

Recommendations of the Hungarian Banking Association
for Managing Epidemic Threats and Epidemics for
Financial Institutions and Related Key Commercial
Operators



Table of Contents

Recommendations of the Hungarian Banking Association for Managing Epidemey Threats and Epidemics for Financial Institutions and Related Key Commercial Operators.....	1
The purpose of drafting and publishing the ‘Recommendations’	3
Basic principles	3
Recommendations	6
I. Preventive and preparatory measures to be applied during the period of epidemey threat	6
I./A) Proposed preventative health measures	6
1. Recommendation for limiting and, if necessary, stopping official trips to infected foreign and domestic areas	6
2. Recommendations for the procedure to be followed for those arriving from abroad and for the avoidance of their reception	6
3. Recommendation to require the employee to report cases when they get in close contact with guests, relatives, family members or any other persons arriving from a country or area affected by the epidemey	6
4. Recommendation for the enhanced enforcement of hygiene rules.....	7
5. Recommendation to oblige persons intending to enter the business’s premises offering critical services	7
I./B) Proposed business continuity measures	8
6. Recommendation for the establishment of an ad hoc working group for the preparation of business continuity measures, decision-making and for the monitoring of the implementation of the decisions made.....	8
7. Recommendation for the assessment and organisation of the conditions required for teleworking.....	9
8. Recommendation for the identification of jobs that cannot be done through teleworking and tasks of strategic importance, to ensure their on-going execution.....	9
9. Recommendation for the development of specific rules on substitution and representation and signature rights	10
10. Recommendation for setting the conditions for alternative ways of working.....	10
II. Measures during an epidemey	10
II./A) Proposed health measures.....	10
11. Recommendation for health measures to be taken during an epidemey	10
II./B) Proposed business continuity measures	11
12. Recommendation on business continuity measures to be taken during an epidemey	11
13. Recommendation on business continuity measures to be taken during an epidemey, in cases where the Chief Medical Officer imposes a ban on leaving a settlement	12

The purpose of drafting and publishing the 'Recommendations'

The Hungarian Banking Association has drafted its guidelines titled 'Recommendations of the Hungarian Banking Association for Managing Epidemic Threats and Epidemics for Financial Institutions and Related Key Commercial Operators' (hereinafter: 'Recommendations').

By drafting the 'Recommendations', the Hungarian Banking Association and its partner institutions, aware of their responsibilities in the field of economic and social responsibility and closely following the decisions of the Central Operative Panel, intend to help businesses offering various services prepare for potential epidemics in a uniform, co-ordinated manner and to a high standard. This helps ensure that their clients and the public are involved in the effective management of the situation, avoiding overreactions and always keeping in mind the specific characteristics of the epidemic in question.

The banking sector is an intensely regulated sector and proactive care is generally expected, as maintaining the continuity of financial services is in the interest of the national economy. For this reason, in addition to aiding preparation, the "Recommendations" also support the prevention of crisis scenarios and serve as a model for other service providers.

By applying the Recommendations, businesses covered by the Recommendations will, without delay, be prepared to continue offering their services even under potentially changed circumstances. The "Recommendations" provide guidance on how clients can use different services in the event of an epidemic threat and in specific epidemic scenarios.

The publication of "Recommendations" contributes to the management of a specific situation in a predictable, responsible and rational way, in co-operation with state and local authorities. Accordingly, in the event of an epidemic, companies applying the "Recommendations" must always look out for changes in the effective legislation and continue to co-operate with the relevant authorities in accordance with emergency provisions.

With the "Recommendations" we wish to serve our customers and employees, as well as ensure a seamless operation, helped by recent significant digital developments. At the same time, we also wish to express our unconditional support to the Central Operative Panel in fulfilling their complex tasks.

Basic principles

1. Preventing or limiting the spread of the outbreak should be a priority in the operation of financial institutions and key commercial operators (hereinafter referred to collectively as "businesses").
2. While taking into account the predominance of public health and epidemiological requirements, businesses must act in a manner proportionate to the risk of an epidemic threat or an epidemic in the provision of the services they offer.
3. Unless otherwise specified by law or official regulation, businesses are responsible for limiting their services to customers only when necessary, in a proportionate manner and to the extent needed.

4. Businesses should not, in the context of or in connection with the conduct of their business activities, quote the epidemic threat or a potential epidemic to pass decisions that would result in arbitrary differentiation between customers (in a discriminative manner that is not necessitated by health recommendations). They must respect the dignity of private individual customers, in line with the stipulations of the Fundamental Law.

