



LIABLE CORPORATE GOVERNANCE REPORT AND DECLARATION

KONZUM NYRT.

26 April 2018



Introduction

KONZUM Nyrt. (1065 Budapest, Révay u. 10. II. emelet, hereinafter referred to as "Company"), has introduced its to the Budapest Stock Exchange (hereinafter referred to as "BSE") on 01 November 1990. On 07 March 2018, the shares were classified as Premium by the 80/2018 resolution of BSE.

Following the introduction of the shares on BSE, the Company puts great emphasis on the development and maintenance of a high level corporate governance system, in line with domestic and international requirements, in particular to comply with the Corporate Governance Recommendations of the BSE effective from 01 December 2012.

The Company during its operation, fully complies with the relevant legal regulations, its organizational structure and operating principles are included in its current Statutes.

Managing bodies

Board of Directors

The Board of Directors is the executive body of the Company. The members of the Board of Directors are the legal representatives of the Company, as chief executive officers. It leads and controls the management of the Company, is entitled to all measures within the frameworks of the Statutes and the resolutions of the General Meeting, which is not reserved solely to the General Meeting. In matters where decision-making is subject to the exclusive competence of the General Meeting under the provisions of the law, the Board of Directors shall propose regarding the General Meeting's decision. The Board of Directors represents the Company opposing third parties, courts and other authorities, is entitled to acquire rights and undertake obligations on behalf of the Company and determines the business activities of the Company.

The Board of Directors shall have at least 3 (three) and up to 7 (seven) members. The members of the Board of Directors are elected from among shareholders or others, for a specified period of time, but not exceeding five (5) years. Its chairman is elected by one-time majority vote from one of its members. The General Meeting may dismiss a member of the Board of Directors at any time.

The Board of Directors holds a meeting when necessary. The meeting of the Board of Directors shall be convened even if the members of the Board of Directors ask the Supervisory Board and the auditor to mark the cause and the purpose in matters which are fundamental concern to the Company. Meetings of the Board of Directors shall be convened by the member asked by the Chairman, in case the Chairman is being prevented from attending.

The Board of Directors has a quorum if more than half of its members are present. All board members shall have one vote. A majority vote of those present is required to make a decision. In the case of a tie, the chairman's vote is the decisive one.

The Board of Directors may also decide by written votes in matters that can be resolved without convening a meeting. Decisions of the Board of Directors shall be made in writing, certified by 2 (two) members.

Members of the Supervisory Board may participate in the Board's meeting with consultation rights.

The tasks of the Board of Directors include, but are not limited to, the following:

- the management of the Share Register;
- making decisions about the investments of the Company within the frameworks defined in the Statutes and the resolutions of the General Meeting, and about contracts not included within the scope of the Chief Executive Officer;
- establishing business plans of the Company;
- annually reporting on the management, the financial position of the Company and its business policy to the General Meeting and every 3 (three) months to the Supervisory Board;
- providing information on the Company's matters, at the request of the shareholders;
- disclosure to the Court of Registration about the changes of the Statutes, about the rights, facts and data, and their changes registered in the Company Register, as well as about any other statutory data;
- establishing, terminating and exercising an employment relationship and employer's rights with the Chief Executive Officer managing the Company's work organization;
- acquisition of own shares based on the decision of the General Meeting;
- reporting to the General Meeting about the liable Corporate Governance Practice followed in the previous financial year, and disclosure of the report to the Company

Members of the Board of Directors:

Gellért Jászai is the Chairman of the Board of Directors from 30 April 2015.

Aladin Ádám Linczényi is a member of the Board of Directors from 26 April 2016.

Beatrix Mészáros is a member of the Board of Directors from 26 April 2017.

Ágnes Homlok-Mészáros is a member of the Board of Directors from 26 April 2017.

Lőrinc Mészáros is a member of the Board of Directors from 26 April 2017.

Supervisory board

The Supervisory Board controls the management of the Company for the purpose of protecting the interests of the owners and the Company. The Supervisory Board may inspect the Company's records, accounting records and registers, request information from chief officers and employees of the Company, examine the Company's payment account, treasury, securities, commodities and contracts, and have these examined with an expert.

