

ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság

ARTICLES OF ASSOCIATION

– consolidated version –

Effective from _____ 2020

DRAFT

ARTICLES OF ASSOCIATION

governing the structure and operation of ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság (hereinafter referred to as the “**Company**”) in accordance with the provisions of Act V of 2013 on the Civil Code (hereinafter referred to as the “**Civil Code**”), as follows.

I.

NAME, REGISTERED OFFICE, DURATION, DISSOLUTION AND ACTIVITIES OF THE COMPANY

1 Name of the Company:

- 1.1 Full name: ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság;
- 1.2 Short name: ALTEO Nyrt.;

2 Registered office, site, branches of the Company:

- 2.1 H-1131 Budapest, Babér utca 1-5.
- 2.2 The Company’s registered office is also the principal place of business.
- 2.3 The Company’s site: H-1144 Budapest, Füredi utca 53-63.
- 2.4 The Company’s branches:

H-3700 Kazincbarcika, Erőmű u. 3.
H-3580 Tiszaújváros, Tisza út 1/D.
H-3600 Ózd, Gyári út 1.
H-9027 Győr, Kandó Kálmán utca 11-13. (lot #5788/4)
H-9400 Sopron, Somfalvi utca 3. (lot #4303)
H-6781 Domaszék, lot #0203/35
H-6781 Domaszék, lot #0203/36
H-6781 Domaszék, lot #0203/37
H-6781 Domaszék, lot #0203/38
H-3854 Gibárt, Petőfi Sándor utca 16.
H-3847 Felsődobsza, Deák Ferenc út 67.
H-8649 Balatonberény, outskirts #028/1
H-8649 Balatonberény, outskirts #028/2
H-8649 Balatonberény, outskirts #028/3
H-8649 Balatonberény, outskirts #028/4
H-8649 Balatonberény, outskirts #028/5
H-8649 Balatonberény, outskirts #028/6
H-8649 Balatonberény, outskirts #028/7
H-8649 Balatonberény, outskirts #028/8
H-8649 Balatonberény, outskirts #028/9
H-8649 Balatonberény, outskirts #028/10
H-8649 Balatonberény, outskirts #028/11
H-2200 Monor, outskirts #0307/41
H-2200 Monor, outskirts #0307/42

H-2200 Monor, outskirts #0307/43
H-2200 Monor, outskirts #0307/44
H-2200 Monor, outskirts #0307/45
H-2200 Monor, outskirts #0307/46
H-2200 Monor, outskirts #0307/47
H-2200 Monor, outskirts #0307/48
H-2200 Monor, outskirts #0307/49
H-3580 Tiszaújváros, TVK Ipartelep Gyári út
H-3580 Tiszaújváros, TVK Ipartelep lot #2069
H-3702 Kazincbarcika, Bólyai tér 1.

3 Duration of the Company:

3.1 The Company is established for an unlimited duration.

4 Dissolution:

4.1 The Company shall be dissolved if:

- the General Meeting decides on its dissolution without a successor;
- the General Meeting decides on its dissolution with a successor (transformation);
- the Company Registry Court dissolves it for reasons set out in Act V of 2006 on Public Company Information, Company Registration and Winding-up Proceedings (hereinafter referred to as the “**Company Registration Act**”);
- so provided by law.

The Company shall be dissolved upon being struck off the company register.

5 Activities of the Company:

Extraction of crude petroleum
Extraction of natural gas
Support activities for petroleum and natural gas
Sawmilling and planing of wood
Manufacture of other special-purpose machinery n.e.c.
Installation of industrial machinery and equipment
Production of electricity
Transmission of electricity
Distribution of electricity
Electricity trading
Distribution of gaseous fuels through mains
Gas trade
Steam supply, air conditioning
Water collection, treatment and supply
Electrical installation
Plumbing, heat and air conditioning installation
Transport via pipeline
Computer facilities management activities
Data processing, hosting and related activities
Asset management (holding)

Buying and selling of own real estate
Renting or operating of own or leased real estate
Accounting, bookkeeping and auditing activities; tax consultancy
Business and other consultancy activities
Engineering activities and related technical consultancy – core activity
Technical testing and analysis
Market research and public opinion polling
Translation and interpretation activities
Other professional, scientific and technical activities n.e.c.
Renting and leasing of other machinery, equipment and tangible goods n.e.c.
Leasing of intellectual property and similar products, except copyrighted works
Combined facilities support activities
Combined office administrative service activities
Organization of conventions and trade shows
Other business support service activities n.e.c.

