

## **Remuneration Policy**

**established for the directors of**

**ALTEO Nyrt.**

– consolidated with the amendments adopted on April 21, 2023 –

## 1. Preamble

In respect of the directors of ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság (hereinafter: “ALTEO” or “Company”), the Company’s Board of Directors acting within the competence of the General Meeting adopted the Company’s remuneration policy that served legal compliance as specified below (hereinafter: “**Original Remuneration Policy**”) with Resolution No. 10/2020. (IV.30.). This Original Remuneration Policy was amended by the Board of Directors, acting within the competence of the General Meeting, by its Resolution No. 6/2021. (IV.19.). In view of the fact that the Original Remuneration Policy expires on April 30, 2023 subject to Section 3 thereof, it needs to be reviewed and revised accordingly. This is the reason why this remuneration policy was drawn up (hereinafter: “**Remuneration Policy**”).

Shareholders did not offer any comments or opinions when making the decision to adopt the Original Remuneration Policy or the decision to amend it. Furthermore, this document is based on the Original Remuneration Policy and no comments or opinions were offered by Shareholders in the Remuneration Report adopted by the General Meeting with its Resolution No. 9/2022 (IV. 19.) either, so no such comments or opinions had to be taken into consideration specifically during the review of this Remuneration Policy.

## 2. The objective of the Remuneration Policy

This Remuneration Policy established in respect of the directors of ALTEO serves compliance with Act LXVII of 2019 on the Encouragement of Long-Term Shareholder Engagement and the Amendment of Certain Acts with a view to Legal Harmonization (hereinafter: “**Act**”).

The objective of this Remuneration Policy is

- a) for the Company’s shareholders to gain a clear, straightforward and comprehensive overview of the Company’s remuneration principles applicable to officers defined as Directors below, enabling them, based on this, to make an informed decision regarding the Remuneration Policy at the Company’s General Meeting;
- b) to contribute to the business strategy, long-term interests and sustainability of the Company;
- c) to ensure that the performance of officers defined as Directors below is assessed using both financial and non-financial performance criteria, including, where appropriate, environmental, social and governance factors.

## 3. Principles

ALTEO finds it essential that the principles of remuneration provided to directors are in line with the strategy of ALTEO and its subsidiaries as defined in Section 3 (2) 2) of Act C of 2000 on Accounting (hereinafter: “**Accounting Act**”) (ALTEO and its subsidiaries hereinafter collectively referred to as: “**ALTEO Group**”). By way of its Remuneration Policy, ALTEO provides benefits to its directors that are competitive relative to the situation of the Hungarian labor market, thereby encouraging and incentivizing them to accomplish the long-term strategic objectives and those set out in the business plans. ALTEO uses a share award scheme to ensure that the interests of Directors are aligned with those of shareholders, that key personnel are committed to the Company and focused on long-term value-creation. The Company also recognizes the accomplishment of objectives in a pecuniary fashion, however, in absence of such accomplishments the value of variable incentives may also be zero.

The benefit structure established on the basis of this Remuneration Policy and the payments made contribute to the Company’s business strategy, long-term interest and sustainability by increasing the vested interest of Directors in long-term value-creation – established through long-term strategic

objectives generally characteristic of the energy industry and by way of projects with decade-long durations – and maximizing their commitment to ALTEO.

In the context of drawing up the Remuneration Policy, the Company took the salaries and employment conditions of its employees into consideration by ensuring that the principles of liability assumption and fairness are enforced in equal measure.

#### **4. The scope of the Remuneration Policy**

The entry into force of this Remuneration Policy is subject to its approval by the General Meeting of the Company through an advisory vote. This Remuneration Policy was drawn up for the ordinary session of the General Meeting convened for April 21, 2023 for the reasons detailed in the Background Section. If adopted by the General Meeting, it will enter into force without delay by the passing of the resolution, and will remain in force until the decision of the General Meeting stipulating otherwise, but for not more than three (3) years.

The personal scope of this Remuneration Policy extends to directors as defined in Section 2(2) of the Act, who – as per the Company's interpretation – at the time of the adoption of this Remuneration Policy shall include the members of ALTEO's Board of Directors (**BoD**) or Supervisory Board (**SB**), as well as the Chief Executive Officer and the executive employees acting as Deputy CEOs, provided they are not members of the Board of Directors or Supervisory Board (hereinafter generally referred to as: "**Director**" or "**Directors**").

The provisions of this Remuneration Policy must be applied to the consideration provided by the Company to the Director in respect of their employment relationship, agency relationship or any other legal relationship aimed at the performance of work with the Company, including in particular the provision of wage, honorarium, reward, other pecuniary and non-pecuniary benefits, cost reimbursements, securities and other intangible property rights.

