

## **DOCUMENTS FOR THE GENERAL MEETING**

**EXTRAORDINARY GENERAL MEETING OF  
MOL HUNGARIAN OIL AND GAS  
PUBLIC LIMITED COMPANY**

**TO BE HELD ON 22 DECEMBER 2021**

**Date and venue of the EGM: 22 December 2021, 10 a.m.  
Kempinski Hotel Corvinus  
(H-1051 Budapest, V. district, Erzsébet square 7-8.)**

**Dear Shareholder,**

The Extraordinary General Meeting of the Company was convened by the Board of Directors of MOL Plc. for 22 December 2021, 10 a.m., whose agenda is contained in the announcement published as stipulated in the Articles of Association. The announcement was published on 18 November 2021 on the homepages of Budapest Stock Exchange and MOL.

We hereby notify our Shareholders that based on Government Decree 502/2020 (XI.16) and Section 3 (1) of the Act I of 2021 on the Protection against Coronavirus epidemic-the EGM will be held according to the general rules, in the usual way, in personal presence of the shareholders. In case the EGM is not allowed to be held in personal presence of the Shareholders due to possible modifications of the legislation in force, the Company will notify its Shareholders about this fact via appropriate announcements.

We kindly request our Shareholders to read carefully the Notice regarding the epidemic situation and to continuously follow the communication in connection with the EGM on MOL Plc.'s homepage.

**Agenda items of the Extraordinary General Meeting:**

1. Decision and authorization related to the sale of (treasury) shares owned by MOL Plc. to the Special Employee Share Ownership Program Organizations to be created by the employees of MOL Plc.
2. Decision on providing support in connection with the Special Employee Share Ownership Program to be launched by the employees of MOL Plc.
3. Election of the statutory auditor for the 2022 financial year and determination of its remuneration as well as the material elements of its engagement.
4. Advisory vote on the amended remuneration policy of the Company prepared under the provisions of Act LXVII of 2019 on Encouraging Long-Term Shareholder Engagement and amendments of further regulations for harmonization purposes.
5. Election of member of the Board of Directors.
6. Amendment of Article 13.5. of the Articles of Association

**In case the general meeting does not have a quorum at the announced date and time, the Board of Directors hereby convened the repeated general meeting with the same agenda on 3 January 2022 at 10.00 a.m. at the registered seat of Company (1117 Budapest, Október huszonharmadika street 18.) In accordance with Section 3:275 (1) of the Act V of 2013 on the Civil Code ("Civil Code"), such reconvened general meeting shall have a quorum with respect to issues originally put on the agenda, irrespective of the number of the shareholders present or represented.**

The brochure contains an English language translation of the original proposals and information in accordance with the items on the agenda. The purpose of documents prepared for the General Meeting is to promote a better orientation of the particular items on the agenda and to provide information for the shareholders regarding the questions to be discussed at the General Meeting. Please see the original Announcement for additional information. In case the General Meeting does not have a quorum at the announced date and time, the repeated General Meeting shall discuss the same agenda items with the same Resolution proposals.

## Technical remarks

### Conditions for participation and exercising voting rights at the General Meeting:

In order to be registered in the Share Register in the course of the shareholders' identification, shareholders must comply with the Articles of Association of the Company ("Articles of Association") and the relevant laws, particularly, each shareholder shall declare whether he holds at least 2% of the Company's shares in accordance with Article 8.6 of the Articles of Association. According to Article 8.4 the Board of Directors shall refuse the registration of any shareholder into the share register if such shareholder fails to comply with the requirements specified by the Articles of Association.

**The record date of the shareholders' identification shall be 13 December 2021.** Based on the data resulting from the shareholder's identification the name of shareholders and shareholders' proxies (nominees) intending to participate in the general meeting shall be registered by the manager of the Share Register (KELER Zrt.) on 20 December 2021, and upon instruction of the Board of Directors, KELER Zrt. **shall close the Share Register on 20 December 2021**, and no application for registration shall be accepted until the day following the closing of the general meeting. In line with the relevant provisions of law, only those persons may exercise shareholder's rights at the general meeting (participation in the general meeting, requesting information within the limits specified in the relevant laws, making remarks and proposals and voting) whose name is registered in the Share Register at 06.00 p.m. two working days before the starting day of the general meeting.

The securities account managers shall be responsible for registering the shareholders in the Share Register upon instruction of such shareholders. The securities account managers shall provide information to the shareholders on the deadlines for giving instructions to the securities account managers.

The Company shall not be liable for the performance of or the failure to perform the instructions given to the securities account manager. Shareholders may inspect and obtain information in respect of their registration in person (1074 Budapest, Rákóczi road 70-72., R-70 Office Building) - at the time as agreed previously via e-mail [kelertesem@keler.hu](mailto:kelertesem@keler.hu) after identification. Closing the Share Register does not restrict the right of the persons registered in the Share Register to transfer their shares following the closing date. Transferring shares prior to the general meeting does not deprive the persons registered in the Share Register of their rights to participate in the general meeting and exercise their rights they are entitled to as shareholders.

The general meeting shall have a quorum if the holders of shares representing more than one-third of the voting rights are present. When determining the quorum, restrictions specified under Articles 10.1 and 10.2 of the Articles of Association shall be applied so that votes exceeding the 10% limit to which each shareholder is entitled shall be disregarded. Holders of registered ordinary shares shall be entitled to one (1) vote attaching to each „A” series share with a par value of HUF 125 (i.e. one hundred and twenty-five Hungarian forints) each subject to the restrictions specified in the Articles of Association. The “B” series preference share with a par value of HUF 1000 (i.e. one thousand Hungarian forints) entitles its holder to eight (8) vote in addition to the voting preference rights defined in the Articles of Associations.

**Shareholders shall be entitled to participate in the general meeting either in person or through a proxy issued or by nominee** (hereinafter collectively referred to as “nominee”) in accordance with the provisions of the Civil Code and Act CXX of 2001 on the Capital Market.

In case shareholders wish to give a power of attorney in an official form (“proxy card”) as defined in Article 13.6 of the Articles of Association, they shall submit such request to the Investor Relations Department of MOL Plc. (“MOL”) until 21 December 2021 at the latest in writing (mailing address: 1117 Budapest, Október huszonharmadika u. 18.) or e-mail ([investorrelations@mol.hu](mailto:investorrelations@mol.hu)). The request shall

contain the exact name and address (mailing or e-mail address) of the shareholder where the form (proxy card) should be delivered to.

The power of attorney for the nominee (including the power of attorney issued by a proxy card) shall be prepared in the form of a public document or a private document with full probative force taking into account any international agreement or reciprocity between Hungary (the Hungarian State) and the country where the document was issued. If the power of attorney is prepared in any language other than Hungarian a certified Hungarian translation thereof shall be attached. In case of shareholders other than natural persons, powers of representations of the persons signing the power of attorney or representing the shareholder at the general meeting shall be certified by appropriate original documents issued by a public authority or office (e.g. certificate of incorporation) or by a public notary. If the certification of the power of representation is in any language other than Hungarian a certified Hungarian translation thereof shall be attached.

The power of attorney (with the exception of the power of attorney issued by a proxy card) shall be deposited in accordance with Article 14.3 of the Articles of Association, at the latest during registration prior to the commencement of the general meeting. The power of attorney given by a proxy card shall arrive to the address of the Company (1117 Budapest, Október huszonharmadika u. 18.) by 13 December 2021 at the latest.

In case of holders of depository receipts ("DRs") issued under a foreign law, The Bank of New York Mellon, as the issuer of such DRs, shall be entitled to exercise rights of representation according to the Deposit Agreement concluded between it and the Company. Holders of DRs will be entitled to exercise their voting rights by a Letter of Proxy issued in favor of The Bank of New York Mellon as depository, in accordance with the Articles of Association of MOL, the Deposit Agreement and applicable laws and based on the draft resolutions sent by the Board of Directors of MOL to the DR holders via The Bank of New York Mellon. We request DR holders to obtain information on the detailed rules of procedure at the customer service of the Bank of New York Mellon (240 Greenwich Street, New York, NY 10286, Tel: +1 212 815 5021, Fax: +1 732 667 9098, email: [mira.daskal@bnymellon.com](mailto:mira.daskal@bnymellon.com)).

