

**RULES OF PROCEDURE**

**OF THE SUPERVISORY BOARD OF**

**ALTEO ENERGIASZOLGÁLTATÓ NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG**

– consolidated version –

## **RULES OF PROCEDURE OF THE SUPERVISORY BOARD OF ALTEO ENERGIASZOLGÁLTATÓ NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG**

These Rules of Procedure (“**Rules of Procedure**”) contain the provisions regulating the organization and operation of the supervisory board (“**Supervisory Board**”) of ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság (“**Company**”) as set out in accordance with Act V of 2013 on the Civil Code (hereinafter the “**Civil Code**”) and the Articles of Association of the Company.

### **1 LEGAL STATUS, RESPONSIBILITIES, POWERS AND AUTHORIZATIONS OF THE SUPERVISORY BOARD**

#### **1.1 Legal status of the Supervisory Board**

**1.1.1** The Supervisory Board supervises the Board of Directors responsible for the management of the Company (“**Board of Directors**”). The Supervisory Board acts as a corporate body. Members of the Supervisory Board are required to act in person; representation by proxy is not allowed for the purpose of the activities of the Supervisory Board. Members of the Supervisory Board may not be instructed in that capacity by their employer or shareholders of the Company.

**1.1.2** Members of the Supervisory Board are elected by the General Meeting of the Company (“**General Meeting**”) for a definite term of up to five years. Members of the Supervisory Board can be removed at any time and may be reelected upon the expiry of their mandates. The General Meeting decides on the remuneration of members of the Supervisory Board.

#### **1.2 Responsibilities of the Supervisory Board**

**1.2.1** The Supervisory Board monitoring the implementation of laws, decisions, and resolutions adopted by the General Meeting.

**1.2.2** The Supervisory Board monitors the management of the Company, its efficiency and whether the Company’s management complies with applicable laws and regulations in the performance of its duties.

**1.2.3** The Supervisory Board is required to review all proposals concerning the agenda of the General Meeting and prepare written reports on its related findings by no later than the date of submission of such proposals and the Chair of the Supervisory Board or, if the Chair is prevented from attending, another Supervisory Board member is required to present the content of such reports to a reasonable extent at the General Meeting upon request from shareholder(s).

**1.2.4** The Supervisory Board prepares a written report to the General Meeting on the statements prepared in accordance with the Accounting Act and the use of the after-tax profit.

**1.2.5** The Supervisory Board approves the corporate governance report prepared by the Board of Directors.

**1.2.6** The Supervisory Board approves the adoption of an interim statement of financial position or the payment of interim dividend in the period between the adoption of two consecutive sets of accounts under the Accounting Act.

**1.2.7** Responsibilities of the Supervisory Board also includes:

- a) discussing, at each meeting, a report from the Company’s Ethics, Compliance and Control function on key current events concerning the function (if any) and the level

of compliance with the applicable set of internal corporate rules/policies in everyday operations;

- b) discussing, every six months on a date agreed in advance, an oral report from the Sustainability and HSE function on key current events concerning the function, including, in particular, any near misses, lessons learned from them and proposed correction mechanisms (if any).

### 1.3 Powers of the Supervisory Board

- 1.3.1 The Supervisory Board elects a chair from among its members. In the Chair's absence, the meeting shall be chaired by the person appointed by the Supervisory Board.
- 1.3.2 The Supervisory Board sets out its own rules of procedure, which are then approved by the General Meeting.
- 1.3.3 Members of the Supervisory Board attend sessions of the General Meeting in a consultative capacity.
- 1.3.4 The Supervisory Board may delegate certain supervisory tasks to any of its members and audit responsibilities may be shared among its members on a permanent basis. Sharing audit responsibilities shall be without prejudice to the liability of Supervisory Board members or their right to extend the audit to cover other activities within the responsibilities of the Supervisory Board.
- 1.3.5 The Supervisory Board shall have access to the Company's documents, accounting records and books, and be entitled to request information from members of the Board of Directors or executive employees of the Company. When requested in writing, the respective parties are required to respond as set out in the Articles of Association. The Supervisory Board may examine or have an expert examine the Company's payment account, cash, security holdings, stock on hand and contracts.
- 1.3.6 The Supervisory Board convenes an extraordinary General Meeting and makes a proposal for its agenda if it believes that the management is in breach of the law, the Articles of Association and/or resolutions of the General Meeting or otherwise harms the interests of the Company or the shareholders.

