



OPUS GLOBAL Nyrt.
Corporate Governance Report
and
Statement
on Corporate Governance Practice
in accordance with the Corporate Governance Recommendations issued by the
Budapest Stock Exchange (2018)

The Management Board of **OPUS GLOBAL Nyilvánosan Működő Részvénytársaság** (1062 Budapest, Andrassy út 59., company registration number Cg. 01-10-042533; hereinafter referred to as 'Company') makes the following declaration and provides the information as below, pursuant to its Decision 20/2019 (04.09.) approved by Resolution 3/2019 (04.30.) of the General Meeting:

General Remarks

The core activity of OPUS GLOBAL Nyrt. is asset management. The aim of the consolidation is to present data for the group as a whole, as these might impact on the group differently compared to data published under separate reports.

The organs of OPUS GLOBAL Nyrt. are as follows: General Meeting, Management Board, Supervisory Board, Audit Committee, Management.

1. Management Board and committees

On the basis of Resolution 9/2017 (V.02.) of the General Meeting, as of 2 May 2017 the management body of the Company is the Management Board.

In addition to the Management Board, the General Meeting also decided to set up an Audit Committee and a Supervisory Board.

1.1 Brief presentation of the operation of the Management Board, and the distribution of responsibilities and tasks between the Management Board and the management.

The Management Board is the managing body of the Company; it represents the Company in court, before the authorities and towards third parties. The Management Board acts collectively, exercising its powers in Management Board sessions.

The rules of procedure, and duties and powers of the Management Board are set out in Article 10 of the Articles of Association of the Company.

The Management Board primarily:

- bears responsibility for all decisions made by the Governing Body or under powers delegated by it in the scope of operations of the Company,
- controls the management of the Company, and defines the business and development concept of the Company,
- establishes the organisational and operational rules of procedure of the Company,



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- exercises the authority vested in an employer in relation to the principal senior official(s) of the Company.

The daily activities and organisation of work of the Company, the conditions necessary for the activities are managed and controlled by the Chief Executive Officer within the statutory limits defined by legislation and the resolutions of the General Meeting and the Management Board.

1.2 Introduction of members of the Management Board, Supervisory Board and management (for board members, also indicating each member's status of independence). Presentation of board structures.

The members of the Management Board of the Company are:

- Dr Beatrix Mészáros, chairperson of the Management Board
- Gellért Zoltán Jászai
- Tamás Halmi
- Ágnes Homlok-Mészáros
- József Vida

Until 27 April 2018, the Management Board also comprised: Dr Éva Szilvia Gödör. József Vida has been a member of the Management Board since 19 June 2018.

Beatrix Mészáros, chairperson of the Management Board

She graduated at the Budapest Business School in the Foreign Trade Programme in 2009, specialising in export-import management. She studied at Università Cattolica di Sacro Cuore in Italian and obtained a master's degree in communication. She obtained her diploma at the University of Debrecen, Faculty of State and Legal Sciences.

She holds an advanced language proficiency certificate in Italian and German and has an intermediate level certificate in English.

She began her professional career in telecommunications and media and later moved on to controlling agricultural and manufacturing companies.

Gellért Zoltán Jászai

After graduating from the College of Public Administration (Corvinus University), he gained extensive experience in property development and investments. He was a founder and chairman of the SCD Group, which was one of the largest property development and investment companies in Central and Eastern Europe. Since 2015, he has been the chairman and chief executive of KONZUM Nyrt and has been one of the main shareholders of the company since 2016. Following the restructuring and repositioning of the company, he turned KONZUM Nyrt. into one of Hungary's largest investment holdings. Besides being a member of the Board of Directors of OPUS, Gellért Jászai controls the KONZUM group is the chairman of the Board of Directors of Konzum Befektetési Alapkezelő Zrt. a member of the Board of Directors of HUNGUEST Hotels Szállodaipari Zrt, the chairman of the Board of Directors of Appennin Vagyonkezelő Holding Nyrt. and the chairman of the Board of Directors of 4iG Nyrt.



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Tamás Halmi

He obtained an engineering diploma in geophysics at Miskolc University of Heavy Industry, Faculty of Mining Engineering.

Following the changes in the economy and a change in career, he launched a business in geodesy. He served as unit and then as office manager at the Land Registry Office in Bicske for ten years from 2000. He has been the executive director of Mészáros és Mészáros Kft., established as a family business with a construction industry profile.

