



Supplement to the Announcement for the General Meeting of RÁBA Plc.

RÁBA Automotive Holding Plc. hereby informs its honoured shareholders that in accordance with 3:259 § of Act V of 2013 (Ptk – Civil Code) and with the provisions of section 16.5 of the Articles of Association of RÁBA Plc., **Hungarian Defence Industry Innovation Ltd. (“NVII Zrt.”)**, the majority owner of the Company and **T-Invest 91’ Kft, a shareholder holding more than 1 per cent of the votes in the Company** have submitted a shareholder’s motion **proposing to the Board of Directors to supplement the agenda of the general meeting of shareholders of the Company to be held on September 30, 2021, and proposed draft resolutions as well as**, as follow.

1. SHAREHOLDER’S MOTION SUBMITTED BY NVII ZRT., THE MAJORITY OWNER OF THE COMPANY:

Proposal for Agenda item: Modification of the remuneration of the Members of the Board of Directors and the Members of the Supervisory Board

The reason for the request for putting these items on the agenda: NVII Zrt. as the exerciser of ownership rights considers appropriate the modification of the remuneration regarding to the Company’ growing role in the defence industry and the increasing tasks and responsibility of the Board Members and Supervisory Board Members

Modification of the remuneration of the Members of the Board of Directors and the Members of the Supervisory Board

NVII Zrt. as the exerciser of ownership rights considers appropriate the modification of the remuneration regarding to the Company’ growing role in the defence industry and the increasing tasks and responsibility of the Board of Directors’ Members and the Supervisory Board Members: the Chairman of the Board of Directors is to receive HUF 900,000, the Members of the Board of Directors are to receive HUF 700,000, the Chairman of the Supervisory Board is to receive HUF 700,000 and the Members of the Supervisory Board are to receive HUF 500,000 monthly remuneration.

Draft resolution:

Corresponding to the shareholder’s motion the General Meeting approves the modification of the monthly remuneration of the Board of Directors’ Members and the Supervisory Board Members as follows:

Chairman of the Board of Directors: HUF 900,000
Member of the Board of Directors: HUF 700,000
Chairman of the Supervisory Board: HUF 700,000
Member of the Supervisory Board: HUF 500,000

Election of the members of the Board of Directors

Draft resolutions:

The General Meeting elects Mr. László Jakab as a member of the Board of Directors for the definite period as of September 30, 2021 until May 19, 2026. The remuneration for this membership will be set according to the GM resolution of Rába Plc.

The General Meeting elects Dr. Károly Szász as a member of the Board of Directors for the definite period as of September 30, 2021 until May 19, 2026. The remuneration for this membership will be set according to the GM resolution of Rába Plc.



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Amendment of the Articles of Association