MOL Investors Relations Department will be pleased to be at your disposal for further information, as well (phone: +361 464 1395, fax: [investorrelations@mol.hu](mailto:investorrelations@mol.hu)).

**The registration i.e. the certification of the right to participate as shareholder (nominee) will take place at the venue of the general meeting between 8.00 a.m. and 9.30 a.m.**

We kindly request our shareholders to apply for registration on time. Following the closing of the registration, shareholders and nominees not listed in the attendance list, but registered in the share register, are entitled to participate in the general meeting, however, such shareholders may not exercise their voting rights. Shareholders whose voting right is suspended according to Article 8.6. of the Articles of Association are also entitled to participate in the general meeting, however, such shareholders may not exercise their voting rights.

Pursuant to the Articles of Association no shareholder or shareholder group (as defined under Article 10.1.2. of the Articles of Association) may exercise more than 10% of the voting rights at the general meeting with the exception of the organization(s) acting at the Company's request as depository or custodian for the Company's shares or securities representing the Company's shares. Exemption from this restriction on voting rights shall be applicable to any depository bank or custodian only if it can verify that the final beneficiary(s) entitled to exercise the shareholders rights associated with the shares and securities in deposit is (are) not subject to the restrictions specified in the Articles of Association.

Information regarding the procedure of the general meeting:

Shareholders, proxies of the shareholders and other authorized persons may participate in the general meeting. Audio and video recordings shall be made on the whole general meeting and we maintain the right to broadcast the general meeting via the internet. The Company deems that the participants,

by their presence, give their consent to such recordings. Shareholders and proxies of shareholders who does not give their above mentioned consent, may stay at the designated place of the general meeting. Shareholders, proxies of the shareholders and other authorized persons are entitled to comment on the agenda only after the chairman of the general meeting (hereinafter referred to as: the Chairman) has given the floor to that person. Comments can be made validly only with the use of microphone, only comments made such way shall be recorded in the minutes. Shareholders and proxies of shareholders wishing to comment are requested to announce their name, the name of the shareholder represented by them, and the number of the voting machine before each comment. The Chairman may, in justified cases, limit the time period of the comments relating to the agenda items up to 3 minutes. With regard to the comments, only questions in connection with the agenda item may be asked. Questions, lawfully referred by shareholders towards the Board of Directors, the Supervisory Board and to the independent Audit Company, will be answered in the general meeting - within the legal framework - by the Chairman or by the appointed person or regarding the complexity of the question within reasonable time, in writing , published on the website of the Company.

The language of the general meeting shall be Hungarian, therefore the resolution proposals shall be made in Hungarian as well. The Board of Directors shall provide non-official English-Hungarian and Hungarian-English interpretations. With regard to the procedure of the general meeting the provisions of the Articles of Association of the Company and the Act V of 2013 on the Civil Code shall be applied.

### Notice regarding the epidemic situation

The Board of Directors of MOL Plc. is continuously monitoring the developments in connection with Coronavirus (COVID-19), including the measures introduced by certain Governments and Authorities which could affect the Extraordinary General Meeting (EGM) of MOL Plc. Protection of health and safety is of primary importance for MOL Plc. and therefore, as far as possible, MOL Plc. will inform its Shareholders in due time about the measures that may potentially affect the Extraordinary General Meeting.

Subject to the fact that the General Meeting will be held indoors, in accordance with Section 6/C (3) of the Government Decree no. 484/2020 (XI. 10.) on the second phase of protective measures applicable during the period of state of danger, - in addition to those employed there -, **only a person protected against the coronavirus may participate.** Protection must be verified during the on-site registration, for the verify, it is primarily necessary to present the protection certificate card or the application for coronavirus vaccination as well as the identity card / passport in order to verify the identity. It is equivalent to the presentation of a protection certificate card according to the Government Decree, if a non-Hungarian citizen or a Hungarian citizen without a Hungarian address proves, by presenting an EU digital COVID card, that:

a) against the coronavirus

aa) authorized by the European Medicines Agency,

ab) on the list of COVID-19 vaccines authorized by the World Health Organization for emergency use, or

ac) has been vaccinated at least once with a vaccine authorized in Hungary and used to vaccinate the population, and one year has not elapsed since the first vaccination,

or

b) protected against coronavirus disease due to transmission, such a person who certifies with a digital Covid certificate that 15 days have elapsed since the last positive SARS-CoV-2 PCR test or rapid antigen test and 180 days have not elapsed.

In the absence of an EU digital COVID card, a foreign "protection certificate" is also acceptable if it is

- a) issued by a state whose protection certificate is recognized by Hungary and the fact of which has been established by a decree of the Minister for foreign policy in agreement with the Minister for border security, and
- b) verify the protection against coronavirus by presenting a protection certificate against coronavirus issued by the State referred to in point (a).

We would like to call our Shareholders' attention to the fact that the Articles of Association of MOL Plc. enables exercising voting rights regarding EGM through authorization given via Proxy Cards. In case the correctly filled Proxy Cards are received by our Company on the day before the EGM, the Company ensures for the Shareholders to exercise their right in such way free of charge.

Based on the ordered state of emergency, we are therefore proposing to our Shareholders to use the Proxy Card instead of personal appearance. In this respect further information may be found in the Announcement of the EGM and in case of question the Investor Relations department of MOL Plc. are at your disposal (telephone: +361 464 1395, fax: +361 464 1335).

### **Method of voting**

The Board of Directors recommends machine electronic voting to be used at the General Meeting, regarding which detailed information shall be provided on the spot. The General Meeting shall first decide on the approval of the electronic voting system then elect the keeper of the minutes, the certifiers of the minutes with the official vote counters.

## Summary of the number of shares and voting rights existing on the date of the convocation of the General Meeting

Composition of share capital of the Company on 18 November 2021:

Share series	ISIN Code	Par value (HUF/share)	Issued number	Total par value (HUF)
„A” series	HU0000153937	125	819,424,824	102,428,103,000
„B” series	HU0000068960	1,000	1	1,000
„C” series	HU0000065909	1,001	578	578,578
Share capital		-	-	102,428,682,578

Number of voting rights attached to the shares on 18 November 2021:

Share series	Issued number	Shares with voting rights	Voting right per share	Total voting rights	Number of treasury shares
„A” series	819,424,824	819,424,824	1	819,424,824	21,139,702
„B” series	1	1	8	8	0
„C” series	578	578	8.008	4,628.624	578
Total	-	-	-	819,429,460.624	-

No shareholder or shareholder group (as defined in Article 10.1.2 of the Articles of Association of the Company) may exercise more than 10% of the voting rights with the exception of the organization(s) acting at the Company’s request as depository or custodian for the Company’s shares or securities representing the Company’s shares (the latter shall be exempted only insofar as the ultimate person or persons exercising the shareholder’s rights represented by the shares and securities deposited with them do not fall within the limitations specified here below).

The “yes” vote of the holder of “B” series of share is required for decisions at the General Meeting on issues enlisted in Article 12.4 of the Articles of Association of the Company. In all other matters, in accordance with the nominal value of the "B" series share, such share entitles its holder for eight vote.

## AGENDA ITEM No. 1

### **Decision and authorization related to the sale of (treasury) shares owned by MOL Plc. to the Special Employee Share Ownership Program Organizations to be created by the employees of MOL Plc.**

On 8 October 2021, the Chairman of the Board of Directors received official notice from the Chairman of the of the Works Council, in which he requested support from a so-called Special Employee Share Ownership Program (“SESOP”) by appointing a team of experts and considering the possibility of financial support. Based on the examination of the team of experts, it would be useful to create a SESOP for the purchase of MOL series “A” ordinary shares with a total value of up to HUF 180 billion, the conditions of which, however, require the support of the General Meeting.

The SESOP scheme is made possible based on the modifications set out in Act XLIV of 1992 on the Employee Share Ownership Program (“ESOP Act”), which entered into force on 13 July 2021 in order to assist employees in purchasing shares of the employer company, thus strengthening employees' engagement and reconciling long-term interests of shareholders and employees.