#### **5. Remuneration Committee**

ALTEO has no remuneration committee in place; tasks related to remuneration are performed by the Board of Directors and in certain cases the CEO.

#### **6. Explanations facilitating interpretation**

The list of Directors with their status, but without their name, aiming to help the interpretation of the Remuneration Policy, is included in Appendix 1.

For the purposes of this Remuneration Policy, 'base wage' shall mean the gross amount of the base wage as defined in Act I of 2012 on the Labor Code (hereinafter: "**Labor Code**"), and all benefit elements that are based on the base wage are incurred as gross amount costs at ALTEO but, after deduction of the taxes and contributions, the Director shall receive the remaining net amount.

Where the Remuneration Policy refers to shares or share award, this refers to ordinary dematerialized series 'A' ALTEO shares issued by ALTEO with a face value of HUF 12.5 with ISIN identifier HU0000155726, or the transfer of title to such shares.

#### **7. Overview of the remuneration of Directors**

Members of the Board of Directors receive an equal amount of honorarium, while the honorarium of the Chairperson of the Board of Directors may only exceed the honorarium of regular members by 30% at

the most. Pursuant to Chapter 13 of the Company's Articles of Association, among the members of the Board of Directors, the Chief Executive Officer and BoD members who are employed by the Company qualify as executive members. Only executive members of the Board of Directors are tasked with preparing and implementing the decisions of the BoD and the operative governance of the Company. Non-executive BoD members are 'entitled to establish a committee in compliance with the rules of procedure. Non-executive members of the Board of Directors receive an honorarium, whose amount is determined by the General Meeting in a resolution. In addition to the honorarium, executive members of the Board of Directors receive benefits as set out in their respective employment contracts.

### 7.1 Remuneration provided to non-executive members of the Board of Directors

<b>Name of remuneration element</b>	<b>Description of remuneration element</b>	<b>Body/person authorized to establish remuneration</b>
<b>Honorarium as a fixed remuneration element</b>	The fixed-amount gross agency fee determined by the General Meeting concurrently with the appointment of the BoD member, which may be determined as installments payable monthly, quarterly or annually, and which serves as consideration for the tasks accompanying BoD membership. The honorarium must be set in an amount that is suitable to allow for the appointment of persons with skills and experience required for BoD membership, and which makes the acceptance of the position appealing. The General Meeting is entitled to review the honorarium at its own discretion during members' term.	General Meeting
<b>Variable fee elements, rewards</b>	Non-executive BoD members receive no benefits, rewards tied to the achievement of specific targets.	General Meeting
<b>Share award</b>	As per Section 8 of this Remuneration Policy.	General Meeting
<b>Reimbursement of costs</b>	No pre-defined cost reimbursement budget is available for non-executive BoD members, but at the same time, ALTEO reimburses necessary costs to a reasonable extent (e.g. travel and accommodation costs) that are incurred during the fulfillment of the obligations linked to BoD membership.	General Meeting
<b>Other benefits</b>	Non-executive BoD members are not beneficiaries of ALTEO's pension and health insurance program and receive no other additional benefits.	General Meeting

### 7.2 Remuneration provided to executive members of the Board of Directors

Executive members of the Board of Directors are also in an employment relationship with the Company and qualify as executive employees as per the Labor Code. The terms of the two legal relationships have been determined in view of one another, however, may be terminated or – following the appropriate legal act – amended independently of one another.

### 7.2.1 Benefits due on the basis of the agency relationship, in view of Board of Directors membership

<b>Name of remuneration element</b>	<b>Description of remuneration element</b>	<b>Body/person authorized to establish remuneration</b>
<b>Honorarium as a fixed remuneration element</b>	As per the terms specified for non-executive BoD members.	General Meeting
<b>Share award</b>	As per Section 8 of this Remuneration Policy.	General Meeting
<b>Reimbursement of costs</b>	No pre-defined cost reimbursement budget is available for executive BoD members, but at the same time, ALTEO reimburses necessary costs to a reasonable extent (e.g. travel and accommodation costs) that are incurred during the fulfillment of the obligations linked to BoD membership.	General Meeting

