

Remuneration Report of Appeninn Plc.

for the 2021 Business Year

The General Meeting of **Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság** (registered office: 1118 Budapest, Kelenhegyi út 43. B. ép. V. em. 1.; company registration number: 01-10-046538; registering court: Fővárosi Törvényszék Cégbírósága (in English: Company Registry Court of Budapest-Capital Regional Court); hereinafter referred to as: the "**Company**"), with view to the provisions of Chapter IV of Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain laws for the purpose of legal harmonisation, following the decision of the General Meeting to give its opinion, on 30 September 2020, adopted the remuneration policy of the Company (hereinafter referred to as: the "**Remuneration Policy**") to be applied starting from the financial year 2021.

Pursuant to the provisions of the aforementioned Act and the Remuneration Policy, the Company is required to prepare an annual remuneration report on the fulfilment of the provisions of the Remuneration Policy (hereinafter referred to as: the "**Report**"), starting from the financial year 2021. The purpose of the Report is to provide a comprehensive overview of the total remuneration awarded or payable to each director in respect of the 2021 financial year and the extent to which the remuneration practices applied in 2021 complied with the Remuneration Policy for that period.

The Board of Directors of the Company submits this Remuneration Report to the General Meeting for an opinion voting.

1. Remuneration of the Directors

The executive body of the Company – in place of the Directorate and the Supervisory Board – is the Board of Directors, acting as a one-tier management system, and consisting of at a minimum of five (5) but not more than nine (9) natural person members. The majority of the members of the Board of Directors must be independent persons as defined in the Hungarian Civil Code, with the exception provided for in the Hungarian Civil Code. In 2021, the Board of Directors of the Company consisted of five members with three independent and two non-independent members of the Board of Directors.

The members of the Board of Directors, with respect to their office, shall be entitled to receive equal amount of the said honoraria, annually approved by the General Meeting of the Company and fixed in advance. Herewith, the Company in respect of the Board of Directors shall not apply performance criteria.

The members of the Board of Directors shall not be entitled to receive any other benefit or premium in addition to the Honoraria, their remuneration shall not include any changing element. The Directors of the Company have not received any remuneration from companies belonging to the companies group comprising of the direct and indirect subsidiaries of the Company as defined in Act C of 2000 on Accounting.

Moreover, the not-independent members of the Board of Directors, in addition to their Honoraria, in accordance with the provisions of this Remuneration Policy, shall be entitled to receive benefits set forth in the employment contract concluded between and by the Company and the employee. The total remuneration of the members of the Board of Directors is in accordance with the Remuneration Policy adopted by the Company's General Meeting, and the Company has only granted the members of the Board of Directors the remuneration elements set out in the Remuneration Policy as presented below. Their remuneration contributes to the long-term performance of the Company as follows:

In accordance with the Remuneration Policy, the Company shall hereby ensure comparable competitive benefits to the position as of the Hungarian workforce for the non-independent members of the Board of Directors.

The principle of the remuneration system of the Company is to provide competitive remuneration for the Directors and employees of the Company in the interest of the implementation related to long-term strategy, with regard to the Company's view on the incentive effect of the remuneration upon realizing the herein set aims. In determining the level of remuneration, the Company takes into account the principles of equal treatment, transparency, proportionality and non-discrimination, as well as the remuneration data of companies of a similar size and competitors in the premium category of BSE, the Company's general remuneration policy, and the expansion and contraction of responsibility levels and the quality of work performed in the areas of responsibility. Upon setting the remuneration system, the Company pays special attention to reasonable benefits adjusted to the proportions of the liability and responsibility performed by the said position. In addition, as a basic condition, the Company is committed to long-term employment concerning the Company's employees upon providing competitive benefits driven by the continuous workforce of the market. In the course of determination of some element of the remuneration in question, the Company shall evaluate the efficiency, the accomplishment, the experience, and the years spent at the Company of the said person regarding each case.

Upon the determination of the value of the remuneration, the Company is seeking to realize remuneration, which is considered to be reasonable, rewarding real performance, promoting implementation of economic aims, and encouraging effective work.

Name	Position	The amount of the honoraria	Basic salary from employment	Premium	Extra-salary benefit	Fixed share	Variable share
Dr. Bihari Tamás	President and Chief Executive Officer	2,400,000	39,000,000	-	420,000	100%	
Dr. Szabó Nóra	Member of the Board of Directors	2,400,000	19,200,000	2,400,000	420,000	90.18%	9.82%

Dr. Hegelsberger Zoltán	Member of the Board of Directors	2,400,000	-	-	-	100%	-
Kertai Zsolt	Member of the Board of Directors	2,400,000	-	-	-	100%	-
Nemes István Róbert	Member of the Board of Directors	2,400,000	-	-	-	100%	-

No shares were offered to the Directors of the Company, and they were not entitled to share options. The remuneration of the Directors of the Company for the financial year 2021 was fully in line with the Remuneration Policy applicable from the financial year 2021.

2. Remuneration of Employees

The Company shall define the wage (basic salary) of the non-executive officers on market base and upon taking competitiveness into account, with that, what is appropriate for workforce acquisition and retain while enforcing the principles of both liability and responsibility, and fairness.

With regard to the employees, the Company shall hereby apply fix and changing components of the benefits as set forth in the relevant rules of the Company. Regarding the changing component related to the remuneration, the Company shall, in particular, set premium, upon fulfilling the defined conditions, and bonus, on the basis of individual assessment, and respectively shall provide the herein for the employees.

3. Miscellaneous information

The Company has not deviated from the provisions of its Remuneration Policy. No circumstance has arisen regarding the recovery of variable remuneration.

As of 8 April 2022 in Budapest

Appeninn Vagyonkezelő Holding
Nyilvánosan Működő Részvénytársaság
Board of Directors