The Supervisory Board is obliged to examine the proposals presented to the General Meeting and to present their views regarding these, on the General Meeting.

According to the Accounting Act, the General Meeting of the Company may only decide about the report and the use of after-tax profit only by possessing a written report of the Supervisory Board.

If the Supervisory Board considers that the activities of the Board of Directors are in violation of the law, the Statutes or the General Meeting, or otherwise violates the interests of the

Company or shareholders, it may convene an Extraordinary General Meeting and propose its agenda.

The members of the Supervisory Board participate in the General Meeting with the right of consultation.

The report on Corporate Governance Practices can not be submitted to the General Meeting without the approval of the Supervisory Board.

The Supervisory Board may initiate the audition of the Company's auditor at the meeting of the Supervisory Board.

The Supervisory Board shall have at least 3 (three) and up to 7 (seven) members. Its Chairman is selected by the members, from among themselves. Members of the Supervisory Board are elected by the General Meeting for a specified period of time, but not for more than five (5) years. The Supervisory Board, among others, establishes its own rules of procedure, which is approved by the General Meeting. The Supervisory Board acts as a board and its members are obliged to act personally.

Members of the Supervisory Board for a definite period of time from 26 April 2017 until 30 April 2019:

Dr Orsolya Páricsi, née Dr Egyed
János Tima chairman
Dr Kadosa Adorján Antal

The meeting of the Supervisory Board is convened and chaired by the Chairman. Any member of the Supervisory Board may request - by indicating the reason and purpose - the Chairman to convene a meeting, who shall within eight (8) days from receipt of the request make arrangements about convening a meeting of the Supervisory Board within 30 (thirty) days. If the president fails to fulfill the request, the member himself/herself is entitled to convene a meeting. The Supervisory Board has a quorum if 2/3 of its members, but at least 3 (three) members are present. Decisions are made with open voting, by simple majority vote. In the case of a tie, the chairman's vote is the decisive one.

Audit Committee

There is an Audit Committee of 3-5 (three to five) members assisting the Supervisory Board in supervising the financial reporting system, the selection of the auditor and the cooperation with the auditor. The powers of the Committee are determined by the applicable legislation, the Statutes of the Company, the resolutions of the General Assembly and its Rules of Procedure.

The Audit Committee is elected by the General Meeting from independent members of the Supervisory Board, and is elected for the same duration as the Supervisory Board membership.

Members of the Audit Committee for a definite period of time from 26 April 2017 until 30 April 2019:

Dr Orsolya Páricsi, née Dr Egyed
János Tima Chairman
Dr Kadosa Adorján Antal

Auditor

The Company's audit is carried out by the ESSEL Audit Könyvvizsgáló Korlátolt Felelősségű Társaság (1162 Budapest, Fertály u. 7.). During 2017, in addition to the auditing activity, the Company did not give any other tasks to the auditor, so the requirement of its independence was fully prevailed.

In 2017, the auditor fully complied with the statutory audit regulations and performed the tasks set out in the Statutes, namely carrying out the auditing specified in the Accounting Act, and in this respect have assessed that the Company's accounting report complies with the laws and gives a true and fair view on the financial position of the Company, and on the results of its operation.

The auditor has provided the Audit Committee with a statement of auditorial independence.

Information

As for a publicly operating company listed at stock exchange, the regular and credible disclosure of shareholders and other market participants is essential for ensuring transparency, for the grounded decision-making of the investor and for the judgment of the Company. The Company complies with the regulatory requirements regarding disclosure - in particular the Act CXX of 2001, Act V of 2013 on the Civil Code and the relevant regulations of the code of BSE - thus fulfills its obligation of disclosure.

Presentation of rules related to the exercise of shareholders' rights, the conduct of the General Meeting and disclosure

The main shares of the Company form a series of shares and represent the same shareholder rights. Shares are equal, none of them provide a surplus in exercising the shareholder rights.

The shareholder is entitled to exercise his/her shareholder rights following its registration in the shares register, in accordance with the general business code of KELER Zrt. opposing the Company, with an ownership correspondence or with the certificate of ownership issued by the securities account manager.