### 7.2.2 Benefits due based on the employment contract concluded with the Company

<b>Base wage and other wage supplements, fees due pursuant to the Labor Code</b>	The wage of BoD members corresponding to their position at the Company qualifies as a fixed benefit. The base wage must be determined on a market basis and at competitive levels, to ensure that it is suitable to attract and retain workforce with the skills and experience required for the performance of the task. The base wage is reviewed annually, between February and April, with any changes entering into force retroactively from the start of the calendar year. Such amendments are impacted by the performance of the individual and the business department falling under their scope of responsibility, the wage policy relating to all employees (general wage hike or cut), as well as comparative data (in particular wage data of companies and competitors listed on the BSE, that are of a size and market capitalization similar to ALTEO, or of a similar profile active in the industry).	The base wage is determined by the exerciser of employer's rights, based on negotiations conducted with the employee.
<b>Short-term incentive benefit as a variable benefit element</b>	The short-term incentive benefit is calculated on the basis of the base wage of the Director paid in a given calendar year, with the maximum of the applicable rate set at 130% thereof.	The Board of Directors adopts the remuneration policy for the short-term incentive benefit, including the conditions for eligibility. Whether or not such conditions are met is determined by the management of the ESOP

	Further details are provided in Section 8 of this Remuneration Policy.	Organization on the basis of information provided by the Company. In addition, the Director and the person exercising the employer's rights over the Director in the name of the Company enter into a separate performance evaluation agreement in accordance with the applicable internal policy, which allows for the adjustment of the remuneration in line with the remuneration policy. Evaluation and payment are governed by the applicable remuneration policy adopted by the Board of Directors of the Company and the effective Articles of Association of the ESOP Organization.
<b>Share award</b>	As per Section 8 of this Remuneration Policy.	General Meeting
<b>Extraordinary reward</b>	Provided in the case of the outstanding performance of the Director, based on the decision of the person exercising employer's rights, up to 30% of the Director's annual base salary.	The person exercising employer's rights over the Director in the name of the Company.
<b>Cafeteria</b>	An amount corresponding to the Cafeteria policy uniformly applied in respect of all of the Company's employees, but 5% of the base wage of the Director paid in a given calendar year at the most.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of all employees of the Company.
<b>Pension</b>	Voluntary pension fund contribution, the rate of which is 6% of the base wage and which is paid by the Company on a monthly basis.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of all employees of the Company.
<b>Health and accident insurance</b>	An amount corresponding to the insurance policy uniformly applied in respect of all of the Company's employees, but 5% of the base wage of the Director paid in a given calendar year at the most.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of the executive BoD members of the Company.
<b>Company car use, fuel cost reimbursement</b>	To its executive BoD members, ALTEO ensures the use of vehicles with a value and trim level corresponding to their respective office and position. In the case of vehicles owned by ALTEO, the purchase price or rental/leasing fee, maintenance costs	In line with the Company's applicable policy, which the CEO determines in respect of all employees of the Company in a differentiated manner for the respective positions.

	and fuel costs thereof are recognized under this benefit type. The value of benefits involving vehicle use may not exceed 30% of the annual base wage. The use of such vehicles for private purposes is permitted.	
<b>Other low-value benefits</b>	ALTEO provides Directors with mobile phones and laptops for use, which – with applicable IT and security regulations observed – may also be used for private purposes and, furthermore, Directors may also be beneficiaries of benefits provided to a wider range of employees (e.g. Santa Claus packages, participation at Family Days, etc.). The aggregate value of other benefits may not exceed 5% of the Director's annual base wage.	In line with the Company's applicable policy, which the CEO determines in respect of all employees of the Company in a differentiated manner for the respective positions.

### 7.3 Remuneration provided to members of the Supervisory Board

Members of the Supervisory Board of the Company perform their functions under an agency agreement and are elected by the General Meeting for a fixed term.

<b>Name of remuneration element</b>	<b>Description of remuneration element</b>	<b>Body/person authorized to establish remuneration</b>
<b>Honorarium as a fixed remuneration element</b>	The fixed-amount gross agency fee determined by the General Meeting concurrently with the appointment of the SB member, which may be determined as installments payable monthly, quarterly or annually, and which serves as consideration for the tasks accompanying SB membership. The honorarium must be set in an amount that is suitable to allow for the appointment of persons with skills and experience required for SB membership, and which makes the acceptance of the position appealing. The General Meeting is entitled to review the honorarium at its own discretion during members' term.	General Meeting
<b>Variable fee elements, rewards</b>	Members of the SB receive no benefits, rewards tied to the achievement of specific targets.	General Meeting
<b>Share award</b>	Members of the SB are not awarded shares.	General Meeting
<b>Reimbursement of costs</b>	No pre-defined cost reimbursement budget is available for SB members, but at the same time, ALTEO reimburses necessary costs to a reasonable extent (e.g. travel and accommodation costs) that are incurred during the fulfillment of the obligations linked to SB membership.	General Meeting
<b>Other benefits</b>	SB members are not beneficiaries of ALTEO's pension and health insurance program and receive no other additional benefits.	General Meeting

#### 7.4 Remuneration provided to Directors who are not members of ALTEO's Board of Directors or Supervisory Board

Among Directors, key personnel that are involved in the Company's operative governance but are not members of elected executive (BoD) or supervisory (SB) bodies, are employed by ALTEO as executive employees, with their legal relationship subject to the provisions of the Labor Code.

