

The

MASTERPLAST Nyrt.

Rules of Procedure of the Board of Directors

Date of entry into force: from 27th April 2023

1. 1. Role and competence of the Board

The Board of Directors of MASTERPLAST Nyrt. (registered seat: 8143 Sárszentmihály, Árpád u. 1/A.; registered at the Court of Companies of the Székesfehérvár, company registration number: 07-10-001342; hereinafter referred to as the "Company") - is the executive body of the Company. The Board of Directors consists of five members. The members of the Board of Directors are elected by the General Assembly. Members of the Board of Directors hold office on a mandate basis, subject to an agreement with the Company. The Board of Directors acts as a body and may allocate its tasks among its members on a permanent basis or on an ad hoc basis.

The Board of Directors, as the implementing a unified management body, performs the functions of the Board of Directors and the Supervisory Board as defined in the Civil Code. The majority of the members of the Management Board must be independent persons. The members of the Board of Directors are considered to be executive officers.

The Board of Directors shall be competent to decide on all matters which do not fall within the exclusive competence of the General Meeting, or which are referred to the competence of the Board of Directors by law, the Articles of Association and these Rules, in particular:

- a) to submit to the General Meeting of Shareholders the Company's annual report according to the Accounting Act and the proposal for the appropriation of the profit after tax;
- b) to ensure the regular maintenance of the Company's books of account;
- c) To take a preliminary position on matters requiring a decision by the General Assembly, to propose the annual and long-term professional programmes of the Company, to prepare annual financial, development and business plans and business policy concepts, and controlling their implementation;
- d) to propose a resolution on the election of the external auditor of the Company;
- e) to adopt of the Company's strategic plan, the definition of the Company's business plan and, if necessary, its modification; the implementation of which is the responsibility of the Company's operational management;
- f) to present to the Annual General Meeting a report on the corporate governance practices of the Company, prepared in the manner prescribed for the participants of the Budapest Stock Exchange;
- g) to report to the General Meeting once a year on the management, assets and business policy of the Company;
- h) to comply mandatory reports to authorities and other bodies;
- i) to keep the share register of the Company or to give instructions for that purpose;
- j) to decide on the increase of the share capital if the conditions laid down in the law and the Articles of Association are met;
- k) to decide to issue a bond if the conditions laid down by law and the Articles of Association are met;
- l) to change of the name, registered seat, site, branch, scope of activity (except the principal activity) of the Company and, in this context, amendment of the Articles of Association;

- m) to decide to acquire treasury shares on the basis of the authorisation of the General Meeting, or in the context of legal proceedings for the settlement of a claim against the Company, or in the course of a transformation;;
- n) to decide on the transfer and encumbrance of the Company's treasury shares;
- o) election of the President and Vice-President of the Board of Directors;
- p) to appoint, dismiss and exercise the rights of an employer over the CEO;
- q) to provide executive management, supervise the activities of the CEO;
- r) the establishment of the Company's governance structure;
- s) to approve of any decision or commitment not included in the Company's business plan and with a value equal to or exceeding EUR 2,000,000 (two million euros);
- t) to decide to acquire, increase, reduce or dispose of stake in other companies, to create a new business or liquidate, if not included in the Company's business plan, and the aggregate effect of which equals or exceeds EUR 2,000,000 (two million euros);
- u) preparation and convening of the General Assembly, in particular with regard to the cases provided for by law when the convening of the General Assembly is mandatory;
- v) to make proposals on all matters which fall within the competence of the General Assembly;
- w) performance of all tasks which the General Meeting has decided to entrust to the Board of Directors;
- x) to decide on all matters which are not referred to the competence of the General Assembly by law, the General Assembly or the Articles of Association.

The General Meeting or the Board of Directors may delegate the performance of occasional tasks to the member(s) of the Board of Directors designated by it.

The primary purpose of the Board of Directors is to control the operational activities and set the strategy of the Company. The Board of Directors is not involved in the day-to-day running of the Company's work organisation, it is managed by the CEO.