- 5.1** Of the activities listed above, those covered by Act LXXXVI of 2007 on Electricity (“**Electricity Act**”), Act XL of 2008 on Natural Gas Supply (“**Gas Supply Act**”) or Act XVIII of 2005 on District Heating (“**District Heating Act**”) may be conducted subject to a permit issued by the Hungarian Energy and Public Utility Regulatory Authority.
- 5.2** If the Company intends to conduct other activities subject to official permit within the scope of the activities listed above, it undertakes not to start and perform such activities until having obtained the relevant specific permits.

II.

SHAREHOLDERS AND SHARE CAPITAL OF THE COMPANY, SHARES, SHARE REGISTER, SHARE TRANSFER, INCREASE OF SHARE CAPITAL

- 6 The Company’s shareholders at the time of the decision to convert to a public limited company include:**
- 6.1** WALLIS ASSET MANAGEMENT Zártkörűen Működő Részvénytársaság (registered office: H-1055 Budapest, Honvéd utca 20, company registration number: 01-10-046529) (“**WALLIS**”)
- 6.2** Attila László Chikán (address: H-1022 Budapest, Hankóczy Jenő utca 21/B., II. em. 1., mother’s maiden name: Erzsébet Katalin Szilágyi)
- 7 The Company’s share capital:**
- 7.1** The Company’s share capital is HUF 242,328,425 (that is two hundred forty-two million three hundred twenty-eight thousand four hundred twenty-five Hungarian forints). The Company’s share capital
- 7.1.1. consists of cash contributions of HUF 235,012,625 (that is two hundred thirty-five million twelve thousand six hundred twenty-five Hungarian forints) and

- 7.1.2. non-cash contributions of HUF 7,315,800 (that is seven million three hundred fifteen thousand eight hundred Hungarian forints), as described in detail in Annex 1 to the Articles of Association.
- 7.2 The share capital comprises 19,386,274 (that is nineteen million three hundred eighty-six thousand two hundred seventy-four) registered, dematerialized ordinary shares of the same share series, each with a face value of HUF 12.5 (that is twelve point five Hungarian forints).
- 7.3 The issue value of all shares issued prior to the Company's Resolution No. 4/2010 (IX.06.) on changing its legal form to public limited company was fully paid up as a cash contribution.
- 7.4 When new shares are issued, the shareholder shall be required to place the shares' issue value at the Company's disposal as set out in the General Meeting's resolution on the issue of shares.

8 The shares:

- 8.1 Shares shall be produced in dematerialized form in compliance with the rules applicable to securities, indicating the details required by the Civil Code and other relevant laws and regulations. Each share with a face value of HUF 12.5 (that is twelve point five Hungarian forints) shall entitle the holder to 1 (that is one) vote.

9 Share register; exercise of voting rights:

- 9.1 The Company's Board of Directors or its agent engaged as per Article 9.2 below shall maintain a share register of shareholders, including holders of interim shares, to keep records of the names and addresses (registered offices) of shareholders and/or their nominee shareholders (hereinafter collectively referred to as "shareholders") and, for holders of jointly owned shares, joint proxies, the number of shares or interim shares of each shareholder per share series (size of their shareholding), the suspension of voting rights as set out in Article 9.8 and any other information required by law or the Company's Articles of Association. Information removed from the share register shall remain retrievable.
- 9.2 The Company's Board of Directors may engage, under a specific law, a clearing house, a central securities depository, an investment undertaking, a financial institution, an attorney-at-law or an auditor to maintain the share register. The Company's permanent auditor may not be engaged to maintain the share register. The engagement itself, the person engaged (their personal information), the place where the share register is maintained and information concerning access to the share register shall be published on the Company's website and its other places of publication. If, under this Article, the Company's Board of Directors enters into an engagement to maintain the share register, in the engagement contract it may reserve the right to decide on entering shareholders into the share register.
- 9.3 Share transfers shall be effective in respect of the Company and shareholders may only exercise their rights towards the Company when shareholders have been entered into the share register.