Ágnes Homlok-Mészáros

She graduated at the Faculty of Economic Sciences of Szent István University in 2009. She began her career at Mészáros és Mészáros Kft., being also in charge of the administration of the company. She became the Executive Director of Vivienvíz Kft. in 2015 and has held that position ever since. As a member of the Board of Directors in multiple companies, she has gained a lot of experience in company management.

József Vida

He obtained his diplomas at the University of Pécs, Szent István University and at Université Paris X-Nanterre. He controlled the merger of ten savings cooperatives as a result of which B3 TAKARÉK Szövetkezet (Savings Cooperative) was established where he is now the chairman-executive director. He was actively involved in the implementation of the government's savings cooperative strategy. He is also a member of the internal Board of Directors of Magyar Takarékszövetkezeti Bank Zrt., chairman of TakarékJelzálogbank Nyrt. (former FHB Jelzálogbank Nyrt.) and chief executive of Magyar TakarékJelzálogbank Nyrt. and chief executive of Magyar TakarékJelzálogbank Nyrt. In 2016 he was elected chairman of the central governing bodies of the Savings Group (SZHISZ) and has been the chairman-chief executive of Takarékbank Zrt. since 2017.

Supervisory Board and Audit Committee

Until 2 May 2017, no Supervisory Board was in place, and a three-member audit committee worked alongside the Board of Directors in the framework of a uniform governance system.

As of 2 May 2017, the Supervisory Board exercises control over the Company on behalf of the General Meeting. In the year 2018, the Supervisory Board was composed of three members.

The Audit Committee is elected by the General Meeting from the independent members of the Supervisory Board. In the year 2018, the Audit Committee is composed of three members.

The functions and powers of the Supervisory Board and the Audit Committee are set out in Article 11 of the Articles of Association.



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The members of Supervisory Board and the Audit Committee of the Company as of 27 April 2018:

- János Tima
- Dr. Orsolya Páricsi Mrs. Dr. Egyed
- Dr Éva Szilvia Gödör

Until 27 April 2018, Dr Kadosa Adorján Antal was also a member of the Supervisory Board and the Audit Committee of the Company.

Presentation of the members of the Supervisory Board and the Audit Committee:

János Tima

János Tima has professional experience in finance, accounting and organisational development.

He worked at production companies in a wide range of professional roles in finance and accounting and gained management and extensive financing experience in public administration and the banking sector.

The past few years spent in the corporate sector rounded off his professional standing. As the finance director of a dynamically developing group, he was responsible for ensuring the human and material resources required for sound business operation. In this role he gained specialised economic experience in different business lines (construction industry, agriculture, catering).

He studied corporate management at the College of Modern Business Studies.

Dr. Orsolya Páricsi Mrs. Dr. Egyed

After obtaining a diploma in law, Dr. Orsolya Páricsi Mrs. Dr. Egyed took a job as a corporate lawyer. During the years of serving in the corporate sector, she gained experience in corporate law, financial law, employment law, public procurement and agricultural law.

Dr Éva Szilvia Gödör

Dr Éva Szilvia Gödör graduated in administration organisation from the College of Public Administration in 1998 and earned a diploma in law at Eötvös Loránd University, Faculty of Public and Legal Sciences in 2002. She passed the bar exam in 2006.

She began working as an individual attorney in 2007 and has been the head and principal lawyer of the law firm she founded in 2013.

Special fields: corporate law, property law, financial law, labour law.

She was a member of the Board of Directors of OPUS GLOBAL Nyrt. between 02.05.2017 and 26.04.2018.

She has been a member of the Supervisory Board of OPUS GLOBAL Nyrt. since 22.04.2018.

She has been a member of the Supervisory Board of TakarékJelzálogbank Nyrt. since 01.08.2018.

Upon their appointment, members of the Audit Committee are fully informed of the accounting, financial and operational features of the Company.



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The members of the Audit Committee have the professional expertise, and relevant financial and accounting background and experience for carrying out their tasks. To enable the Audit Committee to carry out its duties, the Audit Committee is provided with detailed and accurate information about the working process of the Auditor, and a report on the issues identified in the course of the audit.

Other committees

The Company does not have a nominating committee or a remuneration committee. Relevant functions are carried out by members of the Management Board without the establishment of a formal body.

The Company did not establish a dedicated working body for internal audit. The internal audit of holding activities is carried out by the Supervisory Board through continuous controls.

Chief Executive Officer

As of 1 August 2017, the daily activities and organisation of work of the Company are managed and controlled, and the conditions necessary for the activities of the Company are ensured by Zsuzsanna Ódorné Angyal, Chief Executive Officer, within the limits defined by legislation and the resolutions of the General Meeting and the Management Board.