Name of remuneration element	Description of remuneration element	Body/person authorized to establish remuneration
<b>Base wage and other wage supplements, fees due pursuant to the Labor Code</b>	The wage of the Director corresponding to their position at the Company qualifies as a fixed benefit. The base wage must be determined on a market basis and at competitive levels, to ensure that it is suitable to attract and retain workforce with the skills and experience required for the performance of the task. The base wage is reviewed annually, between February and April, with any changes entering into force retroactively for the calendar year. Such amendments are impacted by the performance of the individual and the business department falling under their scope of responsibility, the wage policy relating to all employees (general wage hike or cut), as well as comparative data (in particular wage data of companies and competitors listed on the BSE, that are of a size and market capitalization similar to ALTEO, or of a similar profile active in the industry).	The base wage is determined by the exerciser of employer's rights, based on negotiations conducted with the employee.
<b>Short-term incentive as a variable benefit element</b>	The short-term incentive benefit is calculated on the basis of the base wage of the Director paid in a given calendar year, with the maximum of the applicable rate set at 130% thereof. Further details are provided in Section 8 of this Remuneration Policy.	The Board of Directors adopts the remuneration policy for the short-term incentive benefit, including the conditions for eligibility. Whether or not such conditions are met is determined by the management of the ESOP Organization on the basis of information provided by the Company. In addition, the Director and the person exercising the employer's rights over the Director in the name of the Company enter into a separate performance evaluation agreement in accordance with the applicable internal policy, which allows for the adjustment of the remuneration in line with the remuneration policy. Evaluation



		and payment are governed by the applicable remuneration policy adopted by the Board of Directors of the Company and the effective Articles of Association of the ESOP Organization.
<b>Extraordinary reward</b>	Provided in the case of the outstanding performance of the Director, based on the decision of the person exercising employer's rights, up to 30% of the Director's annual base salary.	The person exercising employer's rights over the Director in the name of the Company.
<b>Share award</b>	As per Section 8 of this Remuneration Policy.	The person exercising employer's rights over the Director in the name of the Company.
<b>Cafeteria</b>	An amount corresponding to the Cafeteria policy uniformly applied in respect of all of the Company's employees, but 5% of the base wage of the Director paid in a given calendar year at the most.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of all employees of the Company.
<b>Pension</b>	Voluntary pension fund contribution, the rate of which is 6% of the base wage and which is paid by the Company on a monthly basis.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of all employees of the Company.
<b>Health and accident insurance</b>	An amount corresponding to the insurance policy uniformly applied in respect of all of the Company's employees, but 5% of the base wage of the Director paid in a given calendar year at the most.	In line with the Company's applicable policy, which the CEO determines uniformly in respect of the executive employees of the Company.
<b>Employer loan</b>	May be provided subject to individual agreements, at market conditions.	The person exercising employer's rights over the Director in the name of the Company.
<b>Company car use, fuel cost reimbursement</b>	ALTEO ensures the use of vehicles to its executive employees with a value and trim level corresponding to their respective office and position. In the case of vehicles owned by ALTEO, the purchase price or rental/leasing fee, maintenance costs and fuel costs thereof are recognized under this benefit type. The value of benefits involving vehicle use may not exceed 30% of the annual base wage. The use of such vehicles for private purposes is permitted.	In line with the Company's applicable policy, which the CEO determines in respect of all employees of the Company in a differentiated manner for the respective positions.

<b>Other benefits</b>	ALTEO provides Directors with mobile phones and laptops for use, which – with applicable IT and security regulations observed – may also be used for private purposes and, furthermore, Directors may also be beneficiaries of benefits provided to a wider range of employees (e.g. Santa Claus packages, participation at Family Days, etc.). The aggregate value of other benefits may not exceed 5% of the Director's annual base wage.	In line with the Company's applicable policy, which the CEO determines in respect of all employees of the Company in a differentiated manner for the respective positions.
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## 7.5 Material terms and conditions of contracts concluded with Directors pertaining to the performance of work or functions