- 9.4** Persons who may not be entered into the share register include:
- (a) those who requested so;
 - (b) those who acquired their shares in violation of the regulations on the transfer of shares set out by law or the Articles of Association, in particular by Section 95 (3) of the Electricity Act, Section 123 (7) of the Gas Supply Act and Section 19 (7) of the District Heating Act.
- 9.5** With regard to participating in the General Meeting and exercising shareholder rights, the Company shall only accept the shareholder identification made in accordance with the rules of procedure of Központi Elszámolóház és Értéktár Zrt. as set out in Section 9.6 as proof of shareholding. In other cases, the securities account manager of the shareholder may submit electronically a request for entry into the share register, bearing an advanced electronic signature and timestamp, within two working days of the shares being credited to the securities account.
- 9.6** For shareholder identification initiated by the Company, if it is related to the closing of the share register prior to the next session of the General Meeting, the person in charge of managing the share register shall delete all information valid at the time of shareholder identification and, at the same time, enter the information resulting from the shareholder identification into the share register.
- 9.7** Anyone may have access to the share register. Access shall be provided on a continuous basis by the Company or the person in charge of maintaining the share register at their registered offices during working hours. Those of whom the share register contains existing or deleted information may request a copy of the part of the share register applicable to them from the person in charge of maintaining the share register and the person in charge of maintaining the share register shall be required to provide such copy within five days.
- 9.8** The shareholder or the holder of voting rights (hereinafter, for the purposes of this section: “shareholder”) is required, when notifying a change in their voting rights as defined in Section 61 of Act CXX of 2001 on the Capital Market (“**Capital Market Act**”), to submit a written declaration to the Board of Directors concerning the composition of the shareholder group and the nature of the relationship between the members of such shareholder group, taking into account Section 61 (5) and (9) of the Capital Market Act. Such notification obligation applies to shareholders only if there has been a change in the shareholder group since the publication of the previous notice. In the event of failure to provide notification or full notification regarding the composition of the shareholder group as required in the previous sentence, or where the acquisition of control is subject to a regulatory approval or acknowledgement, which the shareholder had failed to obtain, or if there is reason to assume that the shareholder has deceived the Board of Directors concerning the composition of the shareholder group, the voting right of the shareholder will be suspended by the decision of the Board of Directors at any time even after its entry into the share register, and may not be exercised until the above requirement has been fully satisfied. Furthermore, at the request of the Board of Directors, shareholders are required to promptly make a statement specifying who the ultimate beneficial owner with respect to the shares owned, or the beneficial owner of the shareholder, is. If the shareholder fails to act upon such request or if there is reason to assume that the shareholder has deceived the Board of Directors, the voting right of the shareholder is suspended and may not be exercised

until the above requirements have been fully satisfied. For the purposes of this Article, “shareholder group” means, with respect to a particular shareholder, such shareholder and the persons specified in Section 61 (5) and (9) of the Capital Market Act, whose voting rights related to their share must be regarded as the voting rights of the shareholder concerned. For the purposes of this Article, “beneficial owner” means the person specified in Section 3 (38) of Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing.

10 Transfer of shares:

- 10.1** The Company’s shares may be freely transferred without any restrictions. Dematerialized shares may be transferred by debiting from and crediting to securities accounts as set out in a specific law.

11 Increase of share capital:

- 11.1** Based on an authorization from the General Meeting, the Board of Directors shall be entitled to decide on increasing the share capital and on any relating issues otherwise falling within the competence of the General Meeting, including, in particular, the exclusion of exercising preferential rights regarding subscription and takeover of shares, the appointment of persons entitled to take over shares in private placement and the amendment of the Articles of Association with a view to share capital increase.
- 11.2** If the share capital is increased by means of cash contribution, the Company’s shareholders, including, first, shareholders with shares of the same series as the issued shares, and then holders of convertible bonds as well as bonds with subscription rights, shall have preferential rights to take over shares in this order under the conditions set out in this Article 11, provided that such rights are not restricted or excluded by the General Meeting (or, based on an authorization from the General Meeting, the Board of Directors) on the basis of a written proposal by the Board of Directors.
- 11.3** In a notice published in compliance with Article 22 of these Articles of Association, the Board of Directors shall notify shareholders and bondholders of the face value and the issue value of the available shares, the start and end dates of the period for exercising preferential rights and how those rights can be exercised. Holders may exercise their preferential rights by submitting a statement in the form of a notarized deed or a private deed of full probative force to the Company’s registered office or in the form of a document bearing an advanced electronic signature and timestamp to the email address specified in the notice within fifteen (15) days of the date following the date of publication of the notice. Such statements shall include the type, class, series, face value, quantity and issue value of the shares intended to be subscribed or taken over as well as the irrevocable undertaking of the shareholder or the bondholder to subscribe or take over the shares specified in the statement and pay their issue price as set out in the General Meeting’s resolution. The statement shall be valid on the condition that the shareholder or bondholder duly fulfills the payment obligation included therein within the set period. If a shareholder or bondholder fails to make a valid statement on exercising their preferential rights within the period set in the notice, it shall be deemed that they do not intend to exercise their preferential rights. Unless otherwise provided in a resolution by the General Meeting, if holders equally entitled to preferential rights intend to subscribe or take over more shares than what is issued in the context of

the capital increase, they may exercise their preferential rights in proportion to the face value of their shares or bonds.