The General Meeting may be attended by that shareholder or shareholder representative, who is registered in the Share Register at the latest on the second working day preceding the day of the General Meeting.

At the General Meeting, that person is entitled for exercising the shareholder's rights, whose name - at the closing date (until the 2nd (second) working day before the General Meeting by 18:00) - is included in the Share Register. The transfer of the share prior to the date of the General Meeting does not affect the right of the person registered in the Share Register to attend the General Meeting and to exercise the rights as a shareholder. Members of the Board of Directors and the Supervisory Board and the Auditor cannot be representatives of a shareholder. If the shareholder is represented by several members and they vote or declare differently, the votes or declarations made by them are void.

Every shareholder is entitled to attend the General Meeting, request for information and make a comment.

The shareholder has the right to make a motion, and to vote holding a share with the right to vote. The voting right related to the share is determined by the nominal value of the share.

Regarding the matter of the agenda of the General Meeting, the Board of Directors, at the written request of the shareholder handed in at least eight days before the date of the General Meeting, shall provide the required information to each shareholder at least 3 (three) days before the General Meeting. The Board of Directors may deny the disclosure if it considers that the Company's business secret would be harmed.

The Board of Directors disclosed the essential data of the report of the Supervisory Board under the Accounting Act as well as a summary of proposals and resolutions regarding the matters on the agenda, 21 days before the 2018 Annual General Meeting.

The Board of Directors according to the Accounting Act shall disclose the significant data of the report about the Board of Directors and the Supervisory Board, the summaries of the shares and voting rights at the time of the convocation as well as a summary of proposals and resolutions on the agenda at least 21 (twenty-one) days before the General Meeting.

The Annual General Meeting shall be convened no later than 30th of April of each calendar year.

Obligatory subjects of the ordinary General Meeting:

- report of the Board of Directors on the Company's previous business year
- accepting the report under the Accounting Act, including the decision about the use of the after-tax profit
- the auditor's report
- the report of the Supervisory Board
- the report of the Board of Directors on Corporate Governance Practice

The General Meeting of the Company shall be convened at the time of the agenda of the matters, and shall be kept by the personal appearance of the shareholders and their representatives.

The Board of Directors may convene an Extraordinary General Meeting at any time necessary, especially in matters falling within the competence of the General Meeting, when the urgency of the decision does not allow to wait for the General Meeting.

The General Meeting shall have a quorum if the shareholders representing more than half of the shares are present. If the General Meeting does not have a quorum, the repeated General Meeting shall have a quorum regardless of the number of persons appearing.

If the General Meeting does not have a quorum, the repeated General Meeting shall, in accordance with the Statutes of the Company, have a quorum regardless of the extent of voting rights represented by those present on the original agenda, when the meeting is convened at least 10 (ten) days and not more than 21 (twenty-one) after the original agenda.

The General Meeting, with the exception of resolutions requiring qualified majority, as provided in the Statutes, shall take decisions by the simple majority of the votes of the shareholders.

The function of the Chairman of the General Meeting is provided by the Chairman of the Board of Directors, if he/she is unable to attend, by another member. The Statutes govern the powers of the Meeting and the minority rights in accordance with the Civil Code. The minutes of the General Meeting shall be made in accordance with the Civil Code. The attendance sheet shall be authenticated by the Chairman of the General Meeting and the minutes

manager with signature. The Board of Directors submits to the Court of Registration a certified copy or extract of the General Meeting's minutes, the attendance list and the notice of convening of the General Meeting within thirty days after the end of the General Meeting. Voting takes place by displaying voting papers handed out on the basis of ownership certificates.

If a shareholder is not entitled to vote on a matter in accordance with the laws or the Statutes, the concerned shareholder shall be excluded from the calculation of the quorum when deciding on this matter. When making a decision, a shareholder cannot vote, if he/she is exempted from the obligation or liability by a regulation, or he/she possesses an advantage which is disadvantageous for the Company, or with him/her a decision requires a contract to be concluded or a lawsuit to be initiated.