<b>Contractual term</b>	<b>Policy applied</b>	
<b>Term</b>	The agency agreement of BoD and SB members has a fixed term of five years at the most. As a rule of thumb, the expiry of the term of subsequently elected BoD and SB members is aligned with the end of the term of the previously elected members, meaning that the term of all members expires at the same time, however, the General Meeting may decide to deviate from this in individual cases, i.e. to appoint subsequently elected BoD and SB members for a different term than the previously elected members. The employment contract of Directors (also) employed under an employment relationship has an indefinite term.	
<b>Rules pertaining to supplementary pension or early retirement</b>	The Company has no program in place relating to early retirement. The Company pays the voluntary pension fund contribution specified herein to the benefit of Directors employed under an employment relationship.	
<b>Notice period, and the terms of contract termination</b>	<p>The contract of BoD and SB members is terminated in the cases specified in Section 3:25 of the Civil Code. The General Meeting is entitled to recall such persons, even with immediate effect. BoD and SB members may resign from their position at any time, but if the operation of the Company so demands, such resignation will not become effective until the designation or appointment of the new executive officer, or in the absence thereof, the 60th day following the communication of such resignation at the latest.</p> <p>The employment contract of Directors (also) employed in the framework of an employment relationship may be terminated pursuant to the provisions of the Labor Code with the stipulation of a notice period of two (2) months at the least and six (6) months at the most, which is uniformly applicable to cases of termination by either the Director or the Company.</p>	
<b>Payments due in the event of termination of contract</b>	Departure from the provisions of the Labor Code on severance pay in the employment contracts of Directors (also) employed under an employment relationship is only possible to the benefit of the Director. In the agreement concluded in the employment contract in respect of the amount of severance pay, the Company may take into account the Director's service time at the Company's affiliated companies as per Section 3 (2) 7) of the Accounting Act, their age, labor market situation and personal circumstances, however, the severance pay payable to the Director based on the employment contract may	

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only exceed the amount due to them pursuant to legal regulations by an amount equivalent to the base wage due for three (3) months at the most.

The Company reserves the right to exempt the Director from work for the full notice period (garden leave).

## **8. Share-based remuneration**

### **8.1 Employee share ownership program**

ALTEO wholeheartedly believes that its Directors and employees perform their tasks with greater commitment and with a veritable owner's approach if they are also shareholders of the Company, receive its profits and the value created and also share in the company's successes as well as its risks. In this spirit, the Board of Directors of ALTEO has put an employee share ownership program in place, in the framework of which each year it distributes ALTEO shares owned by it in a value of HUF 10 million at the most, calculated at current price, to employees with the service time set out in the applicable policy or nominated by employees and elected in accordance with the applicable policy in force at the Company. Based on the program, such share award may also be granted to internal Directors and Directors who are not members of elected executive (BoD) or supervisory (SB) bodies, but are employed by ALTEO as executive employees. The volume of shares available to be distributed as part of the program is determined by the Board of Directors, with the terms of awarding determined by the CEO.

### **8.2 Share award to Directors – long-term incentive benefit**

In addition to determining service time, and stipulating potential retention obligations (lock-up) or terms relating to alienation (minimum price, pre-emption rights, etc.), in the case of contribution to the business strategy, long-term interests and sustainability of the Company, the Company may determine share-based remuneration for Directors. Such share-based remuneration must be set out in the Remuneration Policy, and the benefit may only be granted based on it after an advisory vote by the General Meeting.

On December 21, 2020, the Company as Founder adopted the 2020 share award program of ALTEO's Employee Share Ownership Program Organization (hereinafter: "**ESOP Organization**"), and on the same day it also published the remuneration policy serving as a basis thereof (hereinafter: "**ESOP RP for 2020**"). Pursuant to the ESOP RP for 2020, executive members of the Board of Directors Domonkos Kovács and Attila Chikán are also eligible for the share award, and all of the Company's Deputy CEOs participate in the 2020 program. With a view to the fact that the responsibility of determining the remuneration given to the members of the Board of Directors falls under the competence of the General Meeting, and that the remuneration for Deputy CEOs may only be paid on the basis of this Remuneration Policy, the Board of Directors acting within the competence of the General Meeting adopted Resolution No. 6/2021. (IV.19) which approved that the aforementioned people receive the share award specified in the ESOP RP for 2020 if the criteria set out therein are met.

The provisions of the ESOP RP for 2020 are incorporated into this Remuneration Policy by way of reference. The ESOP RP for 2020 is available at the link below, and it is applicable accordingly in respect of the people within the scope of this Remuneration Policy:

[https://www.bet.hu/newkibdata/128507470/ALTEO\\_2020\\_evi\\_MRP\\_Jav\\_Pol\\_20201221.pdf](https://www.bet.hu/newkibdata/128507470/ALTEO_2020_evi_MRP_Jav_Pol_20201221.pdf)

### **8.3 Directors' share-based payment – short-term incentive benefit**

The Company's fundamental objective is to promote the future improvement of the Company's innovation-based economic performance, and the Company has a related interest in strengthening the performance and loyalty of its employees by granting them a share in the Company's success.