Zsuzsanna Ódorné Angyal

She graduated at Gödöllő University of Agricultural Sciences as an economist-chartered accountant in 1996 and then obtained a diploma as an engineering teacher. She obtained her second diploma in 2002 as an EU agricultural expert. She gained extensive experience in the corporate sector in the complete operation of production companies, in production management and process organisation. She has professional competence as a tax advisor and in HR policy.

She has been an employee of the Issuer since 2009. Initially as a CEO assistant, then as controlling manager, and currently as the Chief Executive Officer of the Issuer, she has actively contributed to the successful presence of OPUS GLOBAL Nyrt. in the capital market to date.

The CEO exercises the authority vested in an employer in relation to employees of the Company.

The CEO has the right of decision in all matters that are not within the remit of the General Meeting or the Management Board by law or under the Articles of Association.

The CEO is employed by the Company, and the authority vested in an employer in relation to the CEO is exercised by the Management Board.

1.3 Number of meetings held by the Management Board, the Supervisory Board and the Audit Committee in the relevant period

The Management Board of OPUS GLOBAL Nyrt. held five meetings in 2018 and took 70 resolutions at an average attendance rate of 90%.



The Management Board of OPUS GLOBAL Nyrt. held five meetings in 2018 and took 8 resolutions at an average attendance rate of 89%.

The Management Board did not take any decisions contrary to the recommendations of the Audit Committee in 2018.

1.4 Evaluation of the activities of the Management Board, Supervisory Board and Management

The activities of the executive officers for the business year are evaluated in the framework of a resolution of the General Meeting of the Company, in light of which members of the Management Board are provided discharge.

1.5 Report on the activities of the committees

The functions and powers of the Supervisory Board and the Audit Committee are set out primarily in Article 11 of the Articles of Association.

The Supervisory Board:

- is required to examine submissions to the General Meeting and present its position on these at the meeting of the decision-making body,
- may consult the documents, accounting records and books of the Company, request information from the executive officers and employees of the legal person, examine and have examined by experts the payment account, cash on hand, stocks of securities and products, as well as contracts of the Company,
- adopts its own order of business.

The Audit Committee is elected by the General Meeting from the independent members of the Supervisory Board. The Audit Committee is primarily responsible for:

- approval of the accounts prepared in accordance with the Act on Accounting,
- monitoring of the audit of the accounts prepared in accordance with the Act on Accounting,
- assisting the work of the Management Board to ensure the appropriate control of the financial reporting system.

The members of the Audit Committee have the professional expertise, and relevant financial and accounting background and experience for carrying out their tasks. To enable the Audit Committee to carry out its duties, the Audit Committee is provided with detailed and accurate information about the working process of the Auditor, and a report on the issues identified in the course of the audit.

The Management Board did not take any decisions contrary to the recommendations of the Audit Committee in 2018.



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The professional background of members of the Supervisory Board and the Audit Committee is presented under the heading 'Presentation of the members of the Supervisory Board and the Audit Committee'.

1.6 Description of the system of internal controls

The main objective of internal control is to ensure that the organisation appropriately fulfils the tasks it has been assigned:

- carry out its business activities in a regular, economical and efficient manner and deliver results;
- comply with relevant laws and regulations.

Until 1 August 2017, the internal control function within the Company was performed by a dedicated head of controlling who reported the findings to the chief executive officer of the Company, the Supervisory Board and the Audit Committee.

The internal control and regulation of the Company's holding activity is ensured by a new internal control system.

The management exercises internal control through executive meetings held at various levels and intervals. Risks identified at these meetings are acted upon immediately. The Company's management processes and responsible officers are subject to written orders of business, which are updated on a regular basis. This control function is carried out under the supervision of the Supervisory Board.

The decision-making powers of the General Meeting, the Management Board, the Supervisory Board and the Audit Committee are regulated by the Articles of Association of the Company and the orders of business of the Management Board, the Supervisory Board and the Audit Committee.

The decision-making powers of employees are set out in individual job descriptions.

In the framework of its management activities, the Management Board issues instructions. Instructions are issued in matters concerning the activities, functioning, organisation of the Company, all employees or a significant proportion of employees. These include instructions in the field of business, accounting, finance, IT, statistics and disclosure of information.

1.7 Information on whether the auditor performed activities not related to auditing.

The auditor did not provide to the Company services that might jeopardize the impartial and independent performance of the auditor's task.