If MOL Plc. sells partially its directly and indirectly owned MOL shares intend to be sold in part to MOL SESOP Organisations initiated by the Company's employees, this, on the one hand, will help reconcile the interests of employees and shareholders in the long term, and the formation of a stable ownership structure in the long run on the other. All the above is in line with EU initiatives on employee participation, as well as the interests of shareholders, taking into account SESOP's structure which is based on the long-term increase of the share price.

Any sale of Treasury shares to MOL SESOP Organisations would take place as an exchange-traded or over-the-counter (OTC) transaction at a market price, bearing in mind that – as stated within the advisory opinion of Deloitte Advisory and Management Consulting Plc. dated 25 November 2021 – in case of the sale of shares not exceeding 15% of total through a so-called block transaction, based on international benchmarks, a discount of 5.9% is justified compared to the volume-weighted average price one day before the closing of the transaction.

It is important to emphasize that the outlined transaction presumes the realization of several future events independent of the Company. In order to establish MOL SESOP Organisations and in order to become a legal entity, its registration by the competent court is required. Moreover, it is necessary that MOL SESOP Organisations have sufficient resources to purchase the share package.

*Based on the above, the Board of Directors submits to the General Meeting the following resolution proposal:*

#### **Proposed resolution:**

1. The General Meeting decides that, subject to the conditions specified in point 2, MOL Plc. sells its treasury shares up to a value of HUF 180 billion, – as outlined in the formula stated in the advisory opinion of Deloitte Advisory and Management Consulting Plc. dated 25 November 2021 – on a purchase price, which is 5.9% lower than the volume-weighted average price one day before the closing of the transaction (“Purchase Price”) in exchange-traded or over-the-counter (OTC) transaction to one or more Special Employee Share Ownership Program (“SESOP”) Organizations whose establishment was initiated by the employees of MOL Plc. in accordance with article 24/M of Act XLIV of 1992 until the date of the present resolution of the General Meeting.
2. The condition for the sale of treasury shares as defined in point 1 is that
  - a. the SESOP Organization concerned should be registered with the court by the date of sale
  - b. the coverage of the Purchase Price calculated in accordance with point 1 shall be available to the SESOP Organization concerned on the date of sale for all treasury shares to be purchased; the SESOP Organization concerned must prove the coverage of the Purchase Price with a bank account statement.



- c. the Purchase Price shall be paid via bank transfer to the bank account provided by MOL Plc. within 3 (three) working days after the conclusion of the transaction.
3. The General Meeting authorizes the Board of Directors to conclude the share sale and purchase agreements with the SESOP Organizations in compliance with points 1. and 2. The present authorization shall remain in force until the day of the General Meeting approving MOL Plc.'s 2021 financial statements.

## AGENDA ITEM No. 2

### **Decision on providing support in connection with the Special Employee Share Ownership Program to be launched by the employees of MOL Plc.**

#### **I. Background, presentation of the regulation of SESOP**

On October 8, 2021, the Chairman of the Board of Directors of MOL Plc. (Hereinafter: "MOL Plc." or "Company") received a notification from the Chairman of the Works Council, in which he requested support from a so-called Launching a Special Employee Share Ownership Program ("SESOP") by appointing a team of experts and considering the possibility of financial support. During the assessment of the financing possibilities, the experts came to the conclusion that in order for the successful operation of the SESOP, it is necessary for the Company to provide financing and operating support to the SESOP organizations in the future as provided by the Act LXXXI of 1996 on corporate tax and dividend tax ("Tao. Act").

From 13 July 2021, the Act XLIV of 1992 on Employee Share Ownership Program ("ESOP Act") provides the opportunity to launch a SESOP and a SESOP organization to implement this program.

As provided by the ESOP Act, the SESOP organization counts as a legal person, employees with at least six months of employment, as well as the members of Board of Directors and the Supervisory Board (hereinafter referred to as: "eligible employees") are eligible to establish and participate in it. A decision of at least 10 eligible employees is required to launch the SESOP.

According to the ESOP Act it is the essential feature of the SESOP organization that it can be launched by the employees of the given commercial company on a voluntary basis, independent from the given company, specifically for the purpose of acquiring a long-term shareholding (member or shareholder) position in an organized form. The given company does not participate in the establishment and governance of the SESOP organization, the purpose of the SESOP program is not remuneration, the employees who participate in the SESOP do so on a voluntary basis, as a result of their performance their aim is to increase the successfulness of the company which employs them and as shareholders to increase the value of their investment due to the more efficient operation by the end of the duration.

#### **II. Presentation of the advantages for shareholders relating to the support of SESOP organisations and employee stock ownership acquisitions**

The SESOP structure is a voluntary form of long-term employee shareholding participation, in which the participating employees, along with considering the risks, put their faith in the long-term increase of the share price of the given company compared to the current price.

Several international examples confirm that the share ownership of the employees strengthens their ownership attitude, thus it affects their satisfaction and motivation as well, which has an overall positive effect on the general performance and competitiveness of the company, and at the same time it strengthens the company's ability to retain committed employees.

The European Commission in its 2002 report as well as the European Parliament in its 2018 resolution have urged the need for the strengthening of the efforts for employee participation - including granting tax benefits relating to such participation - on the basis of these considerations among other things.

Most of the large companies operating in Europe already have employee stock ownership programs.

The Directive 2007/36/EC of the European Parliament and Council "On the exercise of certain rights of shareholders in listed companies" emphasizes that the efficient and sustainable involvement of shareholders (including employee shareholders) is one of the cornerstones of corporate governance model, which can assist to the improvement of the financial and non-financial performance of the companies as well as to the promotion of a long-term approach, including the environmental, society and governance factors.

The EU supports employee stock ownership programs with other regulations as well. For instance the Company Directive (2017/1132/EU) states that the stocks that are meant for or acquired by the employees are not subject to the authorization of the general meeting (for the acquisition of own shares) and the ban on financial assistance do not apply to them either, thus facilitating the implementation of employee stock ownership programs.

In 2021, as a new form of long-term employee stock ownership acquisition, a new legal institution has been introduced in the Hungarian legal environment in the form of SESOP, thus acknowledging the benefits of a long-term, committed group of employee shareholders and their positive effects on the performance of companies.

Another indicator of the importance of the institution of SESOP is that the conditions of the Bond Funding for Growth Scheme (BGS) have been modified by the Hungarian National Bank, so that SESOP organizations are also able to participate in it.

The launch and operation of SESOPs are specifically supported by the Hungarian legislation with a favourable tax environment. According to point B) 26. of Annex 3 of the Tao Act *„the amount of any support, benefit, financial contribution provided by the company – recognized in its pre-tax profit for the tax year – to Special Employee Share Ownership Program organization or asset-management foundation managing Special Employee Share Ownership Program organization granted for financing and operating costs and expenses incurred by appropriate exercise of rights, without repayment obligation qualifies as cost, expense incurred in the interest of business activity”.*

### III. Proposal on the support to be granted to SESOP organizations

Under the agenda item “Authorization for the Board of Directors to sell the (own) shares owned by MOL Plc. to the Special Employee Share Ownership Program Organizations to be created by the employees of the MOL Plc.”, the detailed concept of a future, conditional share purchase transaction is going to be introduced in a detailed manner in which – in case of several preconditions – MOL Plc., in the event of a General Meeting decision, would sell MOL “A” series shares to SESOP organizations in the amount of up to HUF 180 billion at a purchase price confirmed by an independent consultant specified in the proposal.

The Board of Directors of the Company takes the view that the sustainable operation of the SESOP organizations, which can be helped by the non-repayable support specified in the Tao. Act, could greatly contribute to the successful operation of the Company given the advantages specified in the proposal. The sustainable operation of SESOP organizations could foster long-time employee commitment and ownership attitude and therefore it would have a positive effect on the successfulness of the Company and the future development of MOL share price.

Based on the provision of the Tao. Act, cited above, it can also be stressed as an advantage that the Company could consider such supports as a factor reducing corporate tax base if other legal conditions are met. According to the stance of the Board of Directors it could also strengthen shareholder interests if SESOP organizations would only be able to receive operating support in years in which shareholders are also eligible for dividend.

