

**MKB BANK NYRT.**  
**RULES OF PROCEDURE OF THE SUPERVISORY BOARD**

These rules of procedure (**'Rules of Procedure'**) of the Supervisory Board (**'Supervisory Board'**) of **MKB Bank Nyrt.** (registered office: 1056 Budapest, Váci u. 38.) (**the 'Company'**) were adopted by the Supervisory Board by Resolution \_\_\_/2021. (\_\_\_\_. \_\_\_\_.) of the Supervisory Board, which is the main body of the Company, approved by resolution \_\_\_/2021. (\_\_\_\_. \_\_\_\_.).

**1. ORGANISATION OF THE SUPERVISORY BOARD:**

- 1.1 The Supervisory Board shall control the management of the Company in order to protect the interests of the Company. The powers, tasks and rules of operation of the Supervisory Board are defined by Act V of 2013 on the Civil Code (**'Civil Code'**), Act CCXXXVII of 2013 on Credit institutions and Financial Enterprises (**Hpt.**) and the Articles of Association of MKB Bank Zrt, (**'Articles of Association'**) as well as the relevant legal regulations. Based on the authorisation of the Civil Code and the Articles of Association, the Supervisory Board creates its own Rules of Procedure, which is approved by the Company's General Meeting (**'General Meeting'**).
- 1.2 The Supervisory Board is comprised of at least three (3), at most nine (9) natural person members (**'Supervisory Board Member'**). The chairman of the Supervisory Board (**'Chairman'**) is elected by the Company's main body. The Supervisory Board may elect a deputy chairman (**'Deputy Chairman'**) from among its members by the resolution of all Supervisory Board members by a simple majority.
- 1.3 The members of the Supervisory Board are elected by the General Meeting for a definite term of maximum five (5) years. The Supervisory Board Members cannot be employed by the Company, with the exception of the individuals representing the employees.
- 1.4 Should the conditions of employee participation stipulated in the Civil Code exist, one third of the Supervisory Board Members are representatives of the employees nominated by the Works Council, considering the opinions of the trade unions active at the Company. The General Meeting shall elect the employees designated by the Works Council as Supervisory Board Members, unless there is a statutory ground for exclusion against the candidates. If such members are not nominated, the positions of employees' representatives shall remain vacant. The employees' delegates have the same rights and obligations as other members of the Supervisory Board.
- 1.5 A nominee shall become a Supervisory Board member without concluding a contract to that effect, by signing a declaration of acceptance. The legal relationship of Supervisory Board membership shall be governed by the rules applicable to service agreements. The members may be re-elected and recalled by the General Meeting at any time, without providing any justification for the decision. If appointed, the employee delegate or delegates may be recalled by the General Meeting upon a proposal of the Works Council.
- 1.6 The election of the Supervisory Board Members and the chairman requires the permission of Magyar Nemzeti Bank. The election of the Supervisory Board Members and the recall of the Supervisory Members take place pursuant to the provisions of legal regulations and the provisions of the Articles of Association.