1.8 Overview of the Company's publication policy and its insider trading policy.

In matters related to insider trading the Company acted in accordance with the legislation in force and stock exchange policies at all times. Under Article 18(1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse, OPUS GLOBAL Nyrt.



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keeps a record of all persons who have access to inside information and who are working for the Company under a contract of employment, or otherwise performing tasks through which they have access to inside information, and draws the attention of the persons concerned to their obligations under the legislation and stock exchange policies.

The Company has its own insider trading policy in accordance with the EU regulation referred to above and Act CXX of 2001 on capital markets; the policy can be consulted on the website of the Company.

The Company's disclosure policy will be published soon.

1.9 Overview of the method of exercising shareholder rights.

All shareholders may attend the General Meeting, request information within the legal limitations, make observations and propose amendments. Shareholders with voting rights may also cast their vote, subject to the limitation that shareholders who have not fulfilled their financial obligations due are not entitled to exercise their right to vote.

On matters included in the order of business of the General Meeting, the Management Board is required to provide to all shareholders – upon request submitted in writing at least eight days before the date of the General Meeting – information necessary to consider the matter, ensuring that shareholders receive the information at least three days before the date of the General Meeting. The Management Board may refuse to provide information that would violate the trade secrets of the Company. Shareholders are also entitled to the minority and pecuniary rights set out under Sections 5.4 to 5.6 of the Articles of Association of the Company, as well as the right to request judicial review against unlawful decisions taken by the organs of the Company.

1.10 Brief presentation of the rules for the conduct of the General Meeting.

The rules applicable to the convocation and conduct of the General Meeting, the rights and obligations of shareholders and the ways of exercising shareholder rights are set out in detail in the Articles of Association of the Company, which can be consulted on the website of the Company or the Budapest Stock Exchange.

The principal organ of the Company is the General Meeting, which is composed of all shareholders. Every right that shareholders are entitled to in connection with Company matters is exercised jointly by shareholders during the General Meeting.

The Company holds an annual General Meeting in each business year, not later than 30 April.

The annual General Meeting is convened by the Management Board. The place, date and time and agenda of the General Meeting is decided by the Management Board.

The Management Board may convene an extraordinary General Meeting at any time, and is required to convene one if it is requested by those entitled to do so under the provisions of the Articles of Association.

The General Meeting is chaired by the chairperson of the Management Board.

The chairperson of the General Meeting:

- establishes whether the quorum of the General Meeting is met on the basis of the attendance sheet, and if that is not the case, adjourns the General Meeting,
- designates the person to draw up the minutes and submits a motion for the person of the two shareholders to be elected to act as authenticators of the minutes and one person to act as vote counter,
- chairs the deliberations based on the agenda,
- calls for votes, establishes and announces the results and the decision of the General Meeting.

A quorum of the General Meeting is reached if shareholders holding more than half of the shares carrying voting rights, or their duly authorised representatives, are present. The quorum has to be established for each decision-making.

The decisions of the General Meeting are made by open ballot:

- by holding up or submitting the ballot papers prepared by the Management Board,
- by a show of hands,
- by computerised counting of the votes,
- by other predefined means.

Members of the Management Board, auditors and chief executive officers attend the General Meeting in a consultative capacity. They may make applications and take the floor under any agenda item; they are obliged to speak to a matter if requested by a shareholder.

An attendance sheet and minutes are drawn up for the General Meeting. The Management Board is required to submit the minutes and attendance sheets of the General Meeting to the Court of Company Registration within 30 (thirty) days.

1.11 Remuneration Statement

The rules pertaining to the remuneration of members of the Management Board, the Supervisory Board and the Audit Committee are adopted by the General Meeting at the time of election of the members; the rules pertaining to the remuneration of members of the management are adopted by the Management Board. Resolutions adopted by the General Meeting can be consulted on the Company website.

Remuneration of the Management Board

In accordance with the Articles of Association, members of the Management Board receive honorarium, the amount of which is established by the General Meeting.

Resolution 15/2017. (V.02.) of the General Meeting sets the remuneration of the members of the Management Board at HUF 200,000 per month per person.



Remuneration of the Supervisory Board and the Audit Committee

Due to the nature of the organs they sit on, members of the Supervisory Board and the Audit Committee receive only honorarium.

Resolution 19/2017. (V.02.) of the General Meeting sets the remuneration of the members of the Supervisory Board at HUF 100,000 per month per person.

Resolution 23/2017. (V.02.) of the General Meeting sets the remuneration of the members of the Audit Committee at HUF 100,000 per month per person.