In view of the reasons presented above, the Board of Directors proposes to the General Meeting that the Company should grant operating and financing support to the SESOP organizations – in case of their establishment and court registration – based on the arguments set out in the proposal.

Conditions of the support to be provided are as below

1. In the case of those SESOP organizations, the establishment of which has already been initiated by the authorized employees of the Company based on the ECOP Act by the date of this Extraordinary General Meeting, the Company shall assume the establishment costs up to a maximum of HUF 350 million net. This amount may be used to pay for or reimburse any related costs incurred during the establishment, including the costs of establishing a trust fund for the fiduciary management of members' shares in SESOP organizations, including the receipt or reimbursement of a minimum of HUF 10 million net in property benefits to the trust.
2. SESOP organizations and the trust fund for the fiduciary management of members' shares in SESOP organizations, the establishment of which has already been initiated by the Company's eligible employees in accordance with the ESOP Act by the date of this Extraordinary General Meeting, will receive a total of HUF 4.5 billion net in non-refundable support once a year, if – at the value at the time of the acquisition of the shares by the SESOP organizations – HUF 180 billion worth of MOL “A” series ordinary shares become the property of the two SESOP organizations. The amount of support must be reduced proportionately if the value of MOL ordinary shares purchased by the two SESOP organizations is lower.

The support will be granted from the first business year following the court registration of the relevant SESOP organizations until the closing general meeting of that SESOP organization in every business year in which the Company pays dividend to the shareholders.

*Based on the above, the Board of Directors submits to the General Meeting the following resolution proposal:*

**Proposed resolution:**

1. The General Meeting decides that MOL Plc., without the obligation to repay, shall take over the establishment costs up to HUF 350 million net of those Special Employee Share Ownership Program (“SESOP”) Organizations, the establishment of which has already been initiated by the entitled employees of the Company according to the Act XLIV of 1992 on Employee Share Ownership Program (“ESOP Act”) by the date of the present resolution. This amount may be used to pay for or reimburse any related costs incurred during the establishment, including the costs of establishing a trust fund for the fiduciary management of members' shares in SESOP organizations, including the assumption of or the reimbursement of a minimum of HUF 10 million net contribution to the trust.
2. The General Meeting decides that MOL Plc. – under the terms and conditions specified below – shall provide support (“SESOP support”) to cover financing and operating costs and expenditures, once a year, without any repayment obligation, each time all together in the amount of HUF 4.5 billion net for those SESOP Organizations and the trust fund for the fiduciary management of members' shares in SESOP organizations, which were initiated by the employees of MOL Plc. under Article 24/M of ESOP Act until the date of the present General Meeting resolution, in case until the day of the General Meeting approving MOL Plc.'s 2021 financial statements at the latest, MOL “A” series ordinary shares worth HUF 180 billion will be acquired by SESOP organizations at the value calculated upon purchase price.
  - 2.1. The condition for the SESOP Support in the given year is that the Annual General Meeting of MOL Plc. has made decision in the given business year to pay dividend with the approval of the financial statements of the preceding business year.
  - 2.2. The SESOP Support shall be given to the SESOP Organizations from the first business year after their court registration following the adoption of this resolution and shall be given in every business year until the closing general meeting of the SESOP Organizations, in case the condition set forth in point 2.1 is met.
  - 2.3. The deadline for the payment of the SESOP Support is 30 days after the date of the MOL Plc. Annual General Meeting of the given year.
  - 2.4. The SESOP Support shall be paid via bank transfer to the bank account provided by the SESOP organizations.
  - 2.5. In case until the day of the General Meeting approving of MOL 2021 financial statements, SESOP Organizations acquire MOL “A” series ordinary shares worth less than HUF 180 billion calculated upon the purchase price, the amount of SESOP Support shall be decreased proportionately.

The Board of Directors shall responsible for the implementation of the present resolution.

The present Resolution enters into force as of 1 January 2022\*.

\* but earliest on the day of adoption of the Resolution.

### AGENDA ITEM No. 3

#### **Election of the statutory auditor for the 2022 financial year and determination of its remuneration as well as the material elements of its engagement**

After evaluating the audit tender for financial year 2022, the Supervisory Board, with the support of the Audit Committee, proposes to elect auditor, PricewaterhouseCoopers Auditing Ltd.

*Based on the above, the Supervisory Board with the support of the Audit Committee submits to the General Meeting the following resolution proposal:*

**Proposed resolution:**

The General Meeting elects PricewaterhouseCoopers Auditing Ltd.-t (1055 Budapest, Bajcsy-Zsilinszky street 78.) to be the statutory auditor of MOL Plc. for the financial year 2022, from the day following the date of the general meeting approving the 2021 financial statements until the annual general meeting to be held in 2023, but until 30 April 2023 the latest.

The General Meeting determines the remuneration of the auditor for auditing MOL Plc. in the financial year 2022 to be HUF 85 million plus VAT.

The auditor personally responsible appointed by PricewaterhouseCoopers Auditing Ltd. is Zoltán Bárdy (registration number: MKVK-007346), in case of his incapacity he shall be substituted by Árpád Balázs (registration number: MKVK-006931).

In addition to the abovementioned, the General Meeting defines the material elements of the contract with the auditor as follows:

**Scope of the contract:**

Audit of the 2022 parent company and consolidated financial statements of MOL Plc. prepared based on the Hungarian Accounting Act, in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS).

**Billing and settlement:**

In 12 equal monthly installments, invoices are to be submitted by the auditor until the 5th calendar day of the following month and MOL Plc. is obliged to settle them within 30 days upon receipt.

**Term of the contract:**

From the day following the date of the general meeting approving the 2021 financial statements until the date of the annual general meeting closing the financial year 2022, but until 30 April 2023 the latest.

Otherwise the general terms and conditions relating to audit agreements of PricewaterhouseCoopers Auditing Ltd. shall apply.

## AGENDA ITEM No. 4

### **Advisory vote on the amended remuneration policy of the Company prepared under the provisions of Act LXVII of 2019 on Encouraging Long-Term Shareholder Engagement and amendments of further regulations for harmonization purposes**

As per the agenda point 1 and 2 of the extraordinary General Meeting of MOL Plc. summoned for 22 December 2021, and with consideration to the 13 July 2021 modification of the Act XLIV 1992 on Employee Share Ownership Program, the employees of the Company could launch a Special Employee Share Ownership Program ('KMRP / Különleges Munkavállalói Rész tulajdonosi Program) which requires supplementation of the Remuneration Policy of MOL Plc.

Further on, on 18 November 2021 the Board of Directors of MOL Plc. decided by modifying the MOL Plc. Operational and Organizational Rules about changing the executive position title of 'Group Chief Innovation Officer' which, however, brings no change in any remuneration element for the person filling the executive position.

As per the above mentioned, it was needed to apply formal modifications of the Remuneration Policy of MOL Plc. to support the clear applicability of the Policy.

The above described modifications of Remuneration Policy of MOL Plc. shall apply as of 1 December 2021.

Under Section 3:268 (2) of Act V of 2013 on the Civil Code, the general meeting has the exclusive competence of advisory vote on the remuneration policy. The remuneration policy shall be put on the agenda of the next general meeting in the case of significant changes therein.

*Based on the above, the Board of Directors submits to the General Meeting the following resolution proposal:*

#### **Proposed resolution:**

The General Meeting, on the basis of Section 3:268 (2) of Act V of 2013 on the Civil Code, approves the amended Remuneration Policy of MOL Plc. by clarification of Point 2.2. and supplementing Point 6 of Article II, supplementing Point 5 of Article III, modifying Point 1 and 7 and supplementing Point 9 of Article IV, and modifying Point 1.5 in Article V.