Submission

Present wording	Amendment of the Articles of Association
<p>4. The majority owner of the company is the Hungarian State, the totality of the ownership rights and obligations of the Hungarian State over the state assets is exercised by the Hungarian State Holding Co. Ltd. (Registration No.: Cg.01-10-045784, seat: 1133 Budapest, Pozsonyi út 56.).</p>	<p>4. The majority owner of the company is the Hungarian State, the totality of the ownership rights and obligations of the Hungarian State over the state assets is exercised by the Hungarian Defence Industry Innovation Ltd (Registration No. Cg. 01-10-141325, seat: 1133 Budapest, Pozsonyi út 56.).</p>
<p>8.10. The agreement concluded between the Company and the Hungarian National Asset Management Inc. shall be deposited among the corporate documents at the Court of Registration within 30 days following the signing of the agreement, with the exception of agreements between the company and the shareholder within the sphere of activities of the company, of the usual order stipulated by the Articles of Association and if it involves a breach of bank secrets. An agreement is of the usual order if the contract value remains under 30% of the registered capital.</p>	<p>8.10. The agreement concluded between the Company and the Hungarian Defence Industry Innovation Ltd. shall be deposited among the corporate documents at the Court of Registration within 30 days following the signing of the agreement, with the exception of agreements between the company and the shareholder within the sphere of activities of the company, of the usual order stipulated by the Articles of Association and if it involves a breach of bank secrets. An agreement is of the usual order if the contract value remains under 30% of the registered capital.</p>
<p>13. General Meeting of Shareholders (w) resolution about the establishment and amendment of the remuneration rules, which shall be deposited among the corporate documents within thirty days of the relevant decision;</p>	<p>13. General Meeting of Shareholders (w) resolution about the establishment and amendment of the remuneration rules and policy, which shall be deposited among the corporate documents within thirty days of the relevant decision;</p>
<p>14. Annual General Meeting of Shareholders The agenda of the Annual General Meeting shall contain at least the following matters: (b) Company's financial statements drawn up as per the Act on Accounting, proposal of the Board of Directors for the approval of the consolidated and the individual balance sheet and motion for the allocation of the net results, as well as proposal for the corporate governance report;</p> <p>(e)election of the auditor in the event that his mandate expires on the date of the Annual General Meeting.</p>	<p>14. Annual General Meeting of Shareholders The agenda of the Annual General Meeting shall contain at least the following matters: (b) Company's financial statements drawn up as per the Act on Accounting, proposal of the Board of Directors for the approval of the consolidated and the individual balance sheet and motion for the allocation of the net results, the proposal for the corporate governance report as well as the declaration on operating of internal control system (e) submission of the Remuneration report for an advisory vote (f) election of the auditor in the event that his mandate expires on the date of the Annual General Meeting.</p>
<p>17.10. In the event that the General Meeting of Shareholders wishes to make a decision regarding the delisting of the shares, a decision</p>	<p>17.10. In the event that the General Meeting of Shareholders wishes to make a decision regarding the delisting of the shares, a decision</p>



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<p>resulting in the delisting can only be adopted if any investor(s) commit in advance, that they will make a purchase offer related to the delisting in accordance with the Rules of the BSE for Listing and Continued Trading.</p>	<p>resulting in the delisting can only be adopted if any investor(s) commit in advance, that they will make a purchase offer related to the delisting in accordance with the General Terms of Service of the Budapest Stock Exchange Ltd.</p>
<p>21. Competence and tasks of the Board of Directors 21.1. The Board of Directors is the executive organ of the Company. The Board of Directors shall (y) appoints the Chief Executive Officer, and, in relation to the Chief Executive Officer, i.e. the Chief as per the Section (1) of the Paragraph 208 of the Labour Code, provided that the Chief is an employee of the Company, and the Chief's No. 1. deputy (deputies) as per Section (1) of Paragraph 208 of the Labour Code, and the employee(s) under the Section (2) of Paragraph 208, exercises fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay), establishes the performance requirements and the related benefits (performance-based wages or other benefits); (z) the Board of Directors exercises other employer's rights (especially vacation, foreign visit permits), in relation to the Chief Executive Officer, provided that he is an employee of the Company (aa) decide about the alienation of treasury shares of less than HUF 400 million</p>	<p>21. Competence and tasks of the Board of Directors 21.1. The Board of Directors is the executive organ of the Company. The Board of Directors shall (y) appoints the Chief Executive Officer, and, in relation to the Chief Executive Officer, i.e. the Chief as per the Section (1) of the Paragraph 208 of the Labour Code, provided that the Chief is an employee of the Company exercises fundamental employer's rights (establishing, terminating employment relations, amendment of employment contracts, establishment of remuneration, severance pay), establishes the performance requirements and the related benefits (performance-based wages or other benefits) and the other employer's rights (especially vacation, foreign visit permits); (z) decide about the alienation of treasury shares of less than HUF 400 million</p>
<p>22. Chief Executive Officer 22.1. The Board of Directors exercises other employer's rights (especially vacation, foreign visit permits), in relation to the Chief Executive Officer.</p>	<p>22. Chief Executive Officer 22.1. The Board of Directors exercises the employer's rights in relation to the Chief Executive Officer.</p>

Draft resolutions:

Corresponding to the shareholder's motion the General Meeting approves the amendment of the Articles of Association.