The operational management of the Company is carried out by the Chief Executive Officer in employment, who is elected by the Board of Directors. The CEO exercises the rights of employer over the employees of the Company. In all matters which do not fall within the competence of the Board of Directors as set out above, the CEO has the right and is obliged to decide.

The Board of Directors must convene a General Meeting within 8 (eight) days to take the necessary measures and to initiate a resolution if any of its members becomes aware that

- the Company's equity has fallen to two-thirds of its share capital, or
- the Company's equity has fallen below the minimum amount of share capital laid down by law, or
- the Company is threatened with insolvency or has ceased payments, or
- the Company's assets do not cover its debts.

2. Rules applicable to the Members of the Board

2.1. Status of the Members of the Board, rights and obligations of the Members of the Board

Only persons who fulfil the conditions laid down in the legislation in force and in the Articles of Association, who have been elected by the General Meeting and who have accepted this mandate by written declaration may be members of the Board of Directors.

The members of the Board of Directors shall perform the duties arising from their office in return for remuneration at a rate determined by the General Meeting.

Non-independent members of the Board of Directors may, in addition to acquiring shares in a public limited company, acquire stake in other entities whose principal activity is the same as that of the Company, and may hold executive positions in other companies or cooperatives whose principal activity is the same as that of the Company, if approved by the General Meeting and if the Company is a member of the entity.

If a member of the Board of Directors would accept an executive mandate, he/she shall inform the Company in writing in advance of the acceptance of the new executive mandate.

A member of the Board of Directors and his or her relatives may not - except in the ordinary course of their daily business - conclude contracts in their own name or for their own benefit which fall within the scope of the company's main business.

The members of the Board of Directors may apply to the Court for the annulment of a decision taken by the General Meeting and other bodies of the Company if the decision is unlawful or contrary to the Articles of Association.

The Company is represented by the members of the Board of Directors and the Chief Executive Officer and, if appointed, by the Deputy Chief Executive Officer(s), in dealings with third parties and before courts and other authorities. The members of the Board of Directors holding the office of President and Vice-President, as well as the Chief Executive Officer and the Deputy Chief Executive Officer(s) shall have independent powers of representation and registration, the right of representation and registration of the non-president and vice-president members of the Board of Directors shall be joint.

2.2. Responsibilities of the members of the Board

The members of the Board of Directors shall perform their duties in the best interests of the Company.

The members of the Board of Directors shall be liable to the Company for any damage caused to the Company in the course of their management activities in accordance with the rules of liability for damage caused by breach of contract.

The Company shall be liable for any damage caused to third parties by the members of the Board of Directors acting in their capacity as members of the Board of Directors. A member of the Board of Directors shall be jointly and severally liable with the legal person if the damage was caused intentionally.

A member of the Board of Directors shall be responsible for the management of the Company in his or her own capacity, on the basis of the best interests of the Company. In this capacity, it is subject to the law, the Articles of Association and the decisions of the General Assembly. A member of the Board of Directors may not be instructed by a shareholder of the Company and his powers may not be withdrawn by the General Meeting.

The members of the Board shall be jointly and severally liable. In the relations between the members of the Board of Directors, their liability shall be proportionate to the extent of their responsibilities and, if this cannot be determined, shall be divided equally between them.

A member of the Board of Directors who did not participate in the decision or who voted against the decision of the Board of Directors shall not be liable.

2.3. Confidentiality

The members of the Board of Directors are obliged to keep their knowledge of the business affairs of the Company as business secrets without any time limitation, and their confidentiality undertaking in this regard shall be deemed to be a confidentiality undertaking by signing these Rules of Procedure. A business secret is any fact, information, solution or data relating to an economic activity, which the Company has a legitimate interest in keeping confidential and which the Company has taken the necessary measures to keep confidential.