- 11.4** On the basis of a written proposal by the Board of Directors, the General Meeting may exclude preferential rights or adopt a resolution pursuant to Article 11.1 to authorize the Board of Directors to exclude or restrict pre-emptive subscription (takeover) rights for the duration of the authorization for the capital increase. The General Meeting shall discuss the proposal for the exclusion of preferential rights along with the proposal for share capital increase, but adopt a separate resolution on each. A proposal for the exclusion of preferential rights and/or a decision to exclude or restrict pre-emptive subscription (takeover) rights by the Board of Directors shall include the reasons for increasing the share capital, descriptions of the persons authorized to receive shares in the case of a share capital increase in a private placement and any changes in the proportion of voting rights of shareholders prior to the share capital increase.
- 11.5** In the case of a share capital increase, shareholders shall be obligated to pay the issue price of shares when requested to do so by the Board of Directors in compliance with the conditions laid down in the resolutions of the General Meeting or the Board of Directors on the share capital increase. For persons having made preliminary statements of commitment to take over shares, setting the period for payment of the issue value of shares in the resolution of the General Meeting or the Board of Directors on the share capital increase shall be deemed a request to pay the issue price of shares. In the latter case, shareholders shall be required to pay the issue price of the shares they have undertaken to take over without a specific request from the Board of Directors within the applicable period.

III.

GENERAL MEETING, BOARD OF DIRECTORS, SUPERVISORY BOARD, PERMANENT AUDITOR AND AUDIT COMMITTEE

12 General Meeting:

- 12.1** The General Meeting, which consists of all shareholders, is the supreme body of the Company.
- 12.2** The following shall fall within the exclusive competence of the General Meeting of the Company:
- (a)** deciding on the adoption and amendment of the Articles of Association, with the exception of amendments to the Articles of Association falling within the competence of the Board of Directors and exceptions provided for by law;
 - (b)** making decisions on changing the legal form of the limited company;
 - (c)** making decisions on converting, merging, splitting or dissolving the limited company without a successor;
 - (d)** appointing, removing and determining the remuneration of members of the Board of Directors, members of the Supervisory Board and the permanent auditor;

- (e) approving reports prepared in accordance with the Accounting Act, including the decision to distribute profits (determine dividend payments), with the exception of adopting interim statements of financial position by the Board of Directors based on the authorization given to the Board of Directors in these Articles of Association;
- (f) making decisions on interim dividend payments, with the exception of decisions on interim dividend payments based on the authorization given to the Board of Directors in these Articles of Association;
- (g) changing the rights embodied by each share series and altering the individual share types and classes;
- (h) unless otherwise provided by the Civil Code, making decisions on issuing convertible bonds or bonds with subscription rights;
- (i) authorizing the Board of Directors to increase the share capital, including the exclusion or restriction of pre-emptive subscription (takeover) rights, and, in the case of a share capital increase in a private placement, designating the persons and/or shareholders solely entitled to receive the new shares to be issued;
- (j) making decisions on increasing the share capital, with the exception of share capital increase falling within the competence of the Board of Directors, excluding preferential rights to receive shares, and, in the case of a decision by the General Meeting to increase share capital in a private placement, designating the persons and/or shareholders solely entitled to receive the new shares to be issued;
- (k) making decisions on reducing the share capital, with the exceptions laid down by law;
- (l) in the case of share capital increase by means of cash contribution, restricting or excluding the preferential rights to subscribe or receive shares of shareholders and/or holders of convertible bonds or bonds with subscription rights on the basis of a written proposal by the Board of Directors;
- (m) authorizing the Board of Directors to acquire own shares;
- (n) making decisions on acquiring own shares, with the exception of decisions to acquire own shares based on the authorization given to the Board of Directors;
- (o) approving the Rules of Procedure of the Supervisory Board;
- (p) making binding decisions on the guidelines and framework of the long-term remuneration of and incentive scheme for senior executives, members of the Supervisory Board and executive employees;
- (q) appointing, removing and determining the remuneration of the members of the Audit Committee;
- (r) making decisions on adopting annual corporate governance reports;
- (s) making decisions on the assessment of the work performed by the Board of Directors in the previous business year and the discharge to the members of the Board of Directors;

- (t) making decisions on providing financial aid for acquiring shares issued by the Company on the basis of a proposal by the Board of Directors;
- (u) taking an advisory vote on the Company's remuneration policy and remuneration report;
- (v) making decisions on any issues falling within the exclusive competence of the General Meeting under law or the Articles of Association.