5. Whilst respecting the human and personal rights of their customers, businesses must also ensure the security of their services, including the proper functioning of banking operations, in line with the public's interest. Accordingly, their organizational, personal and material conditions must be continuously adapted to the prevailing circumstances, taking into account the principle of graduality.

6. Businesses are required to disclose all information concerning the epidemic threat or a potential epidemic that counts as significant information for the purpose of informing customers in a fair way. They should also ensure that customers are able to put questions they consider important to businesses and receive clear answers to those questions as quickly as possible.

7. Businesses must co-operate with public health and epidemiological authorities and their supervisory authorities in order to meet their information provision obligations.

8. During periods of epidemic threats and possible epidemics businesses must closely co-operate with the legal entities that need to be involved in the provision of services by businesses. In this context, previously signed private contracts (e.g. supplier, agency contracts) will be reviewed and amended, and any new contracts required will be concluded. They will also initiate, in the context of the provision of services, the regulatory decisions necessary for the provision of secure services. They must also co-operate with the acting authority in determining appropriate levels of service and data provision, as necessitated by the prevailing situation.

9. Employees have the right to safe working conditions that do not endanger their health, and these are to be put in place by the 'businesses' in their capacity as their employers.¹ The requirements set out in the Labour Code are also applicable during periods of epidemic threats and outbreaks.

10. However, in view of the exceptional situation caused by the epidemic threat or epidemic, businesses may ask employees or groups of employees to temporarily perform their duties at a place of work other than that stipulated in the employment contract or in a different manner (e.g. teleworking).² Employees may only refuse an employer's instruction in the cases and for the reasons set forth by law, including, first and foremost, in scenarios where compliance with the instruction would directly and seriously endanger their life, physical integrity or health³.

11. Businesses, as employers, respect the right of their employees to receive correct (accurate and up-to-date) information about the prevailing working conditions.⁴ They are also required to take the interests of employees into account when issuing employer instructions, and make decisions that are the least harmful to them, including their temporary exemption from the obligation to work, and to compensate for any disadvantages employees may suffer.

¹ See Section (4), Article 51 of the Labour Code

² See Article 53 of the Labour Code

³ See Section (1), Article 54 of the Labour Code

⁴ See Article 18 of the Labour Code

12. In order to ensure compliance with the general principles set out above, companies may adopt, on a voluntary basis, an action plan for each organization, based on the "Recommendations" of the Hungarian Banking Association, to be applied during the period of epidemic threat or epidemic.

Recommendations

I. Preventive and preparatory measures to be applied during the period of epidemic threat

I./A) Proposed preventative health measures

1. Recommendation for limiting and, if necessary, stopping official trips to infected foreign and domestic areas

- 1) Pursuant to Section (4), Article 51 of Act I of 2012 of the Labour Code (hereinafter: LC), the employer is entitled to restrict official postings and travel, bearing in mind the requirement of safe working conditions. The employer is not entitled to restrict the employee's private travel, but under the LC the employee may be expected to report any planned trips to areas affected by the epidemic.⁵ The same applies if the infection develops in the given country or area during the employee's private visit. In order to avoid a potential spreading of the infection, for such employees the employer can decide when and how they may return to work, to protect the interests of other employees, customers and business partners.

2. Recommendations for the procedure to be followed for those arriving from abroad and for the avoidance of their reception

- 2) During the period of epidemic threat, the business must decide whether in the coming period it will be prepared to host foreign persons for official meetings (events, conferences, trainings) arriving from abroad. It is recommended that all businesses define clear guidelines for such scenarios in advance, making the point that it is justified to temporarily suspend or stop official travel from the countries already affected by the epidemic.

3. Recommendation to require the employee to report cases when they get in close contact with guests, relatives, family members or any other persons arriving from a country or area affected by the epidemic

- 3) Sections (2) and (4), Article 6 of the LC set out the general behavioural expectations which must be fully enforced in the relationship between employer and employee. Therefore, in the spirit of good faith and fairness, the employee must inform their employer of any circumstances the employer needs to be aware of in order to allow the business to adequately prepare for any potential epidemiological risk. It is also necessary to report persons arriving from infected areas⁶ because having the correct information enables the business to meet the legal requirements of healthy working conditions.

