

**Remuneration Policy  
of  
MASTERPLAST Nyilvánosan Működő Részvénytársaság**

**Chapter 1  
The objective, purpose, content and scope of the Remuneration Policy**

**1.1. The objective and the purpose of the remuneration policy**

1.1.1. The objective of this Remuneration Policy is to determine the remuneration and the benefits of the senior officers and the management of MASTERPLAST Nyilvánosan Működő Részvénytársaság for the duration of the legal relationship and for the event of termination of them. (seat: 8143 Sárszentmihály, Árpád utca 1/A, hereinafter referred to as „Company”).

1.1.2. The purpose of this Remuneration Policy is to serve the Company's business strategy, long-term interests and sustainability, promote transparency, facilitate the cost-effective and predictable operations, and to determine the regulations required for these matters.

**1.2. Content of the Remuneration Policy**

1.2.1. The present Remuneration Policy includes

- a) an indication of the various fixed and variable components of remuneration, including any form of bonus and other forms of remuneration of directors, with an indication of their proportion;
- b) a description of how the remuneration and terms and conditions of employment of employees of the Company have been taken into account in the course of determination the remuneration policy,
- c) the duration of contracts, the period of notice applicable, the main characteristics of supplementary or early retirement schemes, the conditions for terminating the contract and the payments due in the event of termination for the directors of the Company relating to employment or for directorship contracts
- d) a description of the decision-making process for defining, reviewing and implementing the remuneration policy, including measures to avoid or address conflicts of interest and - where appropriate - the role of the remuneration committee or any other relevant committee.

1.2.2. The Remuneration Policy describes the vesting periods for the Company's share-based remuneration, the rules for retaining the shares earned, and describes how the share-based remuneration contributes to the Company's business strategy, long-term interests, and sustainability.

1.2.3. The Remuneration Policy determine clear, comprehensive and diverse criteria for the allocation of variable remuneration elements, such as

- a) the applicable financial and non-financial related performance criteria, especially the social responsibility criteria, and shows how they contribute to the Company's business strategy, long-term interests and sustainability,
- b) the methods to be used for determining the extent to which the performance criteria have been met,
- c) the provision for deferral periods and the Company's policy to reclaim the variable remuneration.

### **1.3. Personal scope of the Remuneration Policy**

1.3.1. The personal scope of the Remuneration Policy is determined by Act LXVII of 2019 on the Promotion of Long-term Shareholder Participation and the Amendment of Certain Laws for Legal Harmonization. Pursuant to Article 2 (2) of the Act, the members of the Board of Directors of the Company - including its president and vice-president -, as well as for the CEO and Deputy CEO(s) (hereinafter also referred to as "directors").

### **1.4. Objects covered of the Remuneration Policy**

1.4.1 The Remuneration Policy is applied for those persons set out in Section 1.3.1. and cover all the principles and system elements of remuneration, the methods and amount of the benefits provided in the event of the termination of their legal relationship.

## **Chapter 2 Principles**

2.1. The Remuneration Policy must be implemented in accordance with the requirement of transparency.

2.2. In determining the remuneration, consideration shall be given to the requirement of proportionality, the liability of the person concerned, the efficiency of his or her work, the results obtained and experience, and the length of time spent with the Company. Efforts should be made to ensure that the level of remuneration is reasonable and genuinely rewards performance, contributes to the achievement of economic objectives and encourages effective work.

## **Chapter 3**

### **Indication of the various fixed and variable components of remuneration, all forms of bonuses and other benefits that may be granted, and the relative proportions**

#### **3.1. Forms of remuneration applied by the Company:**

##### **3.1.1. Fixed remuneration (basic salary, honorarium)**

The amount of the basic salary is fixed in the relevant employment contracts. The annual basic salary is the annual amount of the fixed monthly basic salary (fixed component). The basic salary is a fixed monthly payment guaranteed under the employment contract. Basic wages are regularly reviewed to ensure competitiveness on the labour market.

##### **3.1.2. Performance-based cash remuneration, variable remuneration component, incentive scheme**

The incentive scheme aims to achieve annual business objectives that support the Company's long-term strategy. The annual objectives are set as a set of key financial performance indicators. The definition of performance-related pay is linked to the achievement of corporate objectives, broken down by individual to the achievement of the targets set. The non-operational members of the Board of Directors by virtue of their position do not receive any performance-related remuneration, and the financial and non-financial performance criteria applicable to the CEO and Deputy CEO(s) are set out in the rules of this Remuneration Policy.

##### **3.1.3. Discretionary awards granted by the Company**

The Board of Directors of the Company may, at his discretion, decide to grant a bonus to the CEO in addition to the above, and the CEO to the Deputy CEO(s), in the event of the achievement of a performance target. The Chairman of the Board of Directors and the CEO are authorised to determine the level of the discretionary bonus.

#### 3.1.4. Deferred remuneration share awards, share options

The Company supports the CEO, the Deputy CEO(s) and other employees not covered by the Remuneration Policy, the managers of subsidiaries under a stock option plan (MRP). The Company grants share awards and options on a deferred basis in accordance with the rules of the MRP Remuneration Policy, with a performance period of at least 2 completed financial years.

Share-based remuneration contributes to the Company's business strategy, long-term interests and sustainability by creating a stakeholder scheme.