- 1.7 The Supervisory Board Member shall notify the Supervisory Board immediately if there is or will be a reason for exclusion, restriction or conflict of interest under the Civil Code or the Act on Credit Institutions and Financial Enterprises. In order to establish conflict of interests, the Supervisory Board Members shall inform the Supervisory Board on any legal relationship resulting in conflict of interests. The individual elected as a Supervisory Board Member shall inform in writing the companies in which they are already a member of the Supervisory Board within 15 (fifteen) days from the acceptance of their position. If someone becomes an executive officer or Supervisory Board Member of another business organisation during their Supervisory Board membership at the Company, they shall indicate it to the Chairman within 15 (fifteen) days from accepting this position, even if the business organisation is a member of the Hungarian Bankholding Group. If the Chairman detects conflict of interests with respect to the position, they shall immediately call the member affected to terminate it. If the member affected fails to satisfy the call within 30 (thirty) days, the Chairman shall notify the Board of Directors of this fact.
- 1.8 The independent members of the Board of Directors shall inform the Board of Directors and the Supervisory Board if their independence under Section 3:287 of the Civil Code does not exist any longer.
- 1.9 The Supervisory Board Members shall participate in the work of the Supervisory Board in person.
- 1.10 Membership in the Supervisory Board is terminated upon:
- a) expiry of the term of mandate;
  - b) recall;
  - c) via a declaration of resignation addressed to the chair or a member of the Board of Directors,
  - d) arising of any statutory grounds for disqualification, for conflict of interest or in other cases specified by law;
  - e) the death of the Supervisory Board member.
- 1.11 The Supervisory Board membership of a person delegated by employees ends when his/her employment terminates for any reason.
- 1.12 A Supervisory Board Member may resign at any time by a statement addressed to the Chairman or member of the Board of Directors. If the Company's operability so requires, thus especially if the actual number of Supervisory Board Members would decline to below 3 (three) individuals, the resignation takes effect when the new Supervisory Board member is elected, failing which it takes effect no later than on the sixtieth (60th) day from the announcement of the resignation. Until the resignation takes effect, the Supervisory Board Member is obliged to participate in making unpostponable decisions and taking such actions.

## **2. TASKS AND COMPETENCE OF THE SUPERVISORY BOARD**

- 2.1 The Supervisory Board shall control the management of the Company in order to protect the interests of the Company, in the framework of which it may acquire information on the Company's matters and may request data on the Company's operation. As part of this task, the

Supervisory Board may request reports or information from members of the Board of Directors and the executive officers of the Company. The requested reports and information must be sent to the chair of the Supervisory Board in writing, within thirty (30) working days from the request.

- 2.2 The Supervisory Board is entitled to make decisions in issues which are referred to the competence of the Supervisory Board by the Civil Code, the Act on Credit Institutions and Financial Enterprises or the Articles of Association.

### **3. MEETINGS AND DECISION-MAKING OF THE SUPERVISORY BOARD**

- 3.1 The Supervisory Board establishes its own Rules of Procedure. The approval of the General Meeting is required for the effect and validity of the Rules of Procedure.

- 3.2 The Chairman calls and chairs the meetings (**'Meeting'**) of the Supervisory Board. The Supervisory Board holds meetings with the frequency required for the undisturbed performance of its tasks, but at least once in a quarter. Any Supervisory Board Member, member of the Board of Directors or the statutory auditor, with indicating the reason and the purpose, may request the Chairman in writing to call a Meeting. The Chairman shall arrange for convening the Meeting within 8 (eight) days after receiving it, so that the date of the convened Meeting falls within 30 (thirty) days from the receipt. Should the Chairman fail to meet this request by the deadline, the proponent Supervisory Board Member themselves shall be entitled to call the Meeting.

- 3.3 The Meeting shall be called in writing (by way of courier/postal mail or e-mail). The Meeting is convened by sending the invitation, so that at least 8 (eight) days must elapse between the sending of the invitation to the Meeting and the holding of the Meeting. The invitation shall contain the location, date and the planned agenda items of the Meeting. The documents related to the agenda items shall be sent to the Supervisory Board Members at least 3 (three) working days before the Meeting by the Chairman or, if the provisions of Section 3.2 prevail, the Supervisory Board Member calling the Meeting.

- 3.4 In an extraordinary case, the Meeting can be called by ignoring the formal requirements set out in Section 3.3 (including especially the content of the last sentence of Section 3.3) also verbally, in person or by phone, even for that day.

- 3.5 The Chairman shall verify the quorum of the Meeting before it begins. The Supervisory Board has a quorum if two thirds of the Supervisory Board Members but at least 3 (three) Supervisory Board Members are present.

- 3.6 A Supervisory Board Member may participate in the Meeting also by means of a conference telephone or other means of communication; their presence is still be considered as personal presence and they are entitled to vote. The Supervisory Board Member shall send their vote cast using conference telephone or other means of communication in a private document with full probative force within 5 (five) working days to the Supervisory Board at the Company's registered office. The Chairman is entitled to order a reasonable deadline of less than 5 (five) working days for sending the vote, or to extend the deadline by at most another 3 (three) working days. Failure to meet the deadline shall be considered as if the Supervisory Board Member had not been present at the Meeting. The option of attending the Meeting by a

conference telephone or other means of communication shall be brought to the attention of the Supervisory Board Members in the invitation, and information shall be provided on the technical details of such way of participation at the Meeting.