⁵ The definition of 'area affected by the epidemic' should be determined using official information issued by the relevant epidemiological authority at any given time.

⁶ The definition of 'infected area' should be determined using official information issued by the relevant epidemiological authority at any given time.

4. Recommendation for the enhanced enforcement of hygiene rules

- 4) It is important to widely promote the rules of proper, disinfecting handwashing. In this context, the recommendation is that the images and relevant infographics accessible via the website of the National Centre for Public Health are used and displayed (e.g. in the business's washrooms, restaurants and cafés). You can access these informative materials by clicking on the links below:
<https://www.nnk.gov.hu/index.php/lakossagi-tajekoztatok/koronavirus/464-infografikak>
<https://www.nnk.gov.hu/index.php/lakossagi-tajekoztatok/koronavirus>
- 5) Increased availability of hand sanitising products⁷ on business and customer premises (e.g. in bank branches), including premises open to customers (e.g. lobby, elevator areas, entrances, restaurant, café) is recommended/expected.
- 6) Temporary dismantling of non-antiseptic soap dispensers or filling them with disinfectant to make sure only sanitising products are available in toilets for washing hands.
- 7) If possible, the ordering of disinfectant cleaning on business premises twice a day.
- 8) Ordering the application of a cleaning and disinfecting protocol on one day each week to sanitise door handles/knobs, utensils/appliances shared in communal areas etc. and the provision of disinfectant wipes in pool cars.
- 9) More frequent disinfection of ventilation systems adapted to the epidemic threat.
- 10) The purchasing and placement of air filter disinfectant, as necessitated by the situation.
- 11) The purchasing of rubber gloves (e.g. for employees working in the dispatch unit or handling documents).
- 12) Providing information and preparation for the contracted providers of personal services (e.g. cleaners, kitchen workers etc.) to enable them to meet more stringent hygiene requirements (e.g. frequent disinfectant cleaning and wiping and the frequent use of disinfectant hand wash products). Review, where appropriate, previously concluded supplier contracts and consult with the senior management of supplier companies.
- 13) Interviewing candidates through Skype and holding training sessions via electronic platforms. The use of videoconferencing technology during training and discussions should be the preferred choice among staff working at different workstations and locations.

5. Recommendation to oblige persons intending to enter the business's premises offering critical services

- 14) The purpose of the disclosure requirement is to assess the health risk of external persons (e.g. customers, guests, employees of external service providers) entering business units of critical importance⁸. This requirement is in line with the recommendation of the World Health Organization (hereinafter: WHO) and complies with data protection requirements. It is proposed that the declaration is updated and the data protection information contained in its Annex is translated into several languages, depending on the clientele, guests and service providers of the given financial institution or business. The declaration and the data protection

⁷ It is recommended that the websites listed in Annex 3, as well as the information issued by the authorities considering hand sanitising products be regularly monitored. issue of hand disinfectants.

⁸ Areas and organizational units that are defined by the management as being important for the continued operation of the company are referred to as 'critical organizational units'.

information are contained in Annex 1 and Annex 2 of the present 'Recommendations'.

I./B) Proposed business continuity measures

6. Recommendation for the establishment of an ad hoc working group for the preparation of business continuity measures, decision-making and for the monitoring of the implementation of the decisions made

15) Businesses should set up an ad hoc working group (with a flexible meeting schedule adapted to the pandemic situation) appropriate to their size and organisational structure, with at least the following rights, obligations and responsibilities, subject to the involvement of the affected area:

- i. Setting priorities in view of customer expectations (e.g. round-the-clock cash withdrawals) and the prudent operation of the business, including estimating the consequences of a partial or total downtime (short-term and long-term downtime) and finding potential ways of resolving such scenarios.
- ii. Compiling customer information materials and publishing them on the website and in the mobile application, advising customers to use electronic banking and ATM services for simple transactions, instead of entering customer service areas.
- iii. Identifying areas of particular importance to the operation of the business, finding the jobs most at risk from the outbreak, and identifying threats to the continued operation of the business in the context of the epidemic.
- iv. If necessary, ordering restrictions on access to office buildings and customer service areas.
- v. The reviewing of personal, qualification-related and physical conditions (habits and customs) which either cannot be applied or can only be used with reasonable adjustments during an epidemic. In this context, the business must ensure in its action plan that there is a balance between the safe operation of the business and the actual possibilities.
- vi. Making personnel-related decisions, ordering teleworking (with special regard to e.g. pregnant or older employees or those who are immunocompromised due to other illness).
- vii. Contacting and regularly consulting the occupational health service provider, the Central Operative Panel, additional authorities and the disaster recovery service.
- viii. Tracking information (e.g. regularly learning about and taking into account international experiences), and compiling up-to-date information materials from credible information sources, and distributing them to senior executives, employees and the parent companies and subsidiaries of businesses (e.g. via Intranet and/or e-mail).
- ix. Addressing the legitimate, justified and unjustified fears of employees to make sure that preparations for a possible outbreak do not trigger unreasonable reactions from employees.
- x. Introducing measures affecting employees (reduced mode of operation, the provision of protective items and special protection for colleagues essential to the operation of the business).