Shareholders who have made a decision about which they knew or expected to be harming the Company's significant interests, are jointly and severally, completely liable for the resulting loss.

The General Meeting shall be conducted in accordance with the rules of the Statutes published on the Company's website. The resolutions accepted at the General Meeting are published by the Company on its website and on the Stock Exchange's website, and upon its completion, it will also be published in the certified minutes of the General Meeting.

In regards of the insider presence, the Company continues to deem the provisions of the Capital Markets Act as guiding principles.

Regarding the disclosure, the Company shall act in accordance with the provisions of the Exchange Market Regulation and the CMA. Accordingly, the Company has prepared and published a half-yearly report and an annual report in the past year.

The Board of Directors has evaluated the disclosure practice as appropriate.

The Company has fulfilled its obligation to inform the shareholders directly on request, and the shareholders' rights have been assured in accordance with the provisions of the Statutes.

Level of compliance with the Recommendations

The company should indicate whether it applies the relevant recommendation or not, and in the case of a negative answer, it should provide the reasons for not applying the given recommendation.

R Hiba! A hivatkozási forrás nem található.

Yes

The Man

R Hiba! A hivatkozási forrás nem található.

Yes

The com

R Hiba! A hivatkozási forrás nem található.

Yes

The com

R Hiba! A hivatkozási forrás nem található.

Yes

Items on

The proposals included the suggestions of the Supervisory Board and a detailed explanation of the effects of the decision.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

Sharehol

R Hiba! A hivatkozási forrás nem található.

Yes

Commen

Written comments made on the items on the agenda were published two working days prior to the general meeting.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

The elect

R Hiba! A hivatkozási forrás nem található.

Yes

The resp

R Hiba! A hivatkozási forrás nem található.

Yes

The Supervisory Board held meetings regularly, at times designated in advance.

Yes

The rules of procedure of the Managing Body provide for unscheduled meetings and decision-making through electronic communications channels.

Yes

The rules of procedure of the Supervisory Board provide for unscheduled meetings and decision-making through electronic communications channels.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R 2.5.6 The company disclosed on its website the guidelines on the independence of the Board of Directors / Supervisory Board, as well as the criteria applied for assessing independence.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

Transactions which according to **Hiba! A hivatkozási forrás nem található.**, fell outside the normal course of the company's business, and their terms and conditions were approved by the Supervisory Board (Audit Committee).

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

The Managing Body established its guidelines regarding insiders' trading in securities and monitored compliance with those guidelines.

Yes

R Hiba! A hivatkozási forrás nem található.

No (The Supervisory Board decides regarding the remuneration)

The Supervisory Board formed an opinion on the remuneration guidelines.

No (No particular directive)

The guidelines regarding the remuneration for the Managing Body and the Supervisory Board and the changes in those guidelines were approved by the general meeting, as a separate item on the agenda.

No (No particular directive)

R Hiba! A hivatkozási forrás nem található.

Yes

R 2.7.2.1 The Supervisory Board prepared an evaluation of the work it carried out in the given business year.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

The frameworks of benefits due to members of the executive management that do not represent normal practice, and the changes in those benefits were approved by the general meeting as a separate agenda item.

No (Does not fall under the competence of the General Meeting)

R Hiba! A hivatkozási forrás nem található.

No (Such construction does not exist)

Prior to the decision by the general meeting on share-incentive schemes, shareholders received detailed information (at least according to those contained in **Hiba! A hivatkozási forrás nem található.**).

No (Such construction does not exist)

R Hiba! A hivatkozási forrás nem található.

No (Such construction does not exist)

The Remuneration Statement includes information about the remuneration of individual members of the Managing Body, the Supervisory Board, and the executive management.

No (Such construction does not exist)

R Hiba! A hivatkozási forrás nem található.

Yes

The Managing Body requests information on the efficiency of risk management procedures at regular intervals.

Yes

The Managing Body took the necessary steps to identify the major risk areas.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

The system of internal controls established by the executive management guarantees the management of risks affecting the activities of the company, and the achievement of the company's performance and profit targets.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

R Hiba! A hivatkozási forrás nem található.