- 3.7 At the Meeting decision can be made only on subject matters which were indicated as agenda item in the invitation sent to the Supervisory Board Members. Short of this, decision can be made only on subject matters to the discussion of which each Supervisory Board Member present give their consent.
- 3.8 A decision by the Supervisory Board is required the supportive votes of the majority of the Supervisory Board Members present at the Meeting.
- 3.9 Each Supervisory Board Member has one vote during the voting. Proposals for each agenda item are be put to the vote separately by the Chairman and, after each voting, determines the extent to which it was adopted or the rejection of the proposal for a decision and, if available, the main reasons for the rejection of the proposal. Decision-making takes place by open voting but, at the request of any Member, the Chairman may order a secret voting. For mandatory employee participation, if the uniform opinion of the employee delegates differs from the point of view of the majority of the Supervisory Board, the minority opinion of the employees shall be described to the General Meeting.
- 3.10 Minutes are drawn of the Meeting, the preparation of which is taken care of by the keeper of the minutes elected by the Supervisory Board Members present. The minutes of the meeting shall be recorded in writing; it contains the place and time of the Meeting, the names of the participants, the agenda items, the adopted decisions, potential minority or special opinion, any objections to the decisions and the opinion of the counter-voters, the motions and comments made. The Supervisory Board Member may request to enter their opinion verbatim in the minutes.
- 3.11 The minutes are signed by
- 3.11.1 the Chairman, if they are hindered, by the Vice Chairman, short of this, the Supervisory Board Member designated by the Chairman to replace them;
- 3.11.2 the keeper of the minutes; and
- 3.11.3 two Supervisory Board Members present at the Meeting (if the keeper of the minutes is a Supervisory Board Member, one person other than them.
- 3.12 In addition to the Supervisory Board Members, the CEO and Deputy CEOs of the Company and persons invited by the Chairman in their capacity as experts or for other reasons, may participate in the Meeting with the right of deliberation. The Company's auditor may also participate at the Meeting with the right of deliberation. The Supervisory Board shall put the items recommended by the statutory auditor on the agenda.
- 3.13 Adopting decisions by the Supervisory Board out of session is also possible (**'Decision-Making in Writing'**)

- 3.14 The Chairman, if they are hindered, by the Vice Chairman, or the Member designated by the Chairman to replace them, decides on Decision-Making in Writing. For Decision-Making in Writing, the individual initiating Decision-Making in Writing prepares the proposed decisions and the text of the explanation and sends them to the Supervisory Board Members by post or electronic mail together with a ballot paper.
- 3.15 When Decision-Making in Writing takes place, the provisions on quorum and voting shall apply by way of derogation that the decision-making procedure is effective if at least as many votes are sent to the Chairman as the presence of the Supervisory Board Members representing voting rights would be necessary for its quorum in the event of a Meeting.
- 3.16 The deadline for voting is 5 (five) working days from the receipt of the proposed decisions, within which the Supervisory Board Member must send the vote to Supervisory Board at the registered office of the Company in the form of a private document with full probative force. The Chairman is entitled to order a reasonable deadline of less than 5 (five) working days for sending the vote, or to extend the deadline by at most another 3 (three) working days. Failure to meet the deadline shall be considered as if the Supervisory Board Member had not been present at the Meeting.
- 3.17 Within 3 (three) days following the last day of the deadline (or, if each vote is received before that, within 3 (three) days from the day of the receipt of the last vote) the Chairman establishes the result of the voting, and communicates it to the Supervisory Board Members by sending the minutes of the result of the voting within another 3 (three) days. The day of decision-making is the last day of the voting deadline or, if each vote is received earlier, then the day of receipt of the last vote.