## 2 THE FUNCTIONING OF THE SUPERVISORY BOARD

### 2.1 Frequency and rules of convening of Supervisory Board meetings

- 2.1.1 The functioning of the Supervisory Board is governed by a work plan ("**Work Plan**"). The Supervisory Board shall prepare the Work Plan by December 31 of the year preceding the relevant year and, may amend it during the year as necessary. The Supervisory Board meets as required, on the dates set out in its Work Plan, but at least every 3 (three) months.
- 2.1.2 The Chair of the Supervisory Board convenes and presides over the meetings of the Supervisory Board. The Chair of the Supervisory Board or the person called upon from among the employees of the Company by the Chair to act as secretary ensures that the written "Invitations" containing the agenda for the Supervisory Board meeting and the proposals related to agenda items are prepared and delivered to Supervisory Board members and to stakeholders (external invitees) concerned by the agenda items at least 3 (three) business days before the Supervisory Board meeting. In addition to the agenda, the invitations must include the exact time and place of the meeting. Proposals must also be attached to the invitations.

- 2.1.3** Any member of the Supervisory Board may request from the Chair in writing, by stating the reason and purpose, that a meeting be convened, and the Chair shall, within eight (8) days of receiving such request, arrange for the Supervisory Board to meet within fifteen (15) days. Should the Chair fail to comply with the request, the member is entitled to convene the meeting themselves.
- 2.1.4** The Supervisory Board may hold a meeting even if it has not been duly convened, provided that all members of the Supervisory Board are present and do not object to the meeting.
- 2.1.5** In addition to Supervisory Board members, ad hoc invitees also attend Supervisory Board meetings, including external expert(s) used by the Supervisory Board as per the agenda as well as permanent invitees, i.e. the employee acting as secretary for the Supervisory Board, the member of the Company's Board of Directors entitled to hold the title of CEO and the Company's Chief Financial Officer. The Chair of the Supervisory Board ensures that the auditor of the Company is notified of the meeting being convened, and provides the auditor the opportunity to attend the meetings.
- 2.1.6** The Supervisory Board may involve external expert(s) in issues within its responsibilities pertaining to the categories of matters set out in Section 1.3.5. Management is required to comply with the Supervisory Board's request to involve external expert(s). The Supervisory Board adopts a resolution on involving external expert(s), based on which the CEO of the Company arranges for the conclusion of the appropriate contract.
- 2.1.7** Standard agenda of the Supervisory Board:
- a) hearing a report from the Board of Directors on its activities since the last meeting, including, in particular, a presentation of the decisions taken at Board meetings;
  - b) discussing a report from the Ethics, Compliance and Control function;
  - c) discussing a report from the Sustainability and HSE function as set out in the Work Plan and according to the schedule;
  - d) discussing the Company's risk management report (presentation of key events and open positions over the past period).

## **2.2** Quorum of the Supervisory Board and the passing of resolutions

- 2.2.1** The Supervisory Board has quorum if at least two-thirds of the Supervisory Board's membership, but no less than 3 (three) members are present at the meeting of the Supervisory Board. In the event of a lack of quorum, a new Supervisory Board meeting must be convened within three days, as specified in Section 2.1, with the proviso that in this case it is sufficient to send the Supervisory Board members the invitation to the repeated meeting. In this case the reconvened meeting shall have quorum in the matters on the original agenda if at least half of the members of the Supervisory Board are present.
- 2.2.2** The Supervisory Board adopts its decisions and resolutions by a simple majority of the votes of the members present. The Chair of the Supervisory Board does not have a casting vote. In the event of a tied vote, the draft resolution is deemed to have been rejected.
- 2.2.3** During the conference meetings set out in Section 2.5, Supervisory Board members have the right to participate in Supervisory Board meetings by telephone or other means of communication that allows Supervisory Board members to hear each other.
- 2.2.4** If a member of the Supervisory Board is unable to attend a meeting of the Supervisory Board, they may cast their vote on an agenda item in advance, in writing by electronic mail, before the opening of the meeting, in which case the absent Supervisory Board

member must be taken into account for the purposes of the quorum, and their votes must be accepted as validly cast, which fact must be recorded in the minutes of the meeting.