No (The Company did not establish a particular internal control activity, taking the cost-effectiveness into account)

The Internal Audit reported at least once to the Audit Committee / Supervisory Board on the operation of risk management, internal control mechanisms and corporate governance functions.

No (The Company did not establish a particular internal control activity, taking the cost-effectiveness into account)

R Hiba! A hivatkozási forrás nem található.

No (Particular independent internal control does not exist)

As an organisation, the Internal Audit function is independent from the executive management.

No (Particular independent internal control does not exist)

R Hiba! A hivatkozási forrás nem található.

No (The control plan tasks are approved by the Chief Executive Officer)

R Hiba! A hivatkozási forrás nem található.

No (The Board of Directors submitted a business report for the General Meeting)

The Managing Body developed its procedures regarding the receipt, processing of reports on the operation of internal controls, and the preparation of its own report.

No (The Board of Directors submitted a business report for the General Meeting)

R Hiba! A hivatkozási forrás nem található.

Yes (No significant deficiency experienced)

The Man

R Hiba! A hivatkozási forrás nem található.

No (There was no such commission)

The Man

R Hiba! A hivatkozási forrás nem található.

Yes

The Man

The Managing Body pre-determined in a resolution what circumstances constitute "significant bearing".

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

On its w

R Hiba! A hivatkozási forrás nem található..1

No (There is no Nomination Committee)

On its w

R Hiba! A hivatkozási forrás nem található..2

No (There is no Remuneration Committee)

On its w

R Hiba! A hivatkozási forrás nem található.

Yes

The Aud

R Hiba! A hivatkozási forrás nem található.

No (There was no particular auditor report, only the annual)

The Aud

R Hiba! A hivatkozási forrás nem található.

No (There was no voting)

The Aud

R Hiba! A hivatkozási forrás nem található.

No (Not valid)

There is

R Hiba! A hivatkozási forrás nem található.

No (There is no Nomination Committee)

The Nom

The Nomination Committee reviewed the procedures regarding the election and appointment of members of the executive management.

No (There is no Nomination Committee)

The Nomination Committee evaluated the activity of board and executive management members.

No (There is no Nomination Committee)

The Nomination Committee examined all the proposals regarding the nomination of board members which were submitted by shareholders or the Managing Body.

No (There is no Nomination Committee)

R Hiba! A hivatkozási forrás nem található.

No (Not valid)

There is

R Hiba! A hivatkozási forrás nem található.

No (There is no Remuneration Committee)

The Rem

R Hiba! A hivatkozási forrás nem található.

No (There is no Remuneration Committee)

The remu

The remuneration of the Managing Body was approved by the general meeting based on the recommendation of the Remuneration Committee.

No (There is no Remuneration Committee)

The Remuneration Committee also monitored the share option, cost reimbursement and other benefits in the remuneration system.

No (There is no share option, cost reimbursement and other benefits committee)

R Hiba! A hivatkozási forrás nem található.

No (There is no Remuneration Committee)

The Rem

R Hiba! A hivatkozási forrás nem található..1

No (There is no Remuneration Committee)

The Rem

R 3.4.4.2 The Remuneration Committee reviewed the terms and conditions of contracts concluded with the members of the executive management.

No (There is no Remuneration Committee)

R 3.4.4.3 The Remuneration Committee ascertained whether the company fulfilled its disclosure obligations regarding remuneration issues.

No (There is no Remuneration Committee)

R Hiba! A hivatkozási forrás nem található.

No (There is no Remuneration Committee)

The maj

R Hiba! A hivatkozási forrás nem található.

No (There is no Remuneration and Nomination Committee)

The Man

R Hiba! A hivatkozási forrás nem található.

Yes

The Man

R Hiba! A hivatkozási forrás nem található..1

Yes

The Man

R Hiba! A hivatkozási forrás nem található.

In its dis

No (The Board of Directors did not specify particular disclosure directives, in practice follows the EMR and Stock Exchange regulations)

R Hiba! A hivatkozási forrás nem található.

Yes

The com

R Hiba! A hivatkozási forrás nem található.