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Compliance with Recommendations and Proposals

1. Shareholders' rights and the General Meeting

1.1. General Principles

1.1.1 The Company has an organisational unit dealing with investor relationship management, or a designated person to perform these tasks.

Yes No

1.1.2 The Company's Articles of Association are available on the Company's website.

Yes No

1.1.3 The Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person.

Yes No

Explanation: through authorised representatives.

1.1.4 If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents.

Yes No

Explanation: The methods and conditions for shareholders to exercise their rights in their absence, as well as the formal requirements of the necessary document are included in both the Articles of Association published on the Company website and the Notice of a General Meeting sent to the shareholders.

1.2. Convening the General Meeting

1.2.1 The Company published on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders.

Yes No

Explanation: The relevant rules are included in both the Articles of Association published on the Company website and the Notice of a General Meeting sent to the shareholders.

1.2.2 The Company published the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded.

Yes No



- 1.2.3 The Company held its General Meetings in a manner providing for maximum shareholder participation.
- Yes No
- 1.2.4 The Company determined the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account.
- Yes No
- Explanation: no such case has occurred so far.*
- 1.2.5 The voting procedure used by the Company ensures a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results.
- Yes No
- 1.2.6 The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting.
- Yes No
- Explanation: This is not restricted, but no such case has occurred so far.*
- 1.2.7 For proposals for the agenda items, the Board of Directors' draft resolution and also the Supervisory Board's opinion were disclosed to the shareholders.
- Yes No
- Explanation: Until now the opinion of the Supervisory Board on draft proposals was made known to the General Meeting on the day of the General Meeting, prior to the decision-making. Our Company has committed itself to publish for shareholders the relevant Supervisory Board opinions at the same time as the draft resolutions of the Management Board.*

1.3. Conducting the General Meeting

- 1.3.1.1 The Board of Directors/Management Board and the Supervisory Board were represented at the General Meeting.
- Yes No
- 1.3.1.2 In the event the Board of Directors/Management Board and the Supervisory Board was absent, it was disclosed by the Chairman of the General Meeting before discussion of the agenda began.
- Yes No

- 1.3.2.1 The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Management Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions.
- Yes No
- Explanation: In the absence of any rules that would warrant exclusion.*
- 1.3.2.2 The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there.
- Yes No
- Explanation: In the absence of any rules that would warrant exclusion.*
- 1.3.3 The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended.
- Yes No
- 1.3.4 By answering the questions raised at the General Meeting, the Company ensured compliance with the information provision and disclosure principles set out in legal and stock exchange requirements.
- Yes No
- 1.3.5 The Company published on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers.
- Yes No
- Explanation: No matter was raised at the General Meetings in the reporting period that representatives in attendance were unable to answer.*
- 1.3.6 The annual report of the Company prepared as specified in the Accounting Act contained a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation.
- Yes No
- 1.3.7 The Chairman of the General Meeting ordered a recess or suggested that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting.

Yes

No

Explanation: The chairperson of the General Meeting would have acted in accordance with the above, although no such case was encountered at General Meetings held in the reporting period.

1.3.8.1 The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members.

Yes

No

1.3.8.2 For executive officers or Supervisory Board members, whose nominations were supported by shareholders, the Company disclosed the identity of the supporting shareholder(s).

Yes

No

1.3.9 Prior to discussing agenda items concerning the amendment of the Articles of Association, the General Meeting passed a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way.

Yes

No

Explanation: In the reporting period there were no joint votes amending the Articles of Association where the joint character would have hampered the transparency of the amendments.

1.3.10 The Company published the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting.

Yes

No

Explanation: In part. The Company publishes the resolutions passed by the General Meeting on the date of the General Meeting; the minutes of the General Meeting is not published.

1.4. Other issues concerning the General Meeting

1.4.1 In line with Section 1.4.1, the Company paid dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents.

Yes

No

Explanation: No dividend was paid in the reporting period.

1.5. Remuneration

- 1.5.1.1 The Board of Directors/Management Board or a committee consisting of Board of Directors/Management Board members established guidelines and rules concerning the performance review and remuneration of the Board of Directors/Management Board, the Supervisory Board and the management.

Yes No

Explanation: The Management Board did not formulate guidelines and rules for the reporting period, taking into account that the remunerations of board members are set by the General Meeting, and the remuneration of the management does not require the adoption of guidelines given the holding structure. Should a remuneration policy be warranted in the future, the Management Board will take measures for such a policy to be drawn up.