**REMUNERATION POLICY OF MOL HUNGARIAN OIL AND GAS PUBLIC  
LIMITED COMPANY**

**PREAMBLE**

The aim of the remuneration rules set in current Remuneration Policy is:

- to develop a set of rules and principles to govern and implement the remuneration of members of bodies of the public shareholding company, in order to provide a clear and comprehensible overview of the remuneration rules that contribute to the business strategy, long-term interest and sustainability of the public shareholding company;
- to provide a comprehensive overview about the components of the remuneration of members of bodies of the public shareholding company and their proportion, based on defined factors and indicators, as well as to maintain transparency and accountability of the members of bodies of the public shareholding company;
- to serve the long-term interests and sustainability of the public shareholding company, in order to ensure its viability on the regulated market;
- to engage and maintain simple access to remuneration rules for the shareholders of the public shareholding company, and that potential investors and stakeholders are properly informed about the remuneration rules of members of company bodies;
- to provide a clear, understandable and structured overview of the set of remuneration rules of the members of company bodies;
- to motivate shareholders in exercising their rights actively on the long term, regarding the remuneration rules;
- to maintain the transparency of the remuneration processes and enhance the relations between the public company and its investors.

Shareholders within their rights are entitled to assess the adequacy of the remuneration rules of members of the bodies of public shareholding company, and to express their opinion about the remuneration rules of members of bodies, their standards, and about the link between remuneration and performance of individual members of the body of a public shareholding company.

MOL Hungarian Oil and Gas Public Limited Company (hereinafter referred to as: 'the **Company**' or '**MOL**' in accordance with **Act LXVII of 2019 on encouragement of long-term shareholder engagement and on amendment of certain acts for the purpose of legal harmonisation** (hereinafter referred to as: the **Remuneration Act**) and in accordance with the above purpose, adopts the following principles and rules of remuneration of the Directors of MOL Plc.



**ARTICLE I****General provisions**

1. The remuneration rules for members of bodies of the public shareholding company MOL Plc. are to lay down the basic principles and conditions of remuneration, including the amount of remuneration and the method of providing compensation to the members of company bodies that according to the relevant provisions of Chapter IV. of the Remuneration Act.
2. Members of bodies shall mean the following in the Remuneration Act and in these remuneration rules (hereinafter referred to collectively also as the “Directors”):
  - Member of the Board of Directors of MOL Plc.
  - Member of the Supervisory Board of MOL Plc.
  - Chief executive officer(s) and if such function exists in MOL Plc., the deputy chief executive officer(s) if they are not members of the Board of Directors or the Supervisory Board of MOL Plc.
3. Unless otherwise explicitly stated in this remuneration policy, a member of the Board of Directors shall mean a member of the Board of Directors of MOL Plc., as well as the Chairman of the Board of Directors of MOL Plc., and also the Vice-Chairman of the Board of Directors of MOL Plc.
4. Unless otherwise explicitly stated in this remuneration policy, a member of the Supervisory Board shall mean a member of the Supervisory Board of MOL Plc., as well as the Chairman of the Supervisory Board of MOL Plc., and also the Vice-Chairman of the Supervisory Board of MOL Plc.
5. According to the provisions of Sections 16-18 of the Remuneration Act, the Company shall lay down remuneration rules and the remuneration policy shall be submitted to the General Meeting of the Company for advisory voting. Further details are set out in the Remuneration Act, Hungarian Civil Code, relevant generally binding legal regulations and internal bylaws of the Company.
6. The aim of MOL Plc.’s remuneration system is to provide competitive remuneration package for the Directors and employees to carry out the company’s strategy, as remuneration plays an important role in supporting the achievement of these goals. Through the design of its incentive schemes, MOL aims to ensure that executive remuneration supports the company’s strategic objectives within a framework that closely aligns the interests of Directors to those of the shareholders.

The key principles of MOL Plc.’s remuneration strategy are followings:

  - Internal fairness in our remuneration plans and levels throughout the Company
  - Labour market competitiveness
  - Pay for company and individual performance that supports MOL Plc.’s short-term objectives and long-term strategy
  - Balanced pay mix of fix and performance related short-term and long-term remuneration elements

**ARTICLE II****Conditions of remuneration of a member of the board of directors****1. Basic Principles**

- 1.1 The Board of Directors is the supreme management body of MOL Plc. which manages the Company's business activity and acts on its behalf. The Board of Directors shall have the power to make all decisions related to managing the Company, excluding those decisions which can only be made exclusively by the General Meeting or other corporate body pursuant to laws or the Articles of Association.
- 1.2. In accordance with these remuneration rules, the remuneration to the members of the Board of Directors of MOL Plc. for the performance of their function as a member of the Board of Directors of MOL Plc. (or for the performance of their function as Chairman of the Board of Directors or as Vice-Chairman of the Board of Directors) and for the performance of their activities for the benefit of the Company is based on engagement relationship in accordance with Section 3:112 of the Civil Code
- 1.3. Entitlement to remuneration or to its proportionate part pertains to a member of the Board of Director from the starting date of their function and ceases on the date of termination of the function, regardless of the nature of the reason of ceasing the mandate.
- 1.4. The remuneration of members of the Board of Directors (including remuneration of the Chairman and the Vice-Chairman of the Board of Directors) consists of fix and share-based components.
- 1.5 The acceptance of the remuneration and its modification falls to the exclusive competency of the General Meeting of MOL Plc.

**2. Fixed component**

- 2.1 The members of the Board of Directors are entitled to the following fixed net remuneration after each Annual General Meeting:
- Members of the Board of Directors 25,000 EUR/year
  - Chairmen of the Committees<sup>1</sup> 31,250 EUR/year
- 2.2 Members of the Board of Directors who are not Hungarian citizens and do not have a permanent address in Hungary are provided with gross 1,500 EUR for each time they travel to Hungary in order to attend Board or Committee meeting (maximum 15 times a year).
- 2.3 The amount of remuneration of the members of the Board of Directors is paid as per internal bylaws managed by the Human Resources organization as process owner.

**3. Share based incentive**

As a variable component, the aim of the share based incentive is to ensure the interest in long-term stock price growth and to maintain motivation related to the dividend payment. To ensure these, a 1-year retention obligation (restraint on alienation) is determined for 2/3 of the shares (the retention obligation terminates at the date of the expiration of the mandate).

The incentive consists of two parts: share allowance and cash allowance related thereto.

**3.1 Share allowance**

Share entitlement:

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<sup>1</sup> Committees in Article II. refer to the Committees of the Board of Directors

- in case of the members of the Board of Directors: 1,200 pieces of series „A” MOL ordinary shares with a nominal value of HUF 125 per month
- in case of the chairman of the Board of Directors: additional 400 pieces of series „A” MOL ordinary shares with a nominal value of HUF 125 per month.

If the Chairman is not a non-executive director, the deputy chairman (who is non-executive) is entitled to this extra remuneration (400 pieces/month).

The share allowance is provided once a year, within 30 days after the Annual General Meeting closing the given business year.

### 3.2 Cash allowance

The incentive based on share allowance is a net incentive, which means that the Company ensures to pay the taxes, contributions and other payables incurred upon acquisition of the shares in line with the relevant and effective laws. Such cash-based coverage of taxes and contributions does not include any further tax(es) or cost(s) incurred in relation to exercising rights attached to the shares or disposal of the shares (e.g. dividend tax, income tax); these shall be borne by the respective members of the Board of Directors.

In line with this, there is a further cash allowance part of the incentive system, the rate of which is the gross value of taxes, contributions and other payables incurred upon acquisition of the shares in line with the relevant and effective laws, including also the tax difference and contributions incurring in the country of tax-residence in case of non-Hungarian members of the Board of Directors.

### 4. The proportional share of individual components

The proportional share of remuneration of the Chairman and member of the Board of Directors for the performance of their function is determined as follows:

Function	Fixed component	Share allowance (+related cash allowance)
Chairman of the Board of Directors (in case of Non-Executive)	12%	88%
Chairman of the Board of Directors (in case of Executive)	15%	85%
Member of the Board of Directors	15%	85%
Member of the Board of Directors and as well Chairman of Committee	18%	82%

*The proportion might be influenced by the number of BoD and Committee meetings and the member's attendance on them, the share price of MOL and the applicable EUR/HUF exchange rate at the date of payment. Actual tax and contribution liabilities might also influence the proportion.*

### 5. Other benefits provided to the members of the Board of Directors

5.1 Personal insurances

5.2 Health and wellbeing benefits

5.3 Tax advisory

5.4 Immigration services

Benefits in 5.1. – 5.2 points might be provided to close relatives of the member of Board of Directors as well.