The General Meeting requests the Chief Executive Officer of the Company to take care of incorporating the amendments, adopted by the resolution into a consolidated form of Articles of Association of Rába Plc. and also take care of filing the same with the Court of Registration



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Amendment of the Remuneration rules and policy

Submission: according to Annex

Draft resolution:

The Remuneration rules and policy has been rescinded by the General Meeting and corresponding to the submission the General Meeting approves the new Remuneration rules and policy. The General Meeting requests the Chief Executive Officer of the Company to take care of filing the Remuneration rules and policy with the Court of Registration within 30 days of its approval pursuant to the Section 5 (3) of the Act CXXII of 2009 on the Economical Operation of Public Business Organisations.

2. SHAREHOLDER'S MOTION SUBMITTED BY THE SHAREHOLDER **T-INVEST 91' KFT**, HOLDING MORE THAN 1 PER CENT OF THE VOTES IN THE COMPANY:

Agenda item proposal: **Authorisation of the Board of Directors to acquire treasury shares**

Draft resolution

The General Meeting authorises the Board of Directors to acquire 216,155 pieces of treasury shares, which are registered ordinary shares with a face value of HUF 1,000 each, within stock exchange transactions from the Company's assets above the registered capital in accordance with the provisions of 3:222 and 3:223 § of Act V of 2013 on the Civil Code, for the purpose of share price maintenance and/or in order to provide the number of shares necessary to implement the Company's strategic objectives. Treasury shares can be acquired within 18 months of the date when this resolution is adopted. The minimum purchase price payable for the treasury shares is the average stock-exchange price weighted with the turnover of the five trading days preceding the date of the acquisition –10%, whereas the maximum purchase price payable for the shares is the average stock-exchange price weighted with the turnover of the five trading days preceding the date of the acquisition +10%.

Reason: Resolution No. 6/2015.04.16. expired, its extension is reasonable.

The shares of the Company are undervalued, therefore the purchase of treasury shares creates substantial value for the shareholders. The authorisation at the same time is a means for the Board of Directors of the Company to maintain share prices. Maintaining share prices and increasing liquidity exert a positive effect on how the Company is perceived in general.

Agenda item proposal: **The Company's dividend policy**

Draft resolution

The General Meeting requests the Board of Directors of the Company to make a proposal (by the time the upcoming sales target is set, the latest) in accordance with the current dividend policy, for the distribution among the shareholders, as dividend, of the proceeds resulting from the sale of the real estate lot Városrét to be sold.

Reason: According to the current dividend policy, "In the event of substantial proceeds resulting from the real assets that can be sold, case-by-case decisions are needed." In view of the sale transactions in progress, we recommend that these assets be distributed in part or in total among the shareholders in the form of dividend."

Based on the shareholders' motion to supplement the agenda, the Board of Directors of RÁBA Plc. herewith supplements and modifies its announcement for the invitation to the Company's Extraordinary General Meeting initiated by NVII Zrt., the majority owner of the Company, published on August 30, 2021 with the following agenda items:

- 1. Modification of the remuneration of the Members of the Board of Directors and the Members of the Supervisory Board**
- 2. Election of the members of the Board of Directors**



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- 3. Amendment of the Articles of Association**
- 4. Amendment of the Remuneration rules and policy**
- 5. Authorisation of the Board of Directors to acquire treasury shares**
- 6. The Company's dividend policy**

Győr, September 9, 2021

Board of Directors of RÁBA Plc.

RÁBA Automotive Holding Plc.

Remuneration rules and policy

2021.

Approved by the RÁBA Plc's resolution of General Meeting

Pursuant to Act CXXII of 2009 on the Economical Operation of Public Business Organisations (hereinafter the Economical Act) and Act LXVII of 2019 on Encouraging Long-Term Shareholder Engagement and amendments of further regulations for harmonization purposes (hereinafter the SRD Act) Rába Plc., (hereinafter the Company) adopted the following Remuneration rules and policy (hereinafter Policy).