Business secrets in particular:

- the agenda of the Board meetings, the related proposals and the minutes of the meetings;
- all internal rules and regulations of the Company;
- discussions with the Company's shareholders, information concerning the day-to-day management of the Company's business (including the Company's business strategy, plans, professional aspirations, financial and business information);
- information on the ownership structure of the Company;
- contracts and analyses relating to the Company's business;
- the annual and financial reports.

Exceptions to the above are reports and other announcements published by the Company under its regular and extraordinary disclosure obligations.

The member of the Board of Directors is obliged to provide the shareholders of the Company with information about the Company and to give them access to the documents and records of the

Company. The member of the Board of Directors may make disclosure and access to documents subject to a written declaration of confidentiality by the holder.

A member of the Board of Directors may refuse to provide information or access to documents, (a) if it would prejudice the Company's business secrets, (b) if the person requesting the information abuses his or her right, or c) does not provide a confidentiality statement despite being requested to do so. If the person requesting the information considers that the refusal to disclose is unjustified, may apply to the Court of registration for an order requiring the Company to provide the information.

2.4. Conflict of interest, exclusion

Cannot be a member of the Board of Directors,

- who has been finally sentenced to imprisonment for a criminal offence, until he or she has been exonerated from the adverse consequences of the criminal record;
- who has been disqualified from engaging in this occupation by a final judgment;
- who has been disqualified from engaging in an occupation by a final court decision may not, during the period of disqualification, be an executive officer of a legal person engaged in the activity specified in the decision;
- a person who has been disqualified from acting as an executive officer may not be an executive officer for the period specified in the disqualification decision.

Members of the Board of Directors shall inform the Board of Directors without delay of any conflict of interest or exclusion affecting them.

2.5. Termination of the term of office of the members of the Board of Directors

The term of office of members of the Board of Directors may be terminated in the following cases:

- a) in the case of a fixed-term mandate, at the end of the term of the mandate;
- b) in the case of a mandate subject to a termination condition, when the condition occurs;
- c) by recall by the General Assembly;
- d) by resigning;
- e) the death of a member of the Board of Directors;
- f) by restricting the capacity of a member of the Board of Directors to the extent necessary for the performance of his or her duties;
- g) upon the occurrence of an exclusion or conflict of interest against a member of the Board of Directors.

A member of the Board of Directors may resign at any time by a declaration addressed to the Company, to another member of the Board of Directors of the Company or to the General Meeting.

In the event that a member of the Board of Directors becomes aware of a reason which prevents him/her from continuing in office (e.g. the occurrence of a legal exclusion or conflict of interest,

or lack of time due to other commitments), he/she shall immediately inform the President of the Board of Directors thereof or tender his/her resignation.

If the operability of the Company so requires, the resignation shall take effect upon the appointment or election of a new member of the Board of Directors, failing which not later than sixty days after the notification.

If the number of members of the Board of Directors would fall below five, or if it would otherwise become impossible to operate, or if there is no one to convene a meeting, the Board of Directors shall convene a General Meeting of the Company.

The Company is required to notify the Court - for registration and publication - of any changes to the members of the Board of Directors.

3. The President of the Board of Directors

The responsibilities of the Board of Directors are divided between the President of the Board and the members of the Board.

The President and the Vice-President of the Board of Directors shall be elected by the Board of Directors for a term of office equal to the term of office of the Board of Directors. In the absence of the President of the Board, the Vice-President shall perform his/her duties.

Duties of the President of the Board of Directors:

- a) preparing the annual work plan of the Board of Directors;
- b) to determine the time, place and agenda of the meetings of the Board of Directors;
- c) determination of the method of decision-making by the Board of Directors (meeting in person, participation by electronic means, written decision);
- d) convene and held Board meetings of the Board of Directors;
- e) approval of those invited with right to consult to attend the meeting;
- f) appointment of the minute-taker;
- g) ordering a vote and determining the result of a vote at meetings or when a written decision is taken;
- h) to convene, on behalf of the Board of Directors, the ordinary annual or extraordinary General Meeting of the Company, to represent the Board of Directors at the General Meeting;
- i) performing duties delegated to the President by law, the General Assembly or the Board of Directors.