- xi. Organizing training for workers to deal with the consequences of the epidemic and preparing them for the continued provision of the business's services under the changed circumstances.
 - xii. Preparing employees for interacting and communicating with each other and with clients, taking into account the recommendations of WHO (<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance>) - (e.g., the importance of temporarily restraining from handshakes, the usual form of greeting).
 - xiii. Co-ordination between the heads of the relevant areas and the management of the business.
- 16) It is important that up-to-date and credible information required for the management of the company is processed and evaluated, and the management is aware of the priority activities and tasks of the organization, the operational processes of the various areas and fields of expertise essential for ensuring the continued operation of the business's core activity and operation, and the specialists required for the execution of tasks under the changed circumstances.
- 17) When drafting the action plan, it is important to determine deadlines for drawing up plans for specific tasks, along with the appointment of 'responsible owners' for partial tasks. Once the action plan has been drafted, it is recommended that it be tested through drills. It is recommended to regularly review the action plan, taking into account international experiences, and to harmonise it with national and county-level pandemic and disaster recovery plans.

7. Recommendation for the assessment and organisation of the conditions required for teleworking

- 18) Businesses should assess the tasks or jobs that can be done remotely in relation to the services they provide. The assessment should consider the IT equipment available to the business, as well as secure network connections, general information security, and bandwidth/performance requirements. In the course of the assessment it is necessary to consult with the business's IT departments to request, if necessary, the access authorities and fast-track lanes required for telecommuting. It is necessary to purchase additional laptops and provide IT support to colleagues who do not have a laptop and use their own devices for remote working, in order to meet information security requirements for teleworking.
- 19) Training in the execution of tasks while teleworking (organising a 'pilot process') in co-operation with the employees concerned. In this context, the assessment of the IT requirements of teleworking and the testing of IT solutions by employees.

8. Recommendation for the identification of jobs that cannot be done through teleworking and tasks of strategic importance, to ensure their on-going execution

- 20) During the period of epidemic threat, the business should already identify areas or tasks that cannot be done through telework, but are essential for the provision of services.
- 21) In order to ensure the safe execution of tasks listed in the previous section, a 'rotation system' must be set up whereby the employees concerned continue to work in different locations. As a result of the separation, the segregated groups of employees work on workstations that are not in contact with one another.

- 22) For persons working in positions that are essential for the business's continued operation, ensuring access to non-public means of transportation, and organising their commute to work with company or private vehicles.

9. Recommendation for the development of specific rules on substitution and representation and signature rights

- 23) The general rules of the substitution scheme are contained in the company's internal regulations. However, it is necessary to assess whether these rules need to be modified to take account of the possible occurrence of an epidemic. Thus, it is especially important that the middle and senior managers of the company are able to exercise their signature rights in exceptional circumstances as well.
- 24) Consulting the managers of units and areas of expertise essential to the core business and operation of the business regarding the availability of relevant persons and their substitutes, as well as the applicability of a substitution scheme.

10. Recommendation for setting the conditions for alternative ways of working

- 25) It should be assessed how the location of work could temporarily be changed for jobs that cannot be performed through teleworking, and a relocation plan should be drafted. In this context, consideration should be given to alternative places of work, the possibility of using videoconferencing and, where appropriate, the relevant contracts should be concluded.