- 12.3** The Board of Directors shall convene the General Meeting at least once a year.
- 12.4** The venue of the General Meeting is the Company's registered office, unless the Board of Directors indicates a different venue in the invitation sent to the Company's shareholders.
- 12.5** The General Meeting must be convened by way of a notice published in compliance with Article 21 of these Articles of Association, at least thirty days prior to its start date.
- 12.6** The Company shall publish the summary of the proposals relating to issues on the agenda and the relevant reports from the Supervisory Board as well as proposals for resolutions at least twenty-one days prior to the General Meeting as laid down in Article 21 of these Articles of Association.
- 12.7** The shareholder may exercise their shareholder rights by proxy. The Company's permanent auditor may not act as proxy. Neither may a member of the Board of Directors, an employee of the Company holding an executive position or a member of the Supervisory Board be a proxy, unless such persons have, as proxy, a clear voting instruction issued by the authorizing shareholder for each proposal for resolution. The letters of proxy must be submitted to the Company in the form of a notarized deed or a private deed of full probative force.
- 12.8** The prerequisite for shareholder participation in and voting at the General Meeting is the registration of shareholders or nominee shareholders in the Company's share register by 6.00 p.m. of the second working day preceding the start date of the General Meeting and for shareholders not to be subject to a decision by the Board of Directors suspending their voting rights as set out in Article 9.8 of these Articles of Association.
- 12.9** The General Meeting shall have a quorum if the shareholders or their proxies representing more than fifty percent of the shares with voting rights are present at the General Meeting. In the absence of a quorum, a repeated General Meeting will have quorum in respect of the matters on its initial agenda irrespective of the proportion of voting rights held by those present if it is convened for a date not sooner than ten days and not later than twenty-one days after the initial date.
- 12.10** The General Meeting shall pass its resolutions, with the exceptions set out in these Articles of Association and the Civil Code, with a simple majority of the votes of the attending shareholders. In addition to the cases provided for in the Civil Code, the decisions of the General Meeting made on issues set out in Articles 12.2 (d), (h) through (j), (l) through (n), (p) and (q) above shall require at least a three-quarters majority of the votes of shareholders present.

- 12.11** Shareholders may vote at the General Meeting in person, through a nominee shareholder or a proxy. As a general rule, resolutions are passed at the General Meeting through an open vote by show of hands. The Board of Directors may decide that voting shall take place by electronic means at the General Meeting; in this case, the notice on the General Meeting shall include information on the electronic voting. Unless otherwise decided by the General Meeting, a vote shall be taken on each proposal for a resolution.
- 12.12** The Chair of the General Meeting shall be required to prevent any procedure, act or any other conduct aimed at or potentially resulting in prolonging the duration the General Meeting. Accordingly, the Chair of the General Meeting shall establish the maximum time allotted to comments on each agenda item and cut off any speech not relevant to the agenda.
- 12.13** The General Meeting may adjourn its session once, for up to thirty days. When the adjourned meeting reconvenes, quorum shall be verified just as at the start of the General Meeting; however, rules on convening the General Meeting and appointing the officials of the General Meeting shall not be applied.

13 Board of Directors:

- 13.1** The Board of Directors is the managing body of the Company, comprising at least three natural persons. Members of the Board of Directors shall elect one of their number as Chair.
- 13.2** The members of the Board of Directors are elected by the General Meeting for a definite term of up to five years. The General Meeting may take a valid decision on the removal of only one member of the Board of Directors at a session, with no possibility to remove any additional members of the Board of Directors within three months of the General Meeting deciding on removing a member of the Board of Directors. The restriction of the right of removal shall be without prejudice to the right of any member of the Board of Directors to resign, subject to the restriction provided for in Section 3:25 (4) of the Civil Code.
- 13.3** Members of the Board of Directors perform their duties for a remuneration determined by the General Meeting.
- 13.4** Members of the Board of Directors may be senior executives and/or members of the Supervisory Board at other undertakings having the same core activity as the activity conducted by the Company (Section 8:1 (1) point 4) of the Civil Code, except for companies deemed competitors by the Company's Board of Directors from time to time.
- 13.5** The Board of Directors is competent to make all decisions that do not fall within the competence of the General Meeting, the Supervisory Board or the Audit Committee under the provisions of the Civil Code or these Articles of Association. The CEO of the Company is entitled and required to decide on all issues which are not referred to the exclusive competence of the Board of Directors by the Articles of Association or the rules of procedure of the Board of Directors, but which otherwise fall within the competence of the Board of Directors, unless expressly stipulated otherwise in a resolution by the Board of Directors. The following, in particular, fall within the exclusive competence of the Board of Directors:

