonably valued, (4) not perceived as a bribe or payoff, (5) in adherence to all applicable laws, regulations, and policies of the other party's organization, and (6) disclosed to your leader or deemed appropriate based on objective evaluation.

By upholding these principles, we foster a culture of ethical conduct and maintain the trust of our stakeholders at Adaptive Recognition.

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