### 6. Optional long-term share-based self-financed investment scheme

In case Special Employee Share Ownership Program('SESOP') is being set up by initiation of employees and in case the Company provides support for the program, the support is provided along the same rules regarding directors, in case they decide to enter.

**7. Term of membership of Board of Directors and applicable notice periods**

- 7.1. The General Meeting elects the members of the Board of Directors for a maximum term of 5 years.
- 7.2. Cases of cessation of the membership of the Board of Directors are regulated by the provisions of the Civil Code and the Articles of Associations of MOL Plc. In case of revocation of a member of the Board of Directors by the General Meeting, the membership of the Board of Directors ceases in accordance with the respective General Meeting resolution. In case of resignation of a member of the Board of Directors, if so required by any vital interest of the Company the resignation shall only take effect upon the delegation or election of a new member of the Board of Directors or failing this on the sixtieth day after the announcement thereof.

**8. Description of the basic characteristics of the supplementary pension scheme or the rights related to early retirement**

Directors are not entitled to any form of retirement benefit or allowance in connection with early retirement.

**9. Conditions for cessation of the membership of Board of Directors and payments related to cessation**

A member of the Board of Directors is not entitled to any form of financial compensation that may directly or indirectly relate to the cessation of the membership of the Board of Directors, in particular shall not be entitled to severance pay, remuneration or other form of financial performance that may be causally related to cessation of being a member of the Board of Directors.

**10. Description of remuneration of those members of the Board of Directors who are employed in MOL Plc.**

Members of the Board of Directors who are employed in MOL Plc., besides their membership of Board of Directors, are entitled for remuneration regarding their employment relationship which is detailed in Article IV.

**ARTICLE III****Conditions of remuneration of a member of the supervisory board****1. General Provisions**

- 1.1 The Supervisory Board of the Company oversees the performance of the Board of Directors, the execution of the resolutions and decisions of the General Meeting and the Company's business activities.
- 1.2 In accordance with these remuneration rules, remuneration is provided to a member of the Supervisory Board of MOL Plc. for the performance of his function as a member of the Supervisory Board of MOL Plc. (or as a Chairman of the Supervisory Board or a Vice-Chairman of the Supervisory Board) and for the performance of their activities for the benefit of the Company is based on engagement relationship in accordance with Section 3:112 of the Civil Code.
- 1.3 Entitlement to remuneration or to its proportionate part pertains to a member of the Supervisory Board from the starting date of membership and ceases on the date of termination of the membership, to the performance of which the remuneration is linked to, regardless of the nature of the reason of such termination of function.
- 1.4 The structure of remuneration of members of the Supervisory Board (including remuneration of the Chairman) is set out as a single component and consists solely of one fixed component of remuneration for the performance of mandate within the competence of that body of the Company.
- 1.5 The acceptance of the remuneration of the members of Supervisory Board and its modification falls to the exclusive competency of the General Meeting of MOL Plc.

**2. Fixed component of the total remuneration**

- 2.1 The fixed component of the total remuneration of a member of the Supervisory Board is determined per calendar month as follows:

Members of the Supervisory Board receive gross 4,000 EUR/month, while the Chairman receives gross 6,000 EUR/month. In addition to this monthly fee, the Chairman of the Supervisory Board is entitled to receive gross 1,500 EUR for participation in each Board of Directors or Board Committee meeting, up to fifteen (15) times per annum. The Chairman of the Audit Committee is entitled to receive gross 1,500 EUR for participation in each Board Committee meeting, up to fifteen (15) times per annum.

Besides the monthly remuneration both the Chairman of the Supervisory Board and the members are entitled to receive further 1,500 EUR for each extraordinary meeting that is held in addition to the scheduled annual meetings. This remuneration is provided maximum two times a year.

**3. Variable component of the total remuneration**

- 3.1 MOL Plc. does not allow and does not grant any direct or indirect form of variable remuneration to the members of the Supervisory Board.

**4. Description of any allowances and other benefits in any form that may be provided to the members of the Supervisory Board**

- 4.1 Personal insurance
- 4.2 Health and wellbeing benefits
- 4.3 Tax advisory

#### 4.4 Immigration services

Benefits in 4.1 – 4.2 points might be provided to close relatives of the member of Supervisory Board as well.

#### 5. **Optional long-term self-financed share-based investment scheme**

In case Special Employee Share Ownership Program ('SESOP') is being set up by initiation of employees and in case the Company provides support for the program, the support is provided along the same rules regarding directors, in case they decide to enter.

#### 6. **Term of membership of Supervisory Board and applicable notice periods**

6.1. The General Meeting of the company elects the members of the Supervisory Board for a maximum term of 5 years.

6.2. Cases of cessation of the membership of the Supervisory Board are regulated by the provisions of the Civil Code and the Articles of Associations of MOL Plc. In case of revocation of a member of the Supervisory Board by the General Meeting, the membership of the Supervisory Board ceases in accordance with the respective General Meeting resolution. In case of resignation of a member of the Supervisory Board, if so required by any vital interest of the Company, the resignation shall only take effect upon the delegation or election of a new member of the Supervisory Board, or failing this on the sixtieth day after the announcement thereof.

6.3. Employees' representative member of the Supervisory Board who shall be revoked by the General Meeting in accordance with the proposal of the Works Council. Membership of Employees' representative member of the Supervisory Board ceases with the cessation of their employment relationship.

#### 7. **Description of the basic characteristics of the supplementary pension scheme or the rights related to early retirement**

A member of the Supervisory Board is not entitled to any form of retirement benefit or allowance in connection with early retirement.

#### 8. **Conditions for cessation of the membership of Supervisory Board and payments related to cessation**

A member of the Supervisory Board is not entitled to any form of financial compensation that may directly or indirectly relate to the cessation of the membership of the Supervisory Board, in particular shall not be entitled to severance pay, remuneration or other form of financial performance that may be causally related to cessation of being a member of the Supervisory Board.

## ARTICLE IV

### Remuneration of the members of board of directors and chief executive officer employed by MOL Plc. and the deputy chief executive officers

#### 1. Employment conditions

1.1 The following functions shall be named under Article IV (hereinafter referred to collectively also as “Executive Employees”):

- Chairman – Chief Executive Officer (C-CEO)
- Group – Chief Executive Officer (G-CEO)
- Deputy Chief Executive Officer (D-CEO)
- Group – Chief Financial Officer (G-CFO)

1.2 Executive Employees have indefinite term of employee contracts.

1.3 The period of notice applicable in the employment contract of Executive Employees is in accordance with the relevant provisions of the Hungarian Labour Code.

1.4 Besides the applicable notice period, in addition to the severance payment in accordance with legislation, in certain cases of termination specified in their employment contracts, the Executive Employees are entitled to individually defined payments, which shall not exceed 12 months’ full-time equivalent absence fee.

#### 2. Remuneration strategy

2.1 MOL Plc. as a MOL Group company applies the international Total Remuneration Principles when structuring the compensation elements as these provide opportunity to recognize performance and competencies.

2.2 The Total Remuneration Matrix lists the major elements of remuneration structure of MOL Plc.:

### TOTAL REMUNERATION MATRIX

Benefits	<b>Total Remuneration</b>		
Long Term Incentives (LTI)	<b>Total Compensation</b>		
Short Term Incentives (STI)			
Annual Base Salary	<b>Total Cash</b>		

2.3 The Executive Employees’ remuneration mix consists of four key pillars:

- Annual Base Salary (BS): annual amount of the fixed monthly salary
- Short-Term Incentive (STI): annual bonus, based on target achievement
- Long-Term Incentive (LTI): promotes performance driven culture on a longer term and enhances the focus on the top management team to be aligned with the interests of shareholders
- Benefits: Contribute to the employee health and wellbeing to be most effective in their jobs

2.4 Positions are linked to internal grades that are based on HAY levels. These internal grades form the basis of the remuneration structure. The base of the job evaluation is the international HAY methodology.

2.5. The HAY categories of jobs and grade shall be defined by trained HR experts. Three factors are examined during job evaluation: know-how, problem solving and accountability.

2.6 Total Cash ranges are linked to each HAY grade. Pay scale is defined and regularly revised on country level and defines target Total Cash payment for each grade. Base salaries are defined based on this.