The Company adopted several remuneration policies as part of the Employee Share Ownership Program (hereinafter: “**ESOP**”) in recent years, and based on the experience gained, it has concluded that remuneration under the ESOP is suitable to achieve the objectives outlined above and thus, in April 2022, the Company adopted several remuneration policies to ensure not only long-term, but also short-term predictable remuneration. Among Directors, the scope of these remuneration policies extends to Directors who are executive members of the Board of Directors, and to Directors who are not members of the Supervisory Board or the Board of Directors of ALTEO.

These remuneration policies are as follows:

- On April 20, 2022, the Company as Founder adopted the 2024 remuneration policy (hereinafter: “**ESOP RP for 2024**”) of the ESOP Organization, which was published on the same day. Pursuant to the ESOP RP for 2024, executive members of the Board of Directors Domonkos Kovács and Attila Chikán are also eligible for the share award, and the scope of the ESOP RP for 2024 also extends to all of the Company’s Deputy CEOs, as specified above. With a view to the fact that the responsibility of determining the remuneration given to the members of the Board of Directors falls under the competence of the General Meeting, and that the remuneration for Deputy CEOs may only be paid on the basis of this Remuneration Policy, the General Meeting adopted Resolution No. .../2023. (IV.21.) which approved that the aforementioned people receive the benefit specified in the ESOP RP for 2024 if the criteria set out therein are met.

The provisions of the ESOP RP for 2024 are incorporated into this Remuneration Policy by way of reference. The ESOP RP for 2024 is available at the link below, and it is applicable accordingly in respect of the people within the scope of this Remuneration Policy:

[https://bet.hu/newkibdata/128709817/ALTEO\\_MRP%202024%20Javadalmaz%C3%A1si%20Politika.pdf](https://bet.hu/newkibdata/128709817/ALTEO_MRP%202024%20Javadalmaz%C3%A1si%20Politika.pdf)

- On April 20, 2022, the Company as Founder adopted the 2025 remuneration policy (hereinafter: “**ESOP RP for 2025**”) of the ESOP Organization, which was published on the same day. Pursuant to the ESOP RP for 2025, internal members of the Board of Directors Domonkos Kovács and Attila Chikán are also eligible for the share award, and the scope of the ESOP RP for 2024 also extends to all of the Company’s Deputy CEOs. With a view to the fact that the responsibility of determining the remuneration given to the members of the Board of Directors falls under the competence of the General Meeting, and that the remuneration for Deputy CEOs may only be paid on the basis of this Remuneration Policy, the General Meeting adopted Resolution No. .../2023. (IV.21.) which approved that the aforementioned people receive the share award specified in the ESOP RP for 2025 if the criteria set out therein are met.

The provisions of the ESOP RP for 2025 are incorporated into this Remuneration Policy by way of reference. The ESOP RP for 2025 is available at the link below, and it is applicable accordingly in respect of the people within the scope of this Remuneration Policy:

[https://bet.hu/newkibdata/128709817/ALTEO\\_MRP%202025%20Javadalmaz%C3%A1si%20Politika.pdf](https://bet.hu/newkibdata/128709817/ALTEO_MRP%202025%20Javadalmaz%C3%A1si%20Politika.pdf)

The ESOP RPs for 2024 and 2025 described in this Section define the remuneration conditions, but as described in Section 7 of the ESOP RPs for 2024 and 2025, the remuneration may be adjusted according to the performance evaluation under the applicable effective remuneration policy. Pursuant to the ESOP RPs for 2024 and 2025, if the remuneration conditions are met, the management of the ESOP Organization redeems the shares held in respect of the participants’ membership stake into cash in the manner set out in the Articles of Association of the ESOP Organization, within 15 days of the date of the managing director’s resolution on fulfilment.

The share award program that was launched in 2016 and is presented in Chapter “Protection of accumulated rights” of the Remuneration Policy does not qualify as remuneration within the scope of the Remuneration Policy.

#### **8.4 Payment of variable benefit elements in shares**

The Company reserves the right to pay maximum 50% of the variable fee elements and rewards, otherwise due to Directors in cash pursuant to the Remuneration Policy, in the form of transferring title to ALTEO shares to the Director. If such share transfer is realized, in the event of redeeming money for shares, the volume-weighted average price of the 30 trading days preceding the benefit falling due must be taken as basis.

### **9. Criteria of awarding variable remuneration and benefit elements, clawback, deferral period**

#### **9.1 Extraordinary reward**

Extraordinary rewards may be given for performance by the Director exceeding their regular scope of responsibility, or in recognition of extraordinary performance or result within their scope of responsibility.