### **2.3 Decision-making/passing of resolutions without a meeting**

The Supervisory Board is entitled to pass resolutions in writing without holding a meeting. In this case, the Chair of Supervisory Board or the Supervisory Board member submitting the draft resolution, after consulting the Chair of the Supervisory Board, submits the draft resolution to all Supervisory Board members in writing, together with the proposal on which the draft resolution is based. Each member of the Supervisory Board returns to the Chair of the Supervisory Board or the proposing Supervisory Board member by no later than within 3 (three) business days from the date of receipt, (i) the signed written draft resolution if accepted, or (ii) the written reasons for rejecting the draft resolution if rejected. Supervisory Board members are also entitled to cast their votes on the proposal by electronic mail. In urgent cases, the three (3) business day deadline may be shortened and the written vote may be taken by sending the signed draft resolution or the rejection with justification by electronic mail to all Supervisory Board members. The terms of quorum and the proportion of votes required for a decision are governed by the provisions of Section 2.2, with the exception that the procedure to adopt a resolution is effective if at least as many votes are sent as the number of Supervisory Board members with voting rights would be needed to be present for quorum if a meeting were held.

### **2.4 Extraordinary meeting**

In urgent cases, any member of the Supervisory Board may request the Chair in writing (by post or via email), stating the reason and purpose, that an extraordinary meeting be convened, and the Chair shall arrange to convene the extraordinary meeting within 3 (three) calendar days. The Chair of the Supervisory Board ensures that the invitations and the proposals and related materials are delivered to the members of the Supervisory Board (and to external invitees), if possible, at least 24 (twenty-four) hours before the extraordinary meeting of the Supervisory Board. The terms of quorum and the proportion of votes required for a decision are governed by the provisions of Section 2.2.

### **2.5 Conference meeting**

If a Supervisory Board member is prevented from attending, the meeting and the extraordinary meeting may also be held in a manner where the member does not participate in the meeting directly in person, but by means of an electronic telecommunication device that allows dialogue and discussion between members without restrictions, which gives the opportunity to exercise rights equivalent to personal participation (conference meeting). No electronic telecommunication device may be used in the conduct of a conference meeting, nor may the meeting be held under conditions which do not permit the identification of the participants in the conference meeting, nor may conditions be applied which result in discrimination against any member.

At conference meetings, the Chair asks members, after the proposals or other comments have been made, whether they wish to speak on the previous proposals or comments, in order to ensure that their right to make proposals and to speak is enforced. At conference meetings, resolutions are adopted by the Chair calling upon the members to vote, and they cast their votes (i) by a show of hands and the announcement of their vote if a camera is used (ii) by stating their name and vote if no camera is used. The conference meeting can be held in a hybrid format, i.e. with some members attending in person and others attending by means of a telecommunication device, or it can be held by way of telecommunication devices only.

The proceedings of the conference meeting and the resolutions adopted must be recorded in a manner ensuring subsequent verifiability. If an audio or video recording is made of the

proceedings of the meeting, the resolutions adopted at the meeting must be set in an extract of the minutes based on such recording, which is authenticated by the members present at the meeting.

## **2.6 Minutes**

The minutes of the Supervisory Board meeting, whether on paper or in electronic format, must be recorded and kept by the person elected at the meeting, and authenticated by the designated member of the Supervisory Board by signature. The minutes contain the place and date of the meeting, the names of those present, indicating their participation rights, the items on the agenda, the statements made, the proportion and result of the vote, the resolutions adopted and, if so requested, any minority or dissenting opinions maintained after the adoption of the resolution. After the meeting of the Supervisory Board, the minutes are sent by the keeper of the minutes to all members of the Supervisory Board who attended the meeting by no later than the 5th (fifth) business day following the meeting, and the attendees may make their comments within 5 (five) business days of receipt of the draft minutes. The minutes are finalized by the minute-taker based on the comments received, and signed together with the authenticator of the minutes at the following meeting. The minutes of the meetings of the Supervisory Board are kept at the registered office of the Company, and copies are made available to the members of the Supervisory Board upon request.

## **3 ENTRY INTO FORCE OF THE RULES OF PROCEDURE**

The effective date of the Rules of Procedure is the date on which the resolution approving the Rules of Procedure is adopted by the General Meeting of the Company.

*Signature page follows.*

Budapest, \_\_\_\_\_, 2024

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Dr. Ákos Székely

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Márton Oláh

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Péter Kaderják

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Attila Gyula Sütő

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