- (a) passing resolutions on interim dividend payments with the prior approval of the Supervisory Board;
 - (b) making decisions on acquiring own shares based on authorization from the General Meeting or decisions on acquiring own shares without authorization from the General Meeting, provided that shares are acquired to avoid material injury posing a direct threat to the Company;
 - (c) making decisions on increasing the share capital based on authorization from the General Meeting;
 - (d) adopting interim statements of financial position in relation to acquiring own shares, paying interim dividends or increasing the share capital from assets available in excess of the share capital;
 - (e) making decisions on changing the Company's name, registered office, sites and branches as well as its activities, with the exception of the core activity, and, in that context, amending the Company's Articles of Association;
 - (f) appointing managers with general right of representation, managers with limited competence at the Company's sites and branches and other employees with right of representation;
 - (g) suspending a shareholder's voting rights subject to the conditions set out in Section 9.8 and revoking the suspension;
 - (h) preparing corporate governance reports and submitting them to the General Meeting.
- 13.6** The Board of Directors shall prepare a report on the management, financial situation and business policy of the Company once a year for the General Meeting and every three months for the Supervisory Board, aligned with the timing of the Supervisory Board's session discussing the Company's interim management report, semi-annual report and annual report.
- 13.7** The Board of Directors acts in accordance with the rules of procedure it adopts.
- 13.8** ***Members of the Company's Board of Directors as of April 30, 2020 (as amended):***
- (a) Name: Attila László Chikán
Address: H-1144 Budapest, Gvadányi utca 15. 8. ép. B lph. fsz. 2.
Mother's name: Erzsébet Katalin Szilágyi
Tax identification number: 8385903747
Duration of mandate: From April 30, 2020 through April 30, 2025
 - (b) Name: Zsolt Müllner
Address: H-1025 Budapest, Kondorkert u. 1.
Mother's name: Ágnes Puskás
Tax identification number: 8366132811
Duration of mandate: From April 30, 2020 through April 30, 2025

- (c) Name: Gyula Zoltán Mező
Address: H-1141 Budapest, Kalocsai u. 51.
Mother's name: Ilona Bódi
Tax identification number: 8357432018
Duration of mandate: From April 30, 2020 through April 30, 2025
- (d) Name: Domonkos Kovács
Address: H-1024 Budapest, Keleti Károly u. 35.
Mother's name: Katalin Tóth
Tax identification number: 8375272930
Duration of mandate: From April 30, 2020 through April 30, 2025
- (e) Name: Ferenc Karvalits
Address: H-1025 Budapest, Törökvész út 129/B fsz. 1.
Mother's name: Mária Halál
Tax identification number: 8355703022
Duration of mandate: From April 30, 2020 through April 30, 2025

13.9 Member of the Board of Directors Attila László Chikán is entitled to use the title of CEO when representing the Company.

13.10 The member of the Board of Directors holding the title of CEO shall exercise employer's rights over the employees of the Company and is entitled to delegate the exercise of employer's rights to another member of the Board of Directors or any person employed by the Company in writing. The Board of Directors shall exercise employer's rights as a body over the member of the Board of Directors holding the title of CEO, provided that such member is employed by the Company; in such matters, the member of the Board of Directors holding the title of CEO shall have no voting rights in passing resolutions of the Board of Directors.

13.11 Among the members of the Board of Directors, the CEO, as well as members of the Board of Directors who are – or also are – in an employment relationship with the Company qualify as executive members. Only executive Board of Directors members are tasked with preparing and implementing the decisions of the Board of Directors and the operative governance of the Company; non-executive members of the Board of Directors are not involved in this part of the Company's operation.

14 Supervisory Board:

14.1 The Supervisory Board shall consist of a minimum of three and a maximum of seven persons, with the majority of its membership being independent in line with the relevant provisions of the Civil Code.

14.2 Members of the Supervisory Board are elected by the General Meeting for a definite term of up to five years.

14.3 Members of the Supervisory Board perform their duties for a remuneration determined by the General Meeting.

[dMM1] megjegyzést írt: To be amended as appropriate depending on the decision of the General Meeting.

14.4 Members of the Supervisory Board may be senior executives and/or members of the Supervisory Board at other undertakings having the same core activity as the activity conducted by the Company (Section 8:1 (1) point 4) of the Civil Code, except for companies deemed competitors by the Company's Board of Directors from time to time.

14.5 The Supervisory Board acts in accordance with the rules of procedure approved by the General Meeting.

14.6 The Supervisory Board shall review the proposals submitted to the General Meeting and express its relevant position at the session of the General Meeting either orally or in a written report addressed to the General Meeting. Prior approval of the Supervisory Board is required for the Board of Directors to adopt interim statements of financial position and the Board of Directors to submit its corporate governance reports to the General Meeting.

14.7 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, the respective parties are obliged to provide written answers within 8 (eight) working days. The Supervisory Board may examine or have an expert examine the Company's payment account, cash, security holdings, stock on hand and contracts.