#### **9.2 Clawback**

Rewards paid lawfully, on the basis of fulfilled criteria, cannot be clawed back. Clawback is applicable in the case of infringements, in particular if:

- payment was made based on a material error committed in the Company’s reports, statements; or
- the Director presented the objective or result – set as a criterion for payment – as accomplished in a deceiving and misleading manner, or if at the time of the awarding of the payment the person authorized to make the decision was in error for other reasons;
- the Director received the payment as a result of an infringement committed by them or by a third party.

Clawback claims may be enforced by the Company against the Director within the labor law limitation period.

#### **9.3 Deferral period**

The Company applies no deferral period in respect of variable remuneration elements.

### **10. Non-competition**

The Company concludes a non-compete agreement with the executive members of the Board of Directors and with Directors who are not members of ALTEO’s Board of Directors or Supervisory Board. The term of the non-compete obligation is at least three (3) months and twelve (12) months at the most from termination of the legal relationship. The Company reserves the right to unilaterally shorten the non-competition period stipulated upon the establishment of the legal relationship, or to include the garden leave period therein, or – in justified cases – to unilaterally waive the non-compete agreement. In exchange for the fulfillment of obligations undertaken in the non-compete agreement, the Company may determine consideration due to the Director equivalent to one third, or 100% at the most, of their honorarium and/or base wage due for the same period, with a view to the Director’s qualifications and experience as well as the extent to which non-competition hinders their career down the line.

## **11. Measures taken in the interest of preventing and managing conflicts of interest**

The Company sets out conflict of interest regulations for all its Directors. Beyond the conflict of interest rules stipulated in respect of executive employees as defined in the Labor Code, the Company also requires Directors to report any political or social roles they may assume, as well as other activities and legal relationships not qualifying as conflicts of interest. In respect of conflicts of interest, Directors make applicable declarations upon concluding their contract, and confirm the declarations on an annual basis. The Company reserves the right to, at the request of the Director, grant exemptions in individual cases from conflict of interest rules, after a decision made with in-depth examination and due care.

## **12. Appointment and employment of a new executive Director**

In respect of the appointment and employment of the new executive Director, the Company makes a recommendation concerning the benefit package based on the Remuneration Policy effective at the time of their appointment, election or at the time of making the offer. As part of the determination of the benefit package, the Company takes various factors into account, such as the qualifications, skills and experience of the candidate, their labor market situation, comparative data related to wages, the candidate's wage demands and the remuneration of Directors that have been working at the Company for a longer time. In the framework of the decision, the Company ensures that the agreement concluded with the new Director serves the interests of both the Company and shareholders, and strives to ensure that it does not pay more than required for securing the services of the most suitable candidate. If this is deemed to be the most appropriate method, the Company may offer remuneration to a candidate external to the Company, for the given candidate to leave their previous employer and work for the Company (signing bonus). If the Company offers a signing bonus to the new Director, it may tie this to additional conditions (accomplishing given results or performance), and shall determine its amount to ensure that it does not exceed the loss suffered by the new Director for leaving their previous employer. Such signing bonus cannot exceed six months of base wages paid to the CEO.

Prior to the determination of remuneration paid to the new executive Director, the Company thoroughly weighs whether the performance expected from the candidate and their expected contribution to the Company's profits and results are proportionate to the remuneration. The benefit package offered to the new Director must be in alignment with this Remuneration Policy, and overall cannot exceed 100% of the annual benefits provided to the CEO at the time of making the offer.

In case of a new executive Director arriving from within the ALTEO Group organization, the Company respects all earlier agreements concluded with them and not falling under the scope of this Remuneration Policy (such as participation in a share plan), and the same is true for any agreements concluded with persons joining the Company through acquisition, company law or employer legal succession and becoming a Director down the line, however, these shall be disclosed in the Remuneration Report.

## **13. Fee payment established in respect of the termination of the legal relationship of Directors**

If the legal relationship of any Director is terminated on account of or for reasons that can be traced back to the transformation of the Company or change of control over the Company, the Company reserves the right to pay benefits to the Director equivalent to maximum six times their monthly base wage and – provided they are eligible – their honorarium based on a separate legal agreement, in addition to the benefits otherwise due to them pursuant to agreements or legal regulations. In the event of termination of the legal relationship of an executive Director, the Company may, after a decision made with in-depth examination and due care, also make such payments based on a written agreement, even in the absence of transformation or change of control.

#### **14. Protection of acquired rights**

The Company reserves the right to pay remuneration to its Director in relation to their work performance or in respect of the termination of the contract, even if such remuneration is not in line with the provisions of this Remuneration Policy, provided that such remuneration is based on an agreement i) concluded prior to the effective date of this Remuneration Policy or ii) concluded with the Director prior to the acceptance of their position and not in the interest of accepting the position (so-called signing bonus) and iii) that is not unlawful at the time of its conclusion, or is not based on a written agreement that goes against good morals; and furthermore, iv) such payments are subsequently made public by the Company in the Remuneration Report.