- 1.5.1.2 The tasks and the level of responsibility of each member, the rate of achievement of the Company's objectives and its economic/financial position were taken into consideration for establishing performance-based remuneration for the members of the management.

Yes No

Explanation: The Company does not apply a performance-based remuneration policy. The remuneration and the regulation of responsibilities for the management is set on a market basis and in accordance with individual work contracts.

- 1.5.1.3. The remuneration guidelines established by the Board of Directors/Management Board or a committee consisting of Board of Directors/Management Board members were assessed by the Supervisory Board.

Yes No

Explanation: The Management Board did not formulate guidelines and rules for the reporting period, taking into account that the remunerations of board members are set by the General Meeting, and the remuneration of the management does not require the adoption of guidelines given the holding structure. Should a remuneration policy be warranted in the future, the Management Board will take measures for such a policy to be drawn up.

- 1.5.1.4. The guidelines (and any major changes thereof) for the remuneration of Board of Directors/Management Board and Supervisory Board members were approved by the General Meeting in a separate agenda item.

Yes No

Explanation: The Management Board did not formulate guidelines and rules for the reporting period, taking into account that the remunerations of board members are set by the General Meeting, and the remuneration of the management does not require the adoption of guidelines given the holding structure. Should a remuneration policy be warranted in the future, the Management Board will take measures for such a policy to be drawn up.

- 1.5.2.1. Controlling the performance of and establishment of the remuneration for the executive management falls within the competence of the Board of Directors/Management Board.
- Yes No
- Explanation: In line with the legislation and relevant Company policies.*
- 1.5.2.2. The terms for extraordinary benefits provided to management members (and any major changes thereto) were approved by the General Meeting in a separate agenda item.
- Yes No
- Explanation: Members of the management did not receive extraordinary benefits in the reporting period.*
- 1.5.3.1. The General Meeting approved the principles of the stock-based remuneration schemes.
- Yes No
- Explanation: The Company does not apply stock-based remuneration schemes. Should the Company want to implement such a scheme, it would seek the authorisation of the General Meeting.*
- 1.5.3.2. Shareholders received detailed information before the General Meeting decided about the stock-based remuneration schemes (at least as specified in Section 1.5.3).
- Yes No
- Explanation: In addition to authorisation from the General Meeting, the Company would provide detailed information in accordance with the rules on extraordinary disclosure. However, there was no such scheme in 2018.*
- 1.5.4. The Company has a remuneration scheme in place which does not incentivize the staff to focus only on short-term maximisation of the share price.
- Yes No
- Explanation: Under the holding structure and the relevant work contracts, the remuneration system of the Company is based on usual rate and market-based pay, therefore, it does not depend on the short-term maximisation of the share price.*
- 1.5.5. Supervisory Board members receive a fixed-amount remuneration which does not include any elements linked to share price.
- Yes No
- 1.5.6. The Company prepared a report ('Remuneration Statement') for the owners about the remuneration principles relating to and containing the actual remuneration of Board of Directors/Management Board, Supervisory Board and management members (with the content and the level of detail set out in industry regulations binding for the Company), and the Company presented it to the General Meeting. The Remuneration Statement presented the remuneration of Board of Directors/Management Board and Supervisory Board members, as well as the guidelines used to assess their activities and establish their remuneration. This information included the disclosure of the total remuneration for Board of Directors/Management Board and Supervisory Board level, the details of all fixed and

variable elements, any other remunerations as well as a presentation of the guidelines for the remuneration scheme and any major changes to those compared to the previous financial year.

Yes

No

Explanation: Information on the actual remuneration of executive officers constitutes part of the annual Corporate Governance Report.

1.6. Transparency and Publication

1.6.1.1. The Company's publication guidelines cover the procedures for electronic, online disclosure.

Yes

No

Explanation: The Company's publication procedure is currently implemented under personal responsibility within investor relations. The Company prepared its disclosure policy document required by the legislation in force and other regulatory arrangements (e.g. BSE), which is under approval.

1.6.1.2. The Company designs its website by considering the aspects of disclosure and the information of investors.

Yes

No

1.6.2.1. The Company has an internal publication policy in place which covers the processing the information listed in Section 1.6.2 of the Recommendations.

Yes

No

Explanation: In the reporting period, the Company had only partial publication guidelines, in the context of its policy on market abuse. However, a disclosure policy document has been formulated in line with the requirements of the legislation in force and other regulatory arrangements (e.g. BSE), and is under approval. Read in conjunction with other disclosure rules for the prevention of market abuse, the rules contained in the policy document provide the internal rules applicable for disclosure as an issuer.