4. Operating rules of the Board of Directors

4.1. Preparation and convening of Board meetings

The Board of Directors shall meet as necessary, but shall hold at least 4 meetings per year, with no more than 150 calendar days between meetings.

Meetings of the Board of Directors shall be convened by the President or, if he/she is prevented from attending, by a member of the Board of Directors designated by the President. Any two members of the Board of Directors may request a meeting of the Board of Directors, stating at the same time the reason and purpose. In such a case, the President of the Board of Directors has to convene a meeting of the Board of Directors within 10 days of the submission of the written request. In such a case, the President of the Board of Directors has to convene a meeting of the Board of Directors within 10 days of the submission of the written request.

The date, place and agenda of the meetings of the Board of Directors shall be determined by the President of the Board of Directors. Written invitations to meetings of the Board of Directors and, where necessary, documents relating to the preparation of the meeting shall be sent in such a way that they are received by the members at least 5 (five) working days before the date of the meeting, if possible. There is no obligation to make a presentation to the meeting of the Board of Directors.

In the case of urgency decided by the President of the Board of Directors, the President of the Board of Directors may convene a meeting by invitation sent by telephone, e-mail or fax, without prejudice to the 5 working days' notice period, in which case the quorum shall be constituted only if all members are present and no member objects to the meeting. The presence of a member who excuses his/her absence in writing and agrees to attend the Board meeting is not required. Otherwise, the convening of an extraordinary meeting is governed by the rules for convening an ordinary meeting.

The invitation shall indicate whether it is possible to participate and vote in the meeting by electronic communication device. A member who is unable to attend a meeting in person may request in writing, one day before the Board meeting, to attend the meeting by electronic communication device.

4.2. Participants in the meetings of the Board of Directors

Only members of the Board of Directors shall have the right to vote at meetings of the Board of Directors.

The meetings of the Board of Directors are private, but the President of the Board of Directors may invite other persons to attend. Invited persons may also be invited to discuss certain items on the agenda, and they shall have the right to participate in the meeting, to express their opinions and comments, and may request that their views on the decision taken or rejected be recorded in the minutes of the meeting, which shall be drawn up in accordance with these Rules of Procedure.

4.3. Quorum of the Board of Directors meeting

The quorum for a meeting of the Board of Directors shall be at least three (3) members present at all times.

4.4. Decisions-making of the Board of Directors

Decisions of the Board of Directors shall be taken by a simple majority and by open ballot, with each member having one vote.

An absent member who joins the meeting by electronic communication device may do so only by means of a computer program which is capable of both audio and visual representation and by means of which the absent member's identity can be clearly identified.

A conference call chaired by the President of the Board may be initiated in the absence of a member. An absent member may not vote in writing by electronic communication device but may only make comments and vote orally. If participation in the conference call would be impeded, an absent member may cast his/her vote in writing by email within 3 hours of the start time of the Board meeting.

4.5. Meeting held by electronic communication device

The President of the Board may order that the meeting be held in such a way that the members do not attend the meeting in person but by electronic communication device.

In this case, the President shall also order that the meeting be held by telephone conference or videoconference.

The same rules apply to the quorum for a meeting held by electronic communication as for a meeting in the presence of members in person.

4.6. Written decision without holding a meeting

The Board of Directors may also take decisions by written decision without holding a meeting.

In this case, instead of sending an invitation, the President of the Board shall send the proposal for a decision to the members of the Board of Directors. It can be sent by post, courier or e-mail. In this case, the members of the Board of Directors may cast their votes by the same means of dispatch or, at their option, by e-mail, fax or courier within 5 (five) working days of the date of dispatch. If a member does not cast his/her vote within 5 (five) working days, he/she shall be deemed to have abstained from voting. In the case of a written decision, the decision shall be taken by the affirmative vote of at least three (3) members.