14.8 *Members of the Company's Supervisory Board as of April 30, 2020 (as amended):*

- (a) Name: István Zsigmond Bakács
Address: H-1025 Budapest, Cseppkő u. 77/b. I. em. 2.
Mother's name: Mária Csoma
Duration of mandate: From April 24, 2015 through April 30, 2025
- (b) Name: János Lukács
Address: H-1021 Budapest, Budakeszi út 51/D.
Mother's name: Teréz Kis
Duration of mandate: From April 30, 2020 through April 30, 2025
- (c) Name: dr. István Borbíró
Address: H-2040 Budaörs, Alma u. 28/b.
Mother's name: Erzsébet Jedlicska
Duration of mandate: From April 30, 2020 through April 30, 2025
- (d) Name: Péter Jancsó
Address: Jolán Vodnyánszky
Mother's name: H-9022 Győr, Batthyány tér 6/b.
Duration of mandate: From April 30, 2020 through April 30, 2025
- (e) Name: *Attila Sütő employees' delegate*
Address:
Mother's name:
Tax identification number:
Duration of mandate: From April 30, 2020 through April 30, 2025

[dMM2] megjegyzést írt: To be amended as appropriate depending on the decision of the General Meeting.

[dMM3] megjegyzést írt: To be amended as appropriate depending on the decision of the General Meeting.

15 Permanent auditor:

15.1 The Company's permanent auditor (as amended):

Name: BDO Magyarország Könyvvizsgáló Korlátolt Felelősségű Társaság
Registered office: H-1103 Budapest, Kőér utca 2/A. C. ép.
Company registration number: 01-09-867785
Registration number with the Chamber of Hungarian Auditors: 002387

Person personally responsible for auditing:

Name: Péter Krisztián Kékesi
Mother's name: Piroska Gelics
Address: H-1133 Budapest, Pannónia utca 70. 7. em. 9.
Registration number with the Chamber of Hungarian Auditors: 007128

The mandate of the permanent auditor is limited to a period from April 17, 2020 until the date of adoption of the General Meeting's resolution on the report prepared in accordance with the Accounting Act for the business year ending on December 31, 2023, but no later than May 31, 2024.

[dMM4] megjegyzést írt: To be amended as appropriate depending on the decision of the General Meeting.

16 The Audit Committee:

- 16.1** The Audit Committee consists of three members, who are elected by the General Meeting from the independent members of the Supervisory Board.
- 16.2** The Audit Committee has the right to request information from members of the Board of Directors or executive employees of the Company. When requested, the respective parties are obliged to provide written answers within 8 (eight) working days.
- 16.3** The Audit Committee assists the Supervisory Board in monitoring the financial reporting system, appointing a permanent auditor and cooperating with the permanent auditor. While performing its duties, the Audit Committee:
- (a) Gives an opinion on the financial statements prepared in accordance with the Accounting Act.
 - (b) Follows up on the audit of the annual report prepared in accordance with the Accounting Act.
 - (c) Makes proposals for the permanent audit firm, the permanent auditor and their remuneration.
 - (d) Monitors the enforcement of the professional requirements with respect to the permanent auditor and the requirements related to conflict of interest, performs all tasks of cooperation with the permanent auditor and, when required, makes a proposal to the Supervisory Board to take measures.
 - (e) Monitors the independence of the permanent auditor and the permanent audit firm, including any other services they provide to the Company in addition to the audit of the annual report prepared in accordance with the Accounting Act.
 - (f) It monitors the financial reporting process.

- (g) The Committee also assesses the operation of the financial reporting system and makes proposals for the necessary measures.
- (h) Supports the Supervisory Board in order to facilitate the appropriate control over the financial reporting system.
- (i) It monitors the efficiency of the internal control and risk management system.

16.4 The Audit Committee establishes its own rules of procedure.

IV. MISCELLANEOUS

17 Authorized signature:

17.1 Any two members of the Board of Directors, managers or employees authorized to act as authorized signatories shall sign for the Company by jointly writing their names as they appear on their sample signatures or specimen signatures under the prescribed, stenciled or printed company name.