#### 3.1.5. Other: uniform cafeteria benefits for all employees

Employees may be entitled to a cafeteria allowance.

3.2. The various fixed and variable components of remuneration, bonuses and other forms of benefits that can be granted to directors can be combined as described above, with their relative proportions varying according to the benefits.

The remuneration of the Company's employees and the terms and conditions of their employment have been taken into account in the formulation of this Remuneration Policy, applying the principle of proportionality.

The members of the Board of Directors shall be elected by the General Meeting for a term of office to be determined by it. The CEO and the Deputy CEO(s) are employed by the Company for an indefinite period.

## **Chapter 4**

### **Applicable rules for the Members of the Board of Directors**

#### **4.1. The remuneration**

4.1.1 The remuneration of the members of the Board of Directors - including the President and Vice-president of the Board of Directors and the Chairperson of the Audit Committee – is determined by the Annual General Meeting of the Company taking into account the applicable laws.

4.1.2 The remuneration of the members of the Board of Directors shall be determined that it is commensurate with the level of responsibility, does not impose a disproportionate financial burden on the Company, is proportionate to the executive's performance, the results and the number of employees of the Company, together with the social recognition and the economic sphere of the position.

#### **4.2. Termination benefits**

4.2.1. In the event of termination of legal relationship of President, vice-president and members of the Board of Directors, they shall not be eligible for indemnity regard to this legal status.

## Chapter 5 Applicable rules for the Management

### **5.1. Remuneration and termination benefits for Management members who are members of the Board of Directors as well**

5.1.1. The mandate and remuneration of the members of the Board of Directors are separate from the employment and remuneration of the management - CEO, Deputy CEO. For remuneration and termination of legal relationship of President and Vice-president as Management members who are members of the Board of Directors as well the Chapter 4 above shall be applied, while their employment and remuneration as CEO and Deputy CEO are governed by the provisions of this Chapter.

### **5.2. Remuneration of the CEO, the Deputy CEO(s)**

5.2.1. The remuneration of the CEO is determined by the Board of Directors, and that of the Deputy CEO(s) by the CEO.

5.2.2. When determining the CEO's and the Deputy CEO(s)'s basic salary, the degree of responsibility associated with the position, the importance of the position in the economic scale, and the economic objectives to be achieved must be taken into account. It should be set at a level that does not impose an excessive financial burden on the Company and should be commensurate with the work of the CEO and the Deputy CEO(s) and the Company's financial performance. The CEO and the Deputy CEO(s) receive a fixed amount of basic salary.

5.2.3. The performance-based remuneration of the Chief Executive Officer, and the determination of such remuneration, the amount of any remuneration to be paid to him or her, or any other form of remuneration shall be determined by the Board of Directors.

5.2.4. Performance-based remuneration and bonus of the CEO and the Deputy CEO(s)

5.2.4.1. For performance-based remuneration - in addition to meeting the key figures in the business plan - only such condition can be defined as performance-based task that meets objectively determinable performance which goes beyond the expected expertise and care of the job.

5.2.4.2. Those performance-based forms of remuneration or reward shall be determined which contributes the achievement of the business and economic objectives and promotes the effective operation of the given year.

5.2.4.3. Specific tasks related to the remuneration or performance-based remuneration shall be determined annually by the Board of Directors. Performance-based remuneration or the basic rules on remuneration shall be determined at the same time as adoption of the business plan or - in justified event - after that. The specification shall include the total amount of the bonus or performance-based remuneration, the tasks to be performed, the proportion to which they are assigned, the time when any advance payment is due and the date of the valuation.

5.2.4.4. The fulfilment of tasks accounted for performance-based remuneration and bonus is evaluated annually by the Board of Directors. The final amount of performance-based remuneration or bonus being determined after the approval of the financial statements for the financial year.

5.2.4.5. The CEO and the Deputy CEO(s) receive an annual bonus in the form of a performance bonus, which is a share-based bonus. It is divided into two parts, and the amount of it is depending on the result of the business year.

The variable remuneration may be reclaimed by the Company if a final court decision declares that it is unfounded.

### **5.3. Termination of service benefits for the CEO and Deputy CEO(s)**

5.3.1. The termination benefits of the CEO and the Deputy CEO(s) are governed by the provisions of the Labour Code.

## **Chapter 6 Decision-making process for defining, reviewing and implementing the Remuneration Policy**

6.1. The Remuneration Policy is determined in accordance with the applicable laws and Article of Association of the Company and the resolutions of the Company's General Meeting.

6.2. The Remuneration Policy is prepared, approved and submitted to the General Meeting by the Board of Directors.

6.3. The Board of Directors may initiate a revision of the Remuneration Policy, in which case it shall submit a proposal for amendment of the Remuneration Policy to the General Meeting.

6.4. The Board of Directors is responsible for the implementation of the Remuneration Policy.

6.5. The Board of Directors shall act in accordance with its Rules of Procedure in the decision-making procedures relating to the Remuneration Policy. The member whose remuneration may be affected by the decision shall not be entitled to vote.

## **Chapter 7 Final provisions**

7.1. The Remuneration Policy shall enter into force upon approval by the General Meeting.

7.2. Following the approval of the Remuneration Policy, it shall be disclosed in accordance with the applicable disclosure rules of the Company.

The Remuneration Policy, as amended above, was adopted by the General Meeting of the Company by Resolution No.... /2024. (04.25.)