No (See section 4.1.1)

The com

The company develops its website taking into consideration disclosure guidelines and the provision of information to investors.

Yes

R Hiba! A hivatkozási forrás nem található.

Yes

The Man

R Hiba! A hivatkozási forrás nem található.

No (No events calendar was made)

The com

R Hiba! A hivatkozási forrás nem található.

Yes

In the an

R Hiba! A hivatkozási forrás nem található.

No (There was no such commission)

In the an

R Hiba! A hivatkozási forrás nem található.

Yes

In the an

R Hiba! A hivatkozási forrás nem található.

Yes

The com

R Hiba! A hivatkozási forrás nem található..1

No (There is no prior criterion system)

The com

R Hiba! A hivatkozási forrás nem található.

No (The proposal regarding the remuneration of the Board of Directors and the Supervisory Board was published in the regulation recommendations)

In the an

R Hiba! A hivatkozási forrás nem található.

No (The risk management is constantly part of the everyday work)

The Man

R Hiba! A hivatkozási forrás nem található.

Yes

In order t

R Hiba! A hivatkozási forrás nem található.

The com

No (The Company proceeds as per the EMR)

The company published in the annual report and on its website ownership in the company's securities held by the members of the Managing Body, the Supervisory Board and the executive management, as well as any interests held in share-incentive schemes.

Yes

R Hiba! A hivatkozási forrás nem található.

In the an

No (There was no such relationship)

Level of compliance with the Suggestions

The company should indicate whether the relevant suggestion of the CGR is applied or not (– Yes / No)

J Hiba! A hivatkoz ási forrás nem találhat ó.	The company has an investor relations department.	Yes
J Hiba! A hivatkoz ási forrás nem találhat ó.	The company published on its website the summary document regarding the conducting of the general meeting and the exercise of shareholders' rights to vote (including voting via proxy)	Yes
J Hiba! A hivatkoz ási forrás nem találhat ó.	The company's articles of association are available on the company's website.	Yes
J Hiba! A hivatkoz ási forrás nem találhat ó.	The company disclosed on its website information according to Hiba! A hivatkozási forrás nem található. (on the record date of corporate events).	Yes
J Hiba! A hivatkoz ási forrás nem találhat ó.	Information and documents according to Hiba! A hivatkozási forrás nem található. regarding general meetings (invitations, proposals, draft resolutions, resolutions, minutes) were published on the company's website.	Yes
J Hiba! A hivatkoz ási forrás nem találhat ó.	The general meeting of the company was held in a way that ensured the greatest possible shareholder participation.	Yes
J Hiba! A	Additions to the agenda were published within 5 days of receipt, in the same manner as the publication of the original invitation for the general meeting.	Yes

**hivatkoz
ási
forrás
nem
találhat
ó.**

J Hiba! The voting procedure applied by the company ensured unambiguous, clear and fast decision-making by shareholders. **Yes**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

JHiba! At the shareholders' request, the company also provided information on the general meeting electronically. **No (There was none)**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

J Hiba! The identity of the chairman of the general meeting was approved by the company's general meeting prior to the discussion of the items on the agenda. **Yes**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

J Hiba! The Managing Body and the Supervisory Board were represented at the general meeting. **Yes**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

J Hiba! The company's articles of association render possible that at the initiation of the chairman of the Managing Body or the shareholders of the company, a third party be invited to the company's general meeting and be granted the right of participation in the discussion of the relevant items on the agenda. **No**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

J Hiba! The company did not prevent shareholders attending the general meeting from exercising their rights to request information, make comments and proposals, and did not set any pre-requisites to do so. **Yes**
A