17.2 Employees of the Company authorized to act as authorized signatories (as amended):

- (a) Péter Luczay, Director of Wholesale Energy Trading and VPP Management
Address: H-4241 Bocskai kert, Báthory utca 30.
Mother's name: Csilla Judit Nagy
Tax identification number: 8414202985
- (b) Zoltán Bodnár, Chief Financial Officer
Address: H-2045 Törökbálint Honfoglalás utca 12.
Mother's name: Mária Dömötör
Tax identification number: 8366623157
- (c) Viktor Varga, Energy Production Director
Address: H-3599 Sajószöged, Táncsics út 16.
Mother's name: Éva Kucsera
Tax identification number: 8400080262
- (d) László Molnár, Business Director
Address: Address: H-2119 Pécel, Bethlen Gábor u. 20.
Mother's name: Márta Guth
Tax identification number: 8378413241
- (e) Attila Lőrincz, Project Manager
Address: H-1094 Budapest, Liliom u 30.
Mother's name: Katalin Sipos
Tax identification number: 8371210728
- (f) Beatrix Szabó, Quality and HSE Manager
Address: H-2096 Úröm, Présház utca 3/A.
Mother's name: Ildikó Gályász
Tax identification number: 8409762528

- (g) Csaba Kovács, Project Manager
Address: H-2112 Veresegyház, Hársas utca 59.
Mother's name: Margit Bacsó
Tax identification number: 8381791286
- (h) István Lukics, Head of Procurement
Address: H-2049 Diósd, Gyár utca 61.
Mother's name: Jolán Kránicz
Tax identification number: 8397000291
- (i) Anita Simon, Head of Waste Management Division
Address: H-1112 Budapest, Facsetete utca 39. fsz. 1 a.
Mother's name: Gizella Pintér
Tax identification number: 8385382291
- (j) dr. Zoltán Pataki, Chief Legal Counsel
Address: H-1182 Budapest, Zalatna u. 5.
Mother's name: Éva Ilona Deák
Tax identification number: 8408154265

18 Profit distribution:

- 18.1** At the same time as adopting reports prepared in accordance with the Accounting Act, the General Meeting shall decide on dividend payment based on a proposal from the Board of Directors previously approved by the Supervisory Board. The Board of Directors shall set the start date for dividend payment, ensuring that at least ten working days pass between the publication of the relevant notice and the start date for dividend payment. Shareholders listed in the share register as a result of shareholder identification performed on the cutoff date set by the Board of Directors and announced in the notice for dividend payment shall be entitled to receive dividends. The relevant date for dividend payment eligibility as set by the Board of Directors may be different from the date of the General Meeting deciding on dividend payment. The cutoff date for shareholder identification in relation to dividend payment may not be sooner than the fifth exchange trading day following the date of the General Meeting.
- 18.2** Subject to legislative conditions, the General Meeting or the Board of Directors may decide on interim dividend payment in the period between the adoption of two consecutive reports prepared in accordance with the Accounting Act.

19 Business year:

- 19.1** The business year coincides with the calendar year.

20 Access to business books:

- 20.1** Shareholders may not have access to the Company's business books or other business documents.

21 Notices:

21.1 In addition to what is required by law or stock exchange policies, the Company publishes its notices on the Company's website and, in cases specified by law, in the Company Gazette.

22 Governing law:

22.1 These Articles of Association have been drawn up and shall be interpreted in accordance with Hungarian law. Any matters not covered by this document shall be governed by the provisions of the Civil Code.

Drawn up and countersigned in Budapest on _____ 2020 by:

Dr. Zoltán Pataki

legal counsel registered with the Hungarian Bar Association
Hungarian Bar Association identification number: 36074587

DRAFT

Annex 1 to the Articles of Association of ALTEO Nyrt. dated __ 2020:

Non-cash contribution

– subject, value:	business share with a face value of HUF 341,500,000 in Sinergy Energiaszolgáltató, Beruházó és Tanácsadó Korlátolt Felelősségű Társaság (company registration number: 01-09-680396; registered office: H-1131 Budapest, Babér u. 1-5.) with a total value of HUF 278,000,400
– date of provision:	March 4, 2016
– number and face value of shares received in exchange:	73,158 dematerialized ordinary shares of series “A”, with a face value of HUF 100
– provided by:	András Papp (address: H-2112 Veresegyház, Rózsavölgyi Márk u. 10.) for 43,895 shares András Kósa (address: H-1037 Budapest, Hegyoldal u. 8.) for 29,263 shares
– auditor previously reviewing its value:	Ferbal Könyvvizsgáló Tanácsadó és Szolgáltató Korlátolt Felelősségű Társaság (company registration number: 01-09-872301, registered office: H-1123 Budapest, Alkotás u. 39. C. épület, III. emelet; registration number with the Chamber of Hungarian Auditors: 001090), Lajos D. Nagy (address: H-1022 Budapest, Bogár u. 14/A.; membership number with the Chamber of Hungarian Auditors: 006960) as auditor personally responsible for auditing

Disclaimer: All information contained within this article is for information purposes only, and shall not be considered an official translation of the official communication referred to herein. This document does not include the integral wording of the official communication referred to herein, the original Hungarian language version of it remains to be the solely legally binding material in the subject matter. For further information, please do not hesitate to contact us.