1.6.2.2. The internal regulations of the Company cover the methods for the assessment of events judged to be important for publication.

Yes

No

Explanation: In the reporting period, the Company had only partial publication guidelines, in the context of its policy on market abuse. However, a disclosure policy document has been formulated in line with the requirements of the legislation in force and other regulatory arrangements (e.g. BSE). Read in conjunction with other policies, the rules contained in the policy document cover the scope of information to be disclosed in the context of market abuse. The policy is under approval.

1.6.2.3. The Board of Directors/Management Board assessed the efficiency of the publication processes.

	Yes	<u>No</u>
	<i>Explanation: The Management Board fulfilled within the statutory time-limit all of its obligations pertaining to personal responsibilities for disclosure and it was not necessary to assess the efficiency of the publication processes.</i>	
1.6.2.4.	The Company published the findings of the efficiency assessment of the publication process.	
	Yes	<u>No</u>
	<i>Explanation: In the absence of reasons for internal operation, the Management Board did not assess the efficiency of the publication process.</i>	
1.6.3	The Company published its annual company event calendar.	
	<u>Yes</u>	No
1.6.4	The Company published its strategy, business ethics and policies regarding other stakeholders.	
	<u>Yes</u>	No
	<i>Explanation: The Company defined in detail and published its financial and business strategy for its current and future situation and relevant policies in its Annual Financial Statement and the document prepared for the approval by the Hungarian National Bank (as Supervisory Authority) of the consolidated Prospectus and related announcement. Note that in the context of the merger between OPUS GLOBAL Nyrt. and KONZUM Nyrt. further documents have been prepared and made public.</i>	
1.6.5	The Company published the career information of Board of Directors / Management Board, Supervisory Board and management members in its annual report or on the company website.	
	<u>Yes</u>	No
1.6.6	The Company published all relevant information about the internal organisation and the operation of the Board of Directors / Management Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year.	
	<u>Yes</u>	No
1.6.7.1.	The Company published its remuneration guidelines in line with the recommendations set out in Section 1.5.	
	<u>Yes</u>	No
	<i>Explanation: Information on the actual remuneration of executive officers constitutes part of the annual Corporate Governance Report. The Management Board did not formulate guidelines and rules for the reporting period, considering that the remunerations of board members are set by the General Meeting in fixed amounts. In addition, given the holding structure, the remuneration of the management does not require the adoption of</i>	

guidelines. Should a remuneration policy be warranted in the future, the Management Board will take measures for such a policy to be drawn up.

1.6.7.2. The Company published its remuneration statement in line with the recommendations set out in Section 1.5.

Yes No

Explanation: Information on the actual remuneration of executive officers constitutes part of the annual Corporate Governance Report. The Management Board did not formulate guidelines and rules for the reporting period, considering that the remunerations of board members are set by the General Meeting in fixed amounts. In addition, given the holding structure, the remuneration of the management does not require the adoption of guidelines. Should a remuneration policy be warranted in the future, the Management Board will take measures for such a policy to be drawn up.

1.6.8 The Company published its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management.

Yes No

Explanation: The risk management policy of the Company is under approval.

1.6.9.1. The Company published its guidelines relating to the trading of its shares by insiders.

Yes No

1.6.9.2. The Company disclosed the share of the Board of Directors / Management Board, Supervisory Board and management members in the securities issued by the Company, as well as the extent of their interest under the equity-based incentive system in the annual report or in some other way.

Yes No

1.6.10 The Company published the relationship of Board of Directors / Management Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company.

Yes No

Explanation: We are not aware of such relationships. In the event of such a disclosure the Company would act in line with the present recommendation.

1.6.11 The Company published its information in English as well, in line with the provisions of Section 1.6.11.

Yes No

1.6.12 The Company informed its investors about its operation, financial situation and assets on a regular basis, but at least quarterly.

Yes No

Explanation: The Company does not publish reports in the first and third quarters.

2. Governance, Control, Risk Management

2.1. Distribution of responsibilities and competences within the Company

2.1.1 The Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Management Board.

Yes No

2.2. Management Board

2.2.1 The Board of Directors / Management Board have rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Management Board.

Yes No

2.2.2 The Company publishes the procedure used for nominating Board of Directors / Management Board members and the principles for determining their remuneration.