**hivatkoz
ási
forrás
nem
találhat
ó.**

<p>J Hiba! The company published on its website within three days its answers to those questions which it was unable to answer satisfactorily at the general meeting. Where the company declined to give an answer it published its reasons for doing so.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>No (There was none)</p>
<p>J Hiba! The chairman of the general meeting and the company ensured that in answering the questions raised at the general meeting, national laws and regulations of the Stock Exchange pertaining to disclosure were complied with.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>Yes</p>
<p>J Hiba! The company published a press release and held a press conference on the decisions passed at the general meeting.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>No</p>
<p>J Hiba! The company's general meeting decided on the different amendments of the articles of association in separate resolutions.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>No</p>
<p>J Hiba! The minutes of the general meeting containing the resolutions, the presentation of draft resolutions, as well as the most important questions and answers regarding the draft resolutions were published by the company within 30 days of the general meeting.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>Yes</p>
<p>J Hiba! The dividend was paid within 10 days to those shareholders who had provided all the necessary information and documentation.</p> <p>A</p> <p>hivatkoz ási forrás nem találhat ó.</p>	<p>No (There was none)</p>
<p>J Hiba! The company disclosed its policy regarding anti-takeover devices.</p> <p>A</p> <p>hivatkoz ási forrás nem</p>	<p>No</p>

találhat
ó.

<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The rules of procedure define the composition of the Managing Body and all procedures and protocols for the preparation and holding of meetings, the drafting of resolutions and other related matters.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The rules of procedure and the work schedule of the Supervisory Board gives a detailed description of its operation and duties, as well as procedures and processes which the Supervisory Board followed.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>Board members had access to the proposals of a given meeting at least five days prior to the board meeting.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The rules of procedure regulate the regular or occasional participation at board meetings of persons who are not members of the boards.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The election of the members of the Managing Body took place in a transparent way, information on candidates was made public at least five days prior to the general meeting.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The composition of boards and the number of members complies with the principles specified in Hiba! A hivatkozási forrás nem található.</p>	<p>Yes</p>
<p>J Hiba! A</p>	<p>Newly elected, non-executive board members were able to familiarize themselves with the structure and operations of the company, as well as their duties as board members</p>	<p>Yes</p>

<p>hivatkozási forrás nem található.</p>	<p>through a tailored induction programme.</p>	
<p>J Hiba! A hivatkozási forrás nem található.</p>	<p>The separation of the responsibilities of the Chairman of the Managing Body from those of the Chief Executive Officer has been outlined in the basic documents of the company.</p>	<p>Yes</p>
<p>J Hiba! A hivatkozási forrás nem található.</p>	<p>The company has published a statement about the means it uses to ensure that the Managing Body gives an objective assessment of the executive management's work where the functions of Chairman and CEO are combined.</p>	<p>No</p>
<p>J 2.5.5</p>	<p>The company's Supervisory Board has no member who held a position in the Managing Body or the executive management of the company in the three years prior to his nomination.</p>	<p>No</p>
<p>J Hiba! A hivatkozási forrás nem található.</p>	<p>The development of the remuneration system of the Managing Body, the Supervisory Board and the executive management serves the strategic interests of the company and thereby those of the shareholders.</p>	<p>Yes</p>
<p>J Hiba! A hivatkozási forrás nem található.</p>	<p>In the case of members of the Supervisory Board, the company applies a fixed amount of remuneration and does not apply a remuneration component related to the share price.</p>	<p>Yes</p>
<p>S Hiba! A hivatkozási forrás nem található.</p>	<p>The Managing Body developed its risk management policy and regulations with the cooperation of those executives who are responsible for the design, maintenance and control of risk management procedures and their integration into the company's daily operations.</p>	<p>Yes</p>
<p>J Hiba! A hivatkozási forrás nem található.</p>	<p>When evaluating the system of internal controls, the Managing Body took into consideration the aspects mentioned in Hiba! A hivatkozási forrás nem található.</p>	<p>Yes</p>

ási
forrás
nem
található.

J Hiba! The company's auditor assessed and evaluated the company's risk management systems and the risk management activity of the executive management, and submitted its report on the matter to the Audit Committee / Supervisory Board. Yes
A
hivatkozás
ási
forrás
nem
található.

J Hiba! The rules of procedure of the Managing Body cover the procedure to be followed when employing an external advisor. No
A
hivatkozás
ási
forrás
nem
található.