II. Measures during an epidemic

II./A) Proposed health measures

11. Recommendation for health measures to be taken during an epidemic

- 26) When attending mass events for private purposes, the employee must notify the company. The ad hoc committee will decide, pursuant to the action plan, in what form to engage the employee in question, or, where appropriate, whether such employee should be relieved of their responsibilities.
- 27) Under the action plan, travel from infected countries, areas, regions or territories⁹ will be fully restricted. The provisions applicable during an epidemic and the stipulations governing private travel will be especially apply to employees and members of their household.
- 28) Requiring employees to conduct meetings through telephone or video conference calls, thus minimising physical contact.
- 29) For the duration of the epidemic threat, the more intense application of hygiene regulations stipulated under Section 4 of the Recommendation (e.g. the provision of surface disinfectants for each work desk or group of work desks).
- 30) If infection symptoms are detected during the business's working hours on its premises or in customer reception areas, the affected person must be separated from those sharing the same space. The relevant, acting authorities must also be notified, as stipulated by law.
- 31) Interviewing candidates through Skype and providing training via electronic platforms. For the purpose of training and meetings, the use of videoconferencing

⁹ See Section 3.) of the 'Recommendations'.

technology should be the preferred option for employees working at different workstations or in different locations.

II./B) Proposed business continuity measures

12. Recommendation on business continuity measures to be taken during an epidemic

- 32) It must be checked whether employees, customers and suppliers are aware of the organization's pandemic and business continuity strategy and its alternative workflows, and how they are affected by these.
- 33) A person should be appointed with responsibility for checking the various sources of information, who may seek the advice and assistance of healthcare, supervisory and other relevant bodies.
- 34) Ordering teleworking, where appropriate.
- 35) Introducing a rotation system where the employees concerned are separated in terms of place of work and place of residence. As a result of the separation, the segregated groups of employees work on workstations that are not in contact with one another.
- 36) In line with the action plan, the ordering of mandatory teleworking for managers and signatories linked to essential jobs (e.g. using digital signatures, or in cases where digital signatures are not feasible, all documents requiring a signature should be transported by an internal courier service, and if the signatory is infected action should be taken in line with Section 9 of the 'Recommendations').
- 37) Reviewing, where appropriate, previous supplier contracts and co-ordinating with the senior management of supplier companies in order to ensure the continued provision of services by the supplier.
- 38) Reviewing the provisions pertaining to the movement routes and escorts of guests and clients entering the business's premises (e.g. head office), in view of the reduced mode of operation. In this context, for the purpose of prevention, prohibiting entry to and spending time in the organisational units that are essential for the operation of the business.
- 39) In the event of an outbreak, in order to prevent possible further contamination, sending home (subject to the rules governing holidays) all employees who cannot work remotely but look after processes that are not of paramount importance for ensuring the business's on-going operation.
- 40) Preparing for a possible reduction in the number of units kept open by the business for access by customers, and making any relevant work organisation and customer information decisions.
- 41) The ad hoc committee will assist in making a decision about the subsequent reopening of any sections of the building that have been closed, and ensure the resumption of the suspended service.
- 42) The ad hoc committee will assist with the decision to suspend, pause or postpone non-essential functions or services.
- 43) Reviewing the provisions governing cash trading and handling (reduction or, if required by an authority or by law, disinfection,).
- 44) Full absence of training and company events requiring personal participation from a large number of people.

13. Recommendation on business continuity measures to be taken during an epidemic, in cases where the Chief Medical Officer imposes a ban on leaving a settlement

- 45) In the event that, pursuant to Decree No. 18/1998 (VI. 3.) NM, the Chief Medical Officer or another qualified authority, body or person imposes a ban on leaving a settlement, businesses will, in co-operation with the relevant authorities, or, for banks, with cash delivery operators, ensure sufficient cash supplies to the settlement in question, despite the fact that the isolation measure may result in a number of customer units being temporarily closed. It must also be considered that Section 3) c), Article 6 of Government Decree No. 330/2015 (XI. 10.) on the identification, designation and protection of essential systems and facilities in the financial sector stipulates that ‘all businesses headquartered in Hungary, which make a significant contribution to ensuring the continuity of cash supply count as system components of national importance’.
- 46) It is of key importance that businesses affected by a restrictive decision keep their customers informed about the terms and conditions under which their contractual rights can be exercised.
- 47) In the event that any closure ordered by the Chief Medical Officer affects the headquarters, bank branches or branch offices of the business, or the premises routinely used to receive customers, the closed area must be secured and safeguarded, subject to the consent of the acting authority.
- 48) Depending on the degree of closure (e.g. whether an office building, a town or a city is closed), relocation and teleworking measures should be implemented.