GENERAL PROVISIONS

1. The Remuneration rules and policy aims to contribute to the business strategy, long-term interests and sustainability of the Company by the determination of the remuneration rules and principles and by the inspiration of the persons concerned.
2. As used in the present Policy:
 - a) *Employee in executive position (Executive)*: Employees of the Company in chief executive positions or those considered chief executive employees as per Subsection (1) of Section 208 of Act I of 2012 on the Labour Code (hereinafter: Labour Code), and respectively employees within the scope of regulations on employees in executive positions as per Subsection (2) of Section 208 of the Labour Code;
 - b) *Director*: persons or members of a body entitled to make decisions regarding the management of the Company that do not fall under the competence of the members or founders of the Company and are thus members of the Board of Directors of the Company;
 - c) *Member of the Supervisory Board*: the chairman and members of the Company's Supervisory Board;
 - d) *Officer*: persons in positions as described in sections b) and c) above.
3. The Company shall remunerate the Executives and Officers only upon the Policy approved by the General Meeting of the Company.

After the General Meeting's decision the Policy is published together with the date and result of the voting and made available continuously during the period of its validity.

Pursuant to Section 3:268 of the Civil Code, the Company shall put the Policy to the agenda of the General Meeting in case a significant change thereof, but at least every four years.

4. Pursuant to Subsection (4) of Section 5 of the Economical Act, the provisions of the present Policy cannot be derogated in a regular form.

SCOPE OF THE POLICY

5. The personal scope of the Policy encompasses executives, directors and Supervisory Board members of the Company.
6. The scope of this Policy covers, in terms of employees in executive position, directors and supervisory board members of the Company:
 - a) The method, principles of the extent and system of the remuneration,
 - b) The method, principles of the extent and system of the payments due in the event of termination of the legal relationship,
 - c) Agreements (non-compete agreements) concluded pursuant to Section 228 and Subsections (3)-(4) of Section 207 of the Labour Code.

REMUNERATION PRINCIPLES AND RULES PERTAINING TO THE EXECUTIVES

7. Main pillars of the remuneration of the Executive

7.1. Base salary

It is a fix, monthly payment guaranteed by the employment contract, whose volume influenced by the job, the functions and the skills and experiences of the Executive. The base salary is revised on a regular basis, with the aim to remain competitive on the labour market.

7.2. Annual Bonus

A performance requirement and the related bonus or other benefits can be determined for the executive in employment relation with the Company, by the person or entity exercising employer's rights.

A bonus scheme promoting the successful implementation of the Company's business policy, economic and strategic objectives for the given year and incentivising efficient operation shall be enforced for Executive.

Performance requirements shall be determined in such a way that they shall be attainable through objectively defined performance based on discharging one's duties with the expected expertise and care.

Performance requirements and conditions shall, to the extent possible, be determined simultaneously with the adoption of the business plan for the current year, or within 30 days thereafter or afterwards, in especially justified cases. The target set shall specify especially the combined maximum amount of the bonus, the tasks to be performed, performance requirements, the portion of the bonus linked to them, as well as the deadline for delivery, the possibility or prohibition of advance payment and the name of the organ or person entitled to perform evaluation and payment.

7.3. Cost reimbursements and other benefits

The Executive may be entitled to the following, as a standard part of the employment contract:

- a) Based on the provisions of the individual employment contract, the Executive has the right to use for both official and private purposes a vehicle owned or leased or otherwise operated by the Company, in accordance with the provisions of the Company's internal vehicle use regulations and of the tax regulations in force.
- b) To use his own passenger vehicle for official purposes as well, pursuant to the provisions of his individual employment contract, in which case he is entitled to cost reimbursement as per the relevant regulations, based on the mileage record to the extent established by the employer in relation to his job, in terms of km/months.
- c) To use a mobile telephone, laptop and other info communication tools (e.g. tablet), owned, rented or leased by the Company, with the parameters established by the Company, and to have the related expenses reimbursed.
- d) In the case of the Executive, to use services defined by the Company's internal regulations for missions in the case of official domestic missions or missions abroad (exclusively to service(s) related to official, business travels as set forth in Paragraph a) of Subsection (1) of Section 70 of Act CXVII of 1995 on personal income tax (hereinafter: PIT).
- e) To the extent and in accordance with the rules applicable to non-executive employees, the executive may be entitled to extra payments and other welfare and social benefits as regulated by the PIT in effect.