JHiba! The rules of procedure of the Supervisory Board cover the procedure to be followed when employing an external advisor. No
A
hivatkozás
ási
forrás
nem
található.
ó.1

JHiba! The rules of procedure of the Audit Committee cover the procedure to be followed when employing an external advisor. No
A
hivatkozás
ási
forrás
nem
található.
ó.2

JHiba! The rules of procedure of the Nomination Committee cover the procedure to be followed when employing an external advisor. No (There is no Nomination Committee)
A
hivatkozás
ási
forrás
nem
található.
ó.3

JHiba! The rules of procedure of the Remuneration Committee cover the procedure to be followed when employing an external advisor. No (There is no Remuneration Committee)
A
hivatkozás
ási
forrás
nem
található.
ó.4

<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The Managing Body may invite the company's auditor to participate in those meetings where it debates general meeting agenda items.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The company's Internal Audit function co-operated with the auditor in order to help it successfully carry out the audit.</p>	<p>No (There is no particular independent internal control)</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The chairmen of the Audit Committee regularly inform the Managing Body about the meetings of the committee, and the committee prepared at least one report for the Managing Body and the Supervisory Board in the given business year.</p>	<p>Yes</p>
<p>JHiba! A hivatkoz ási forrás nem találhat ó..1</p>	<p>The chairmen of the Nomination Committee regularly inform the Managing Body about the meetings of the committee, and the committee prepared at least one report for the Managing Body and the Supervisory Board in the given business year.</p>	<p>No (There is no Nomination Committee)</p>
<p>JHiba! A hivatkoz ási forrás nem találhat ó..2</p>	<p>The chairmen of the Remuneration Committee regularly inform the Managing Body about the meetings of the committee, and the committee prepared at least one report for the Managing Body and the Supervisory Board in the given business year.</p>	<p>No (There is no Remuneration Committee)</p>
<p>J Hiba! A hivatkoz ási forrás nem találhat ó.</p>	<p>The company's committees are made up of members who have the capabilities, professional expertise and experience required to perform their duties.</p>	<p>Yes</p>
<p>J Hiba! A hivatkoz ási forrás nem</p>	<p>The rules of procedure of committees operating at the company include those aspects detailed in Hiba! A hivatkozási forrás nem található.</p>	<p>Yes</p>

találhat
ó.

J Hiba! The members of the Audit Committee / Supervisory Board were fully informed about
A the accounting, financial and operational peculiarities of the company.
hivatkoz
ási
forrás
nem
találhat
ó.

Yes

J Hiba! The Nomination Committee prepared at least one evaluation for the chairman of the
A Managing Body on the operation of the Managing Body and the work and suitability of
hivatkoz the members of the Managing Body.
ási
forrás
nem
találhat
ó.

No (There is no Nomination
Committee)

J Hiba! The majority of the members of the Nomination Committee are independent.
A
hivatkoz
ási
forrás
nem
találhat
ó.

No (There is no Nomination
Committee)

J Hiba! The rules of procedure of the Nomination Committee includes those details contained in
A **Hiba! A hivatkozási forrás nem található.**
hivatkoz
ási
forrás
nem
találhat
ó.

No (There is no Nomination
Committee)

J Hiba! The Remuneration Committee prepared the Remuneration Statement.
A
hivatkoz
ási
forrás
nem
találhat
ó.

No (There is no Remuneration
Committee)

J Hiba! The Remuneration Committee exclusively consists of non-executive members of the
A Managing Body.
hivatkoz
ási
forrás
nem
találhat
ó.

No (There is no Remuneration
Committee)

J Hiba! The disclosure guidelines of the company at least extend to those details contained in
A **Hiba! A hivatkozási forrás nem található.**

No

**hivatkoz
ási
forrás
nem
találhat
ó.**

The Managing Body informed shareholders in the annual report on the findings of the investigation into the efficiency of disclosure procedures.

Yes

**J Hiba!
A
hivatkoz
ási
forrás
nem
találhat
ó.**

The company's financial reports followed IFRS guidelines.

Yes

**J Hiba!
A
hivatkoz
ási
forrás
nem
találhat
ó.**

The company also prepares and releases its disclosures in English.

No

Board of Directors of **KONZUM**

Investment and Asset Management

Public Limited Company