#### **15. Departure from the Remuneration Policy**

Pursuant to the Act, the Company is only allowed to derogate from the Remuneration Policy in exceptional circumstances and only on a temporary basis. Exceptional circumstances are situations where the derogation from the Remuneration Policy is necessary to serve the long-term interests and sustainable operation of the Company as a whole or to assure its viability.

Departure is only possible in respect of the elements of the Remuneration Policy listed below, only based on a decision made by the Board of Directors made by simple majority, and in respect of only the following benefits provided to executive Directors on the basis of employment relationship:

- base wage and wage supplements,
- reward.

At the time of passing the resolution on departure from the Remuneration Policy, no vote shall be cast by those BoD members who, by the resolution, would receive remuneration, would be exempted from an obligation or responsibility or would gain certain other kind of advantage to the detriment of the Company.

#### **16. Adoption, amendment and implementation of the Remuneration Policy**

The draft version of the Remuneration Policy is drawn up by the Board of Directors of the Company and – after having been adopted by a resolution passed by simple majority – it is submitted to the General Meeting for an advisory vote. The Board of Directors reviews the Remuneration Policy at least every three years, and if it deems its amendment to be justified, it submits the revised version of the Remuneration Policy to the General Meeting for approval.

If the General Meeting rejects the proposed Remuneration Policy, the Board of Directors must submit the revised remuneration policy for a repeated advisory vote at the next General Meeting.

If the Policy is revised, it must contain the description and explanation of all material changes implemented in respect of the Remuneration Policy since the last General Meeting vote, and must also present how it takes the opinions and votes of shareholders regarding the Remuneration Policy and the reports into consideration.

Implementing the Remuneration Policy is the task and responsibility of the Chief Executive Officer. The CEO informs the Board of Directors as needed about the implementation of the Remuneration Policy, prepares and submits to the Board of Directors the draft of the Remuneration Report and also reports on the Company's situation to the Supervisory Board four times each year, as part of which it also details the implementation of the Remuneration Policy.

## **17. The Remuneration Report**

The Company's Board of Directors prepares the Remuneration Report on an annual basis based on the proposal by the CEO, approves the Report by way of a resolution adopted with simple majority and, after an audit conducted by the Company's permanent auditor, submits it to the ordinary annual session of the General Meeting for an advisory vote with the opinion of the Supervisory Board attached.

The Remuneration Report provides a comprehensive overview of the remuneration, including all benefits in whatever form, awarded to Directors in accordance with the Remuneration Policy during, or based on the results of, the previous fiscal year, as well as the elements mandatorily set out in Section 19(2) and (3) of the Act while respecting applicable data protection provisions.

Following the resolution of the General Meeting, the Company makes the Remuneration Report publicly available – free of charge – on its website for a period of at least ten (10) years.

**This Remuneration Policy was approved by the Company's Board of Directors acting within the competence of the General Meeting, with its Resolution No. 12/2023. (IV.21.) passed on April 21, 2023.**



**Appendix 1**

**to the Remuneration Policy consolidated with amendments submitted to the Company's General Meeting on April 21, 2023:**

**Directors of the Company and their term of mandate.****Members of the Board of Directors**

<b>Position</b>	<b>Executive BoD member</b>	<b>Start of term</b>	<b>End of term</b>
Member of the BoD entitled to hold the title of CEO	yes	1/27/2015	04/30/2025
Chairman of the BoD	no	04/03/2023	04/03/2028
Member of the BoD	no	04/03/2023	04/03/2028
Member of the BoD	no	04/03/2023	04/03/2028

**Members of the Supervisory Board**

<b>Position</b>	<b>Start of term</b>	<b>End of term</b>
Chairman of the SB	April 03, 2023	04/03/2028
Member of the SB	April 03, 2023	04/03/2028
Member of the SB	April 03, 2023	04/03/2028
Member of the SB	April 24, 2017	04/30/2025

**Directors (also) in an employment relationship with the Company**

<b>Position</b>	<b>Executive BoD member</b>	<b>Start of employment</b>	<b>Duration of employment</b>
Member of the BoD entitled to hold the title of CEO	yes	9/1/2010	indefinite
Member of the BoD, M&A and Capital Markets Deputy CEO	no	3/1/2012	indefinite
Chief Financial Officer	no	2/19/2018	indefinite
Deputy CEO for Production Management and Business Development	no	1/1/2017	indefinite
Deputy CEO for Energy Production and Energy Supply	no	1/1/2017	indefinite
Deputy CEO for Sustainability and Circular Economy	no	1/3/2019	indefinite

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