Yes No

2.3. Supervisory Board

2.3.1 The Supervisory Board provides a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan.

Yes No

2.4. Meetings of the Management Board and the Supervisory Board

2.4.1.1. The Board of Directors / Management Board and the Supervisory Board hold meetings periodically at a predefined interval.

Yes No

Explanation: Yes. Ad hoc meetings and written decision-making without meetings were also used, considering the need for decision-making.

2.4.1.2. The rules of procedure of the Board of Directors / Management Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means.

Management Board Yes No

2.4.2.1. Board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting.

Yes No

2.4.2.2. The Company arranges the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Management Board and the Supervisory Board.

Yes No

2.4.3 The rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings.

Yes No

Explanation: The option of using external advisers is laid down by the Company boards in their orders of business.

2.5. Members of the Management Board and the Supervisory Board

2.5.1 The members of the Board of Directors / Management Board and the Supervisory Board nominated and elected in a transparent process, and the information about the candidates was made public in due time before the General Meeting.

Yes No

2.5.2 The composition and size of the boards comply with the principles set out in Section 2.5.2 of the Recommendations.

Yes No

2.5.3 The Company ensures that the newly elected Board of Directors / Management Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards.

Yes No

2.6. Independence of the members of the Management Board/Supervisory Board

2.6.1 The Management Board / Supervisory Board requested (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals.

Yes No

2.6.2 The Company provides information about the tools which ensure that the Management Board assesses objectively the management's activities.

Yes No

Explanation: Due to the organisational structure and size of the Company, no additional tools are required for the objective assessment of the management.

2.6.3 The Company publishes its guidelines concerning the independence of its Management Board / Supervisory Board members and the applied independence criteria on its website.

Yes No

Explanation: The criteria for independence are set out in Section 3:287 of the Civil Code.



2.6.4 The Supervisory Board of the Company has no member who has held any position in the Management Board or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation.

Yes No

Explanation: Prior to becoming a member of the Supervisory Board, Dr Éva Szilvia Gödör was a member of the Management Board.

2.7. Conflict of interest of Board of Directors / Management Board and Supervisory Board members – insider trading

2.7.1 Members of the Board of Directors / Management Board informed the Board of Directors / Management Board (and the Supervisory Board / Audit Committee, if applicable) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence.

Yes No

Explanation: We are not aware of any transaction in relation to which a member of the Management Board would have had a duty of disclosure.

2.7.2 Transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company were carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were approved.

Yes No

Explanation: No such transaction was carried out between the Company and members of boards or the management in the reporting period.

2.7.3 Board members informed the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group.

Yes No

Explanation: There were no such events.

2.7.4 The Board of Directors / Management Board developed guidelines for the flow of information and the management of insider information within the Company, and monitored compliance with them.

Yes No

2.8. Internal control systems and risk management

2.8.1 The Company created an independent internal audit function that reports directly to the Audit Committee / Supervisory Board.

Yes No

Explanation: This function is currently carried out by the chairperson of the Supervisory Board. The internal control function will be reviewed following the merger with KONZUM Nyrt.

2.8.2 Internal Audit has unrestricted access to all information necessary for carrying out audits.

Yes No

2.8.3 Shareholders received information about the operation of the system of internal controls.

Yes No

2.8.4 The Company has a function ensuring compliance.

Yes No

Explanation: Our Company is in contact with two law firms that provide support for the drafting of internal policies and ensure continuous legal control of operations, and monitor Company compliance with various sector-specific legislation, thus effectively providing internal control. The compliance function will be reviewed following the merger with KONZUM Nyrt.

2.8.5.1 The Board of Directors / Management Board or a committee operated by it is responsible for the supervision and management of the entire risk management of the Company.

Yes No

2.8.5.2 The relevant organisation of the Company and the General Meeting received information about the efficiency of the risk management procedures.

Yes No

2.8.6 With the involvement of the relevant areas, the Board of Directors / Management Board developed the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company.

Yes No

Explanation: The risk management policy is being finalised and approved by the Company.

2.8.7 The Board of Directors / Management Board defined the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives.

Yes No



2.8.8 Internal control systems functions reported about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year.

Yes

No

2.9. External Advisor, Auditor

2.9.1 The Company has in place internal procedures regarding the use of external advisors and outsourced activities.

Yes

No

Explanation: The material scope of the activities and services, and the methods of contact were laid down by the Company in contracts concluded with the auditor and contracted law firms.

2.9.2 The Board of Directors / Management Board invited the Company's auditor in an advisory capacity to the meetings on financial reports.

Yes

No

Management Board of OPUS GLOBAL Nyrt.