#### **4. OPERATION OF THE SUPERVISORY BOARD**

- 4.1 The Supervisory Board exercises its rights and tasks as a body, however, it may appoint Supervisory Board Members acting independently by decision of the Supervisory Board with regard to certain case groups with regular information to the Supervisory Board. Sharing the specific audit tasks does not involve the Supervisory Board Member's responsibility, nor its right to extend the audit to other activities within the scope of the audit tasks of the Supervisory Board. The Supervisory Board Members are entitled to exercise the rights under Section 2.1 also individually.
- 4.2 If the Chairman is prevented from performing their duties as defined by legal regulations and these Rules of Procedure, the Vice Chairman may, in their absence or if they are hindered, be replaced by a Member appointed by the Chairman, or any Supervisory Board Member.
- 4.3 Within ten (10) days following the Meeting, the Chairman sends to Magyar Nemzeti Bank those minutes, proposals and reports which relate to such agenda items discussed by the Supervisory Board the subject matter of which are the severe violation of the internal policies of the financial institution or any severe irregularity in management.

#### **5. RIGHTS AND OBLIGATIONS OF THE SUPERVISORY BOARD MEMBERS**

- 5.1 The Supervisory Board Members are independent of the Company's Board of Directors, they

must not be instructed during their activities.

- 5.2 In their audit activities, the Supervisory Board Members are liable to the Company for any damage caused to the Company pursuant to the rules of liability for damages caused by breach of contract. The Supervisory Board Members have joint and several liability. Should the damage be caused by the Supervisory Board, any Supervisory Board Member who did not participate in the decision or voted against the decision is exempt from the liability.
- 5.3 The Supervisory Board Members shall keep all information that came to their knowledge in connection with the Company during their activities as a business secret (or other secret specified by law).
- 5.4 The Supervisory Board Member shall comply with the provisions of legal regulations relating to the prohibition of insider trading, they may not use any information (relating to the Company's operation and clients) that came to their knowledge in connection with their office may not transfer them and may not make them available to unauthorised persons. The Supervisory Board Member is obliged to comply with the regulations on the prohibition of insider trading and notifications related to it in accordance with the special regulations.
- 5.5 The Supervisory Board Member must notify Magyar Nemzeti Bank without delay if
  - 5.5.1 they are elected as a member of the Board of Directors, Supervisory Board Member, executive officer or senior executive of a financial institution functioning in the form of a branch of another financial institution, or terminates such office;
  - 5.5.2 they acquire or terminate controlling participation in a business association;
  - 5.5.3 a criminal proceeding is instituted against him pursuant to Section 137 (6) b) of the Act on Credit Institutions and Financial Enterprises;
  - 5.5.4 there is any danger that the Company will not be able to fulfil the responsibilities arising from financial service activities, financial auxiliary service activities or comply with the provisions of the Hpt., other regulations enacted by authorization of this Act, and other relevant legal provisions pertaining to its activities and foreign exchange regulations;
  - 5.5.5 the Company is unable to meet its payment obligations; or
  - 5.5.6 the reason for the withdrawal of the Company's permit for foundation or activities as stipulated in the Act on Credit Institutions and Financial Enterprises occurred.
- 5.6 The right and obligation of the Supervisory Board Members are the following:
  - 5.6.1 to participate in the work of the Supervisory Board and to actively promote its successful operation with their personal activity;
  - 5.6.2 to participate at the Meetings of the Supervisory Board and make their proposals and remarks on the agenda items; if they do not agree with any or all of the proposals and maintain their dissent after the debate, to request that it be entered in the minutes of the Meeting.
- 5.7 The Supervisory Board Members are entitled for remuneration as defined by the General

Meeting.

**6. MISCELLANEOUS PROVISIONS**

- 6.1 These Rules of Procedures enter into force following the approval by the Supervisory Board, with the consent of the General Meeting.
- 6.2 With regard to any issue not regulated in these Rules of Procedure, the provisions of the Civil Code, the Act on Credit Institutions and Financial Enterprises and the Articles of Association shall govern.

Budapest, ..... 2021.

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Chairman of the Supervisory Board