Within three working days of receipt of the proposed decision, any member may request the President of the Board to convene a meeting of the Board of Directors. In this case, the rules on written decision-making shall not apply and the President of the Board shall convene the meeting. The President of the Board shall put the decision in writing within 5 days of its dispatch, but no later than 1 day after the last vote has been received. In the event of failure to take a decision, the President of the Board shall make a note. The President shall inform the members of the Board of Directors of the decision and the note.

4.7. Minutes of the Board of Directors meeting

Minutes shall be taken of the proposals and decisions taken at the meeting of the Board of Directors.

The minutes should include:

- the name and registered seat of the Company,
- the place, time and agenda of the Board of Directors meeting,
- the authors of the agenda and those present,
- members who vote by electronic communication device,
- the name of the president presiding over the meeting,
- the decisions taken and, in the case of decisions to be implemented, the time limits for their implementation, the name of the person responsible for implementing the decision, the votes cast in favour, votes against and abstentions, if any,
- the opinion of any member dissenting from the decision taken and any objection, if he/she so requests, to be recorded in the minutes,
- any information which any member requests to be entered in the minutes.

Decisions taken shall be kept and preserved in a book of decisions, in chronological order, numbered consecutively, kept by the President of the Board of Directors or by the responsible employee designated from time to time by the Board of Directors for that purpose. The Board of Directors may also keep a book of decisions by appointing an attorney-at-law/law firm. Written documentation of the meetings of the Management Board shall be kept for at least six years.

Voting against or abstaining from voting on a proposal for a resolution does not in itself constitute an objection, it must be expressly indicated. Verbatim minutes shall be taken at the request of any Board member. In all other cases, it is sufficient to include the data and information listed above in the minutes.

The minutes of the Board of Directors meeting shall be signed by the President of the Board meeting separately and by all the members of the Board of Directors present at the meeting as authenticators of the minutes.

The minutes of the meeting of the Board of Directors shall be sent to the members of the Board of Directors within 15 calendar days of the meeting, whether or not they attended the meeting.

4.8. Secretariat of the Board of Directors

There is no outsourced secretarial service attached to the Board of Directors, the administrative tasks being the responsibility of the Company's CEO Secretariat. The administration, record keeping and secretarial duties of the Board of Directors shall be established and supervised by the President of the Board of Directors of the Company. The Secretariat shall be responsible for keeping records of the decisions of the Board of Directors, handling the mail of the Board of Directors, taking proper care of the documents of the Board of Directors, providing telephone, fax, e-mail and other normal secretarial activities as determined by the President of the Board.

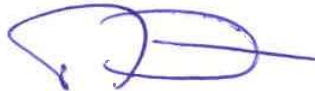
4.9. Annual evaluation of the Board of Directors' activities

The Board of Directors evaluates its own work after each business year. The work rating is based on the efficiency of the Company's operations. At the same time as the evaluation, the Board of Directors may define an action plan to implement the tasks set.

5. Final provisions

The present Rules of Procedure were adopted by the Board of Directors on 27th April 2023, by Board Resolution No. 21/2023.04.27.

Sárszentmihály, 27th April 2023



Dávid Tibor

President of the Board



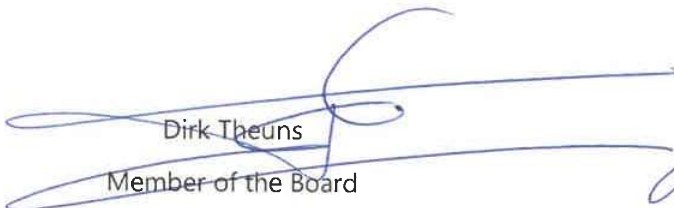
Balázs Ács

Vice-President of the Board



Margaret Deze

Member of the Board



Dirk Theuns

Member of the Board



Bálint Fazekas

Member of the Board