7.4. In consideration of the provisions of Subsections 81) and (3) of Section 209 of the Labour Code, the provisions of the collective bargaining agreement do not apply to the executive. Accordingly, the employment contract of the executive cannot contain provisions, according to which the executive "is entitled to welfare and social benefits as per the collective bargaining agreement".

8. Benefits due for the executive based on the employment contract in the event of termination of employment

8.1. In the case of fix-term employment, the Executive is entitled to benefits as per the general rules of the Labour Code, digressions from these provisions benefiting the employee are not permitted.

8.2. In the event of termination of an indefinite employment, in terms of the notice period and the severance pay, the Executive shall be governed by the Labour Code and other related regulations, as well as by the provisions of this Policy.

8.3. The termination of the employment of the Executive shall otherwise be governed by the provisions of the Labour Code.

9. Non-compete agreements

Non-compete agreements can be concluded with employees in executive position as per Section 208 of the Labour Code, with the consent of the person or entity exercising employer's rights, for a maximum term of one year.

The person or entity exercising employer's rights can determine the job for which non-compete agreements can be concluded and can set further conditions.

The consideration for the term of the agreement, as per the non-compete agreement cannot exceed 50% of the absence fee due for the same period.

REMUNERATION PRINCIPLES AND RULES PERTAINING TO THE OFFICERS

10. Main pillars of the remuneration of the Officers

10.1. Honorarium

The remuneration of the Officers shall be determined in such a way that its amount should be commensurate with the extent of responsibility, the economic capabilities of the Company and should be proportionate with the work done by the director and be in line with the social prestige of the position and with the position of the Company in the business sector.

The election, recall of the Chairman and the Members of the Board of Directors, the Chairman and the Members of the Supervisory Board and the Members of the Audit Committee and the establishment of their remuneration fall under the exclusive competence of the General Meeting.

The remuneration of the Officers, due for this legal relation of theirs cannot exceed the amount set forth in the Economical Act.

The Officers are not entitled to receive compensation if their appointment is terminated.

Entitlement to remuneration or to its proportionate part pertains to the Officers 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.

In the event of liquidation of the Company, the amount of the earlier remuneration of the members of the Supervisory Board can be reduced by the general meeting of the Company, effective the start date of the liquidation. In the event of the Company's liquidation, the Officers not entitled to receive remuneration.

10.2. Cost reimbursements and other benefits

The Company reimburses the justified and documented non-personnel costs incurred directly during the exercise of its duties, i.e. the costs of the participation in the meetings or the travel, accommodation, communication and meal costs incurred specifically in the interest of the Company for other purposes.

The Officers are entitled to receive additional benefits besides the Officers' cost reimbursement mentioned above and the monthly honorarium determined by the general meeting, only with the specific approval of the general meeting.

CLOSING PROVISIONS

11. This Policy enters into force on the day when it is approved by the general meeting of shareholders of the Company, its provisions are applicable from the day when it enters into force. This Policy shall be valid until it is repealed. On the day this Policy enters into force, it shall supersede the earlier Remuneration rules and policy issued for the Company.

This Policy does not prejudice the provisions of contracts concluded before the first remuneration regulation introduced on 23 July 2013 entered into force in the Company, in accordance with the ban on the application of retroactive effect and the requirements for the two-sidedness of contracts. Should there be a discrepancy between the provisions of this Policy and those of the contracts

concluded before the remuneration regulation of 23 July 2013 entered into force, the provisions set forth in the employment contract shall be applied.

Győr, 2021