### **3. Annual Base Salary**

3.1 Base salary is a fix, monthly payment guaranteed by the employment contract, which reflects the job grade (Hay grade) and the skills and experience level.

3.2 Base salaries are revised on a regular basis, with the strategic aim to remain competitive on the labour market. Base salary increase for the Executive Employees depends on their performance and their comparatio.

### **4. Short Term Incentive system**

4.1 The aim of MOL Group and MOL Plc. short-term incentive scheme is to motivate the participants to achieve annual operative, business and individual performance targets supporting MOL Group and MOL Plc. long-term strategy.

4.2 The short-term incentive framework was designed to include key focus areas in a mix of financial and non-financial KPIs in order to achieve the targets of MOL Group and MOL Plc. The choice of the performance measures reflects a desire from the Corporate Governance and Remuneration Committee to assess the participants based on a broad range of corporate and divisional measures that mirrors the corporate strategy and its related KPIs.

Executive Employees' focus is to deliver the MOL Group level EBITDA (which is also the MOL Group corporate target) and other relevant financial indicators defined annually by Group Financial Planning & Reporting. Other relevant financial targets may contain efficiency, investment and cost-related indicators.

Executive Employees are also accountable for non-financial targets. Sustainable development and safety are high priorities within MOL Group and MOL Plc., which is why the Corporate Governance and Remuneration Committee consistently defines sustainable development & health, safety and environment related performance indicators. Non-financial targets may contain company or divisional level key projects, focusing on people and culture.

4.3 The rate of the short-term bonus is the given ratio of the base salary of the Executive Employees, which is defined by the HAY grade of the given job. The final payment is determined in line with the evaluation of performance of the given manager.

4.4 Executive Employees annual performance is evaluated by the Corporate Governance and Remuneration Committee with final approval of the Board of Directors. Target achievement of financial KPIs is based on the evaluation of the Financial Planning & Reporting organization.

4.5 Final short-term incentive payout is defined by the individual target achievement, multiplied by the corporate factor and divisional factor of Group Finance organization in case of G-CFO.

4.6 Executive Employees have no deferral period or any clawback provision regarding their short-term incentive.

### **5. Short-term share ownership program**

5.1 Executive Employees can select instead of their short-term incentive a share ownership scheme in each year, which will be operated via a legal entity independent from MOL Plc., called MOL Plc. Employee Share Ownership Program Organization which in compliance with the provisions of the so-called Employee Share Ownership Program (Munkavállalói Rész tulajdonosi Program, 'MRP') legislation.

5.2 Program characteristics:

- Joining the program is voluntary.



- The basis of the entitlement is a certain number of shares equal to the short-term incentive entitlement converted to shares with the December average MOL Plc. share price before the target year.
- Final payout is based on the overall performance evaluation, consisting of the Corporate, Divisional and Individual payout rates.
- Further condition for the payment is that the MOL Plc. share price shall be higher at the end of the performance period than it was at the beginning.
- The payment is made in MOL Plc. shares.

## 6. Long Term Incentive

The purpose of the long-term incentive system is to enhance individual performance to enable future growth of MOL Plc. and MOL Group financial performance and improvement of efficiency by taking into account shareholder interests.

The long-term incentive of the Executive Employees are managed and paid out in accordance with personal scope and other conditions either through MRP program in line with the provisions set in internal policies.

MOL Plc. long-term incentive scheme consists of two main elements, with following main characteristics:

### 6.1 Absolute Share Value Based Remuneration

The remuneration can be realized as a difference between a past strike price and a selected spot price. The incentive scheme has the following characteristics:

- It starts annually and covers a 4 or 5-year period. The incentive period can be split into a 1-year individual performance period, and a 3 or 4-year company performance. During the first year of the company performance period the manager cannot access the remuneration. From the third year of the program, the manager can access the remuneration in line with the respective rules.
- The value of the incentive is the difference between the starting price and a selected spot price for each unit of the entitlement.
- The starting price is defined before the performance period begins. The starting price is the average price of MOL Plc. shares weighted with the volume in HUF on the Budapest Stock Exchange in the last quarter of the year before the performance year.
- The selected spot price is the average price of MOL shares in HUF on the Budapest Stock Exchange on the day of redemption. The trading day is freely selected by the Executive Employee however it is limited by applicable insider trading prohibitions.
- The share entitlement is defined based on the position grade, but the final share entitlement is based on the individual performance evaluation during the performance period. During the individual performance evaluation, an individual payout percentage (between 0% and 150%) is set which acts as a multiplier of the share entitlement.
- The payment of the entitlement is in shares or their cash equivalent. The value of the remuneration will be converted to shares based on the 30 days average MOL share price preceding the redemption date. In the case of cash-settlement the remuneration will be paid in the currency requested by the Executive Employee.
- Dividend equivalent: the final remuneration will be corrected with the value of the dividend per share paid for MOL Plc. shares in the vesting period after the performance period, in alignment with the share entitlement. The aim of the correction is to correct the long-term incentive with the change of the share price caused by the dividend payment. The dividend equivalent is paid at redemption.

The final share entitlement is influenced also by the individual payout percentage for the performance period:

Individual Payout %		Share number entitlement for the Absolute Share Based Remuneration
0%	>	x0%
Between 1% and 149%	>	Based on individual bonus payout rate
150%	>	x150%

## 6.2 Relative Market Index Based Remuneration

The program is a 3-year share-based incentive based on MOL Plc. shares relative performance with the following characteristics:

- A new program starts in each year on a rolling scheme with a 3-year vesting period. Payments are due after the 3<sup>rd</sup> year.
- The target is the development of MOL's share price compared to relevant and acknowledged CEE regional and industry specific indices.
- Basis of the evaluation is the average difference in MOL's year-on-year (12 months) share price performance in comparison to the benchmark indices. Comparisons are made on a USD basis. There are defined payout ratios which are based on the measured difference in MOL's share price performance compared to the two indices, noticed in each year. Final payout ratio is determined by the average of the three years' payout ratios over the performance period.
- The expected payout amount is additionally linked to individual short-term performance to establish a link between short-term and long-term performance as well.
- The remuneration is paid in MOL Plc. shares or in a form of cash settlement. In the case of cash-settlement the remuneration will be paid in the currency requested by the Executive Employee.

## 6.3. Performance measures of the long-term incentive plans

6.3.1. The choice of the long-term incentive plans is linked to the share price reflecting the Board of Director's strategic priority on reaching continuous and sustainable value creation. Through its long-term incentive schemes, MOL Plc. prioritizes to provide its shareholders with a return on their investment.

6.3.2. During the selection of the two benchmark indices, relevant regional and industry specific companies were considered to be incorporated to reflect that MOL competes for investors on a regional basis (Central and Eastern Europe) as well as in the global emerging market Oil & Gas sector. By applying these two indices as reference points, it is ensured that MOL Plc.'s incentive system is based on relevant and strategic long-term targets.

## 6.4. Restricted Share Plan (As of 1 January 2021)

The Restricted Share Plan is a share based incentive based on the quantitative/ measurable performance of MOL Group, the individual performance of the manager and the MOL Plc. share price.

Main features of the incentive scheme:

- A new program starts in each year on a rolling scheme with a 3-year performance period. Payments are due 4th year.
- Corporate performance – MOL Group EBITDA performance – is evaluated after the 3-year performance period.
- Individual performance is evaluated after the 3-year performance period.
- The above methodology ensures that both corporate and individual performance is reflected in the final incentive amount.
- Further condition for the payment is that the MOL Plc. share price shall be higher at the end of the performance period than it was at the beginning.
- The payment is made in MOL Plc. shares.

## 7. Proportion of the remuneration elements of the Executive Directors

The proportional share of individual components of remuneration of the Executive Directors are determined as follows:

Position	Annual Base Salary	Short-term incentive	Long-term incentive
C-CEO	27%	27%	46%

G-CEO	30%	30%	41%
D-CEO	37%	31%	32%
G-CFO	34%	29%	37%

*Relative ratios displayed are subject to changes in the remuneration package of the Executive Employees.*

## 8. Benefits

- **8.1. Benefits of the Executive Employees are the following:**

8.1.1. Status car for business and private usage

8.1.2 Personal insurances

8.1.3. Health and wellbeing benefits

Benefits in 8.1.2 – 8.1.3 points might be provided to close relatives of the Executive Employees as well.

