

# Remuneration Report for the year 2024 of AutoWallis Plc.

based on Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization (Hrszvtv.)

Based on Act LXVII of 2019 the Company first adopted a Remuneration Policy in 2020 and then applied it for the first time in the following business year, 2021. Based on the annual reporting obligation, the Company makes the following Remuneration Report for the year 2024.

## 1. Director

In accordance with the definition of the law, a director is a member of the Company's Board of Directors and Supervisory Board, or its CEO also as a member of the Board of Directors.

In the previous business year, the Company was managed by a 5-member Board of Directors until 25 April 2024, and then by a 7-member Board of Directors from 26 April 2024. Furthermore a 3-member Supervisory Board operated until 25 April 2024, and then a 4-member Supervisory Board from 26 April 2024. Until 25 April 2024 the members of the Supervisory Board also formed the 3-member Audit Committee, and after 26 April 2024 the 4-member Audit Committee.

## 2. Remuneration report

The Company prepares an annual Remuneration Report on all remuneration established for Directors in the most recent business year.

## 3. Compliance with Remuneration Policy

The purpose of the Remuneration Policy is to define principles of the remuneration policy and remuneration practice aligned with the Company's business strategy, long-term interests, and sustainability in accordance with the relevant legal requirements.

Accordingly, the remuneration of AutoWallis Plc. for the year 2024 complies with the accepted remuneration policy with the following criteria:

- operates fixed and variable as well as short- and long-term incentives,
- the remuneration is proportional to the tasks performed, the degree of responsibility, the Company's own assets, the net sales revenue, the number of employees, the ability to generate income and the weight and significance of the Company in the national economy,
- contributes to the Company's business strategy, long-term interests and sustainability, ensuring the transparency and accountability of corporate governance.

The established performance criteria encourage Directors to consider long-term interests of investors, owners and employees in their decisions. The performance-based remuneration for the Directors is in line with the strategic goals and values of the Company. In accordance with the activities of the Directors the bonus requirements contain weighted targets for group, business unit, member company

and individual goals. Based on the indicator and deadline assigned to the target tasks, the performance can be clearly evaluated. Deferred access share option also encourages management to achieve long-term performance.

#### **4. Annual change in remuneration over the last five business years**

This provision of the Act shall apply in the first five business years of the application of the Remuneration Policy only to remuneration in accordance with the Remuneration Policy adopted pursuant to the Hrszvtv., i.e. it shall apply retroactively until 2021.

The Company's remuneration over the past four years has been in line with current and previous regulations by that the remuneration being commensurate with performance and serving the achievement of the Company's long-term goals, providing a sufficient counterbalance to short-term interests. The average remuneration of the Company's non-director employees was in line with the remuneration of the Directors.

The 31% increase in personnel expenses in Q1-Q4 2024 is the result of significant headcount growth due to acquisitions closed in 2023 and 2024, wage increases due to changes in the labour market, and organizational developments related to group management and integration functions. The average headcount of the Group, including fully consolidated subsidiaries, increased by 339 people to 1,323 people compared to the same period last year.

While preserving the real value of wages as much as possible the Group continues to view the development of key competencies as a strategic investment and makes special efforts to ensure the number of employees and expertise that support growth. The remuneration of the Companies in the previous four business years followed the opportunities arising from the group's performance growth and labour market trends, that makes AutoWallis an attractive employer. Personnel expenses increased by 31% in Q1-Q4 2024, by 36% in 2023, by 56% in 2022, and by 144% in 2021 compared to the base period.

#### **5. Share options**

Since August 2019 Company has had an MRP Organization in accordance with Act XLIV of 1992 on Employee Co-Ownership Program. The MRP Organization was initiated by the main owner of the Company, so it does not incur any expenses or obligations for the Company (as well as the other owners) other than the operation of MRP Organization. The share package necessary for the launch of the MRP Organization was provided by the main owner free of charge. Participants of MRP Organization are Directors according to the Remuneration Policy, and MRP covers employees and senior executives employed by the Company or any other company under the direct or indirect majority control of the Company in an employment relationship or other legal relationship aimed at work as defined in the Articles of Association of the MRP Organization and the MRP Remuneration Policy and defined in the decision to initiate the program.

Participants in the MRP Organization gain a membership share in the MRP Organization for free. If one or more conditions specified for the relevant MRP Program under the MRP Remuneration Policy are met together, the participant will have the right to receive or acquire the number and composition of shares issued by the Company and the resulting dividend (dividend) specified under the MRP

Remuneration Policy. The date on which the claim arose is the date on which one or more of the conditions specified in the MRP Remuneration Policy for the relevant MRP Program are met together, but not earlier than 24 months from the commencement of the MRP Program. Participants in the program will receive an effective share if the performance targets set in the program are met. On the same day, the MRP Organization will involve the participant's share by reducing the founding assets by the amount corresponding to the nominal value of the involved share at the same time.

The Group's third Employee Share Ownership Program was successfully completed in 2024. As part of this, the Group's key employees received a total of 1.6 million shares

## **6. Reclaiming**

The Remuneration Policy of the Company stipulates that based on the fulfilled criteria a legally paid reward or bonus cannot be reclaimed. Reclaiming is appropriate in the event of a violation of law, especially if:

- payment was made based on a material error in the Company's accounts and reports, or
- the Director presented the goal or result set as a condition for the payment as achieved in a deceptive or misleading manner, or when judging it, the person entitled to the decision was in error for some other reason,
- the Director has received the payment as a result of a breach committed either by him/her or a third party.

The Company may enforce a claim against the Director within the limitation period under employment law.

## **7. Deviation from Remuneration Policy**

There were no deviations from the Remuneration Policy during the current year's remuneration.

## **8. Consideration of the vote of the General Meeting on the previous year's Remuneration Report**

The General Assembly approved as an expression of opinion the Remuneration Report for the business year of 2023 developed and presented by the Board of Directors considering Act LXVII of 2019 and Company's effective Remuneration Policy.

## **9. Auditing**

The Company's permanent auditor checked whether the Remuneration Report contains the information specified in the relevant law.

## **10. Payment under the Remuneration Policy**

The Company may pay remuneration to the Directors only based on the remuneration policy submitted for a vote to express an opinion at the General Meeting.

## **11. Publication of the Remuneration Report**

The Company will make this Remuneration Report publicly available on its website, free of charge, for a period of ten years following the voting of the General Meeting.

The table below provides information on the remuneration of each Director for 2024.







Remuneration amount in 2024																		
Director's name	AutoWallis position	Other positions	Fixed remuneration						Variable remuneration								Relative ratio of fixed and variable remuneration	
			AW based on employment and/or engagement		Received from group companies		Other		AW Reward, bonus		AW Share option		Received from group companies		Other			
			Type	Amount (in thousand HUF)	Type	Amount (in thousand HUF)	Type	Amount (in thousand HUF)	Type	Amount (in thousand HUF)	Type	Number of items	Type	Amount (in thousand HUF)	Type	Amount (in thousand HUF)		
Gábor VITÁN	Member of the Supervisory Board and AC (until April 25, 2024 *)	-	-	-	-	-	-	Board Member Fee	1,063	-	-	-	-	-	-	-	-	100%-0%

\* remuneration paid for the period when s/he was classified as a director under the Hrszstv.

Budapest, March 2025