### **8.2. Executive Employees with non-Hungarian permanent residency are entitled for the following benefits:**

- Support of housing
- International Health insurance
- Shipment services
- Tax advisory services
- Immigration services
- Home Leave Allowance
- Schooling/Kindergarten/Nursery allowance
- Settling-in Allowance
- Tax Reimbursement Scheme ensures that the employee has to bear solely the Hungarian tax obligations. All other foreign tax liabilities which may arise on the employment income received from MOL Plc. is covered by the company.

Benefits in 8.2 might be provided to close relatives of the Executive Employees as well.

### **8.3. Other cost reimbursements**

Executive Employees are entitled to claim refund for their documented travel expenses, documented accommodation costs, meals, other expenditures that have been lawfully incurred in the performance of their activity or for the purpose of performing tasks for the Company.

## 9. Optional share-based self-financed investment scheme

In case Special Employee Share Ownership Program ('SESOP') is being set up by initiation of employees and in case the Company provides support for the program, the support is provided along the same rules regarding directors, in case they decide to enter.

**ARTICLE V**
**Other essentials of remuneration rules**
**1. Description of the decision-making process applied to approve, review and implement remuneration rules, including measures to prevent and resolve conflicts of interest:**

1.1 With regard to the Executive Employees' remuneration, the Executive Employee concerned shall not be involved in the adoption of the decision which is made pursuant to Article IV. of the present Remuneration Policy. In accordance with the above mentioned, in case of panel decision, if the Executive Employee is a member of the decision-making panel, that Executive Employee shall not cast a vote and (s)he shall be disregarded in such decision making when establishing the quorum.

1.2 These remuneration rules have been developed in accordance with the existing remuneration practice providing remuneration in MOL Plc.

1.3 In accordance with Section 3:268 of the Civil Code, these remuneration rules need to be discussed on the General Meeting of the Company for voting but in case of any major change, but at least in every 4 years.

1.4 The Company is required after any change in the remuneration policy to respect the purpose and objectives of these rules. The full version of the remuneration rules must include also all relevant modifications and explanations thereof and the manner of taking into account the votes and diverging views of shareholders presented at the General Meeting on the approved changes and all remuneration reports from the last vote on remuneration rules at the General Meeting.

1.5 In line with the Remuneration Policy, the remuneration rules, basic principles and conditions for members of bodies of the public shareholding company MOL Plc shall be approved by following bodies:

Functions	Proposal	Decision
Member of Board of Directors	Board of Directors	Annual General Meeting of MOL Plc.
Member of Supervisory Board	Board of Directors	Annual General Meeting of MOL Plc.
Chief Executive Committee (Members of Chief Executive Committee are C-CEO, G-CEO and D-CEO)	In case of Chief Executive Officers: Corporate Governance and Remuneration Committee	Board of Directors
	In case of D-CEO: Corporate Governance and Remuneration Committee	Prior information to Board of Directors and approval of the Manager exercising employer rights
Group Chief Financial Officer	Corporate Governance and Remuneration Committee	Prior approval of Chief Executive Committee and approval of the Manager exercising employer rights

Human Resources as process owner is responsible for preparation of the proposal and for the execution.

1.6. Deviation from the Remuneration Policy is only possible in case of remuneration elements stipulated in Article IV, in extraordinary cases, temporarily, in case it is necessary to maintain long-term interests and sustainable operation of the company. In such case, the Remuneration policy is subject to the approval of the Board of Directors with the prior approval of the Corporate Governance and Remuneration Committee and is submitted by Human Resources. The proposal shall include the detailed description and reason of the change.

**2 Justification for taking into account wage conditions and working conditions of company employees when preparing and drawing up remuneration rules**

2.1 MOL Plc. takes into account employee wage conditions through its consistent Hay grading and pay benchmarks when paying remuneration to Directors regarding all component of remuneration for performance of their functions as Directors.

**ARTICLE VI****Final provisions**

1. The Company is obliged to pay remuneration to the Directors in a transparent manner, in accordance with the approved remuneration rules of MOL Plc.
2. The Company shall publish, without undue delay, the approved remuneration rules on its website, together with the date of General Meeting and the result of the vote of the General Meeting. The Company will provide free access to approved remuneration rules throughout their term of validity.
3. These remuneration rules have been developed in accordance with the Company's business strategy, its long-term objectives and striving for sustainability. The rules are clear and comprehensible, include measures to avoid conflict of interest, and include all mandatory elements as laid down in Section 16-18 of the Remuneration Act.
4. The decision of the General Meeting of the Company is always required to amend, supplement or revoke these remuneration rules, except if the Company's obligation to dispose of the remuneration rules expires ex lege (directly by law).
5. The present amended Remuneration Policy shall take effect from 1 December 2021.
6. The Remuneration Policy and any modifications falls into the responsibility of the General Meeting as laid down in the Section 16-18 of the Remuneration Act.

Done in Budapest, on 30 November 2021.

## AGENDA ITEM No. 5

### Election of member of the Board of Directors

The Board of Directors proposes to the General Meeting to elect - based on the recommendation by the Corporate Governance and Remuneration Committee - dr. György Bacsa as member of the Board of Directors of the Company from the day following the adoption of this resolution for a five-year term.

*(The CV can be found following the resolution proposal.)*

*Based on the above, the Board of Directors submits to the General Meeting the following resolution proposal:*

#### Proposed resolution

The General Meeting elects dr. György Bacsa as member of the Board of Directors from the day following the adoption of this resolution for a five-year term.

#### CURRICULUM VITAE

Mr. Bacsa started his career at MOL Plc. eighteen years ago as a Corporate Legal Counsel. After spending two years in INA d.d., he became the leader of Mergers and Acquisition team after his return. Since 2011 he has been leading MOL Group's major M&A projects including, but not limited to the ENI acquisition in five CEE countries or the Exploration&Production project in Azerbaijan and further business development projects at large scale.

Next to leading this area Mr. Bacsa has extended his scope of responsibilities continuously, by managing MOL Group Strategy, Legal, Corporate Affairs, Corporate Venture Capital, Corporate Centres and Internal Audit area as well.

Since 2013, Mr. Bacsa has been a member of the Board of Directors of the Budapest Stock Exchange, and is also Board and investment committee member of several reputable fund and asset management companies.

He holds degrees in law and economics from Eötvös Loránd University and Corvinus Universities in Budapest, from the University of Heidelberg in Germany and the American Duke University.

Mr. Bacsa is admitted to the New York Bar and to the MKIK Arbitration Register. Mr. Bacsa is Member of the Board of Trustees of the *Foundation for Theater and Film Arts*, *MOL New Europe Foundation* and the *Foundation For Civil Education, Culture And Science*.

In 2021 Mr. Bacsa was awarded with „*Magyar Gazdaságért*” Award.

## AGENDA ITEM No. 6

### Amendment of Article 13.5. of the Articles of Association

Amendment of the Civil Code effective from 1 January 2022 enables that the Articles of Association of the Company may provide that the re-convened general meeting may be reconvened for the same day as the general meeting having no quorum.

*Based on the above, the Board of Directors submits to the General Meeting the following resolution proposal:*

#### Proposed resolution

The General Meeting, with the effect of 1 January 2022 \*, modifies Article 13.5. of the Articles of Association as follows:

*(new wording in bold)*

„13.5. The general meeting has a quorum if shareholders representing more than one third of the shares entitled to vote are present. In determining whether the general meeting has a quorum the restrictions of Articles 10.1 and 10.2 shall be applied so that the voting right beyond the 10% limitation shall be disregarded. If the general meeting does not have a quorum, the reconvened general meeting shall have a quorum for the matters indicated on the original agenda, irrespective of the number of shareholders present. **Such reconvened general meeting may be reconvened for the same day as the general meeting having no quorum, however, the period between the two general meeting cannot be longer than 21 days.**”

\*but earliest on the day of adoption of the Resolution.