

# EU-SOLAR PLC.

## REPORT OF THE SUPERVISORY BOARD

**21 MAY 2024**

The supervisory board of **EU-SOLAR Trading and Services Public Company Limited by Shares** (registered seat: 7630 Pécs, Kocsz street 127.; registration authority: Pécs County Court as Court of Registration; registration number: 02-10-060424; hereinafter: Company) has adopted the report on its operation concerning the previous business year of the Company as follows.

## 1. Scope of authority and competence of the supervisory board

The supervisory board inspects the management of the Company for the general meeting, in accordance with its rules of procedure, that shall be approved by the general meeting. The supervisory board shall review all essential business reports on the agenda of the general meeting, and proposals related to matters falling under the exclusive scope of authority and competence of the general meeting. Decisions of the general meeting concerning financial statements as defined in act on accounting and use of profit after tax can only be made upon written report of the supervisory board. The supervisory board has a quorum when at least 3 (three) members participate in its session, or at least 3 (three) members cast a vote in case of written decision-making. Resolutions of the supervisory board shall be made by simple majority of the votes. Sessions of the supervisory board shall be convened and led by the chairman. Any member of the supervisory board may request – by specifying the reason and the purpose of the meeting – the chairman to convene the session of the supervisory board; the chairman shall take actions within 8 (eight) days in order to convoke the session of the supervisory board to a date not later than 30 (thirty) days from the day of convocation. In case the chairman fails to do so, the requesting member is entitled to convene the session. Members of the supervisory board not being shareholders are entitled to participate in general meeting with right of consultation. Members of the supervisory board bear unlimited, joint and several liability for damages caused by the breach of their inspection obligations to the Company. The members of the supervisory board shall keep all information disclosed to them regarding their position – except for information affected by disclosure obligation – as business secret of the Company.

## 2. Members of the supervisory board

The supervisory board consists of at least 3 (three) members, elected by the general meeting. The majority of members of the supervisory board shall meet independence criteria set out by section 3:287. of the Civil Code.

Members of the supervisory board in business year 2023:

Name	Strating date of mandate	End date of mandate
Tamás Rózsás	22 April 2022	indefinite
Tünde Ibolya Gadóné Szőke	22 April 2022	indefinite
Tamás József Véghely	22 April 2022	indefinite

Chairman of the supervisory board: Tamás Rózsás.

Tamás Rózsás holds degrees in electrical engineering and economics. From 1992 to 2000, he worked as a development engineer at the Military Technical Institute, where his responsibilities included leading development projects and managing technical documentation. From 2002 to 2003, he served as a chief officer at the Civil-Military Cooperation Department of the Hungarian Defense Staff, where he was involved in organizing the first national NATO CIMIC course. Between 2003 and 2007, he was a department head at the Ministry of Economy and Transport, overseeing IT operations and directing the department responsible for sectoral coordination. He also participated in strategic and budgetary planning and supported senior management in IT-related decision-making. From 2007 to 2010, he worked as an IT project manager at MAVIR Ltd., supporting the IT

director in project oversight. From 2013 to 2018, he worked at the National Bank of Hungary, initially as an economic strategy analyst, then as a lead higher education expert. His responsibilities included providing expert support for project and portfolio management, strategic planning, and economic development. Since 2019, he has held the position of senior project manager at Free Consult Ltd., where he supports and leads IT transformation and IT controlling projects.

Tünde Ibolya Gadóné (Mrs. Gadó) Szőke, holds qualifications as a certified auditor, economist, corporate organizer, and tax advisor. Between 1983 and 1984, she worked as an accountant at the Villány-Mecsek-alja Wine Industry Plant. Subsequently, from 1985 to 1991, she served as rapporteur for the news service at the Pécs Directorate of the Hungarian Post. From 1991 to 1994, she held the position of chief auditor at the Tax and Financial Inspection Office, Baranya County Directorate. From 1994 to 1995, she served as the chief accountant at Dráva Tourism, Hospitality, and Trade Ltd. Between 1995 and 1998, she worked as the chief accountant at GeoProfil Ltd. From 1998, she has been the owner and CEO of Contir-Audit Accounting and Tax Advisory Ltd., and since 2019, she has been a member and manager of Contir-Audit Accounting, Tax Advisory, and Auditing Partnership, engaging in accounting, auditing, and tax advisory services.

Tamás József Véghely, having graduated from the Electrical Engineering Faculty of the Budapest University of Technology, worked as a research engineer at the Microelectronics Company from 1974 to 1986., He engaged in research and development of opto-electronic sensors and transmitters in the private sector between 1986 and 1991. From 1991 to 1997, he worked as an engineering consultant and business developer in the field of professional video technology, then from 1997 he served as the founder and commercial director of Dunasolar Solar Panel Manufacturing Ltd., the first Hungarian solar panel factory, operating as a joint venture between the United States and Hungary until 2003. In the same year, he established his own company under the name GAIASOLAR Ltd., which provides engineering consultancy, design, and turnkey implementation services for all forms of renewable energy.

### **3. Operation of the supervisory board in the previous business year**

The supervisory board of the Company held 3 (three) sessions in business year 2023:

- the session of the supervisory board held on 2 February 2023 reviewed proposals and draft resolutions relating to agenda of the extraordinary general meeting of the Company to be held on 23 February 2023; all members of the supervisory board participated in the said session;
- the session of the supervisory board held on 7 March 2023 reviewed proposals and draft resolutions relating to agenda of the extraordinary general meeting of the Company to be held on 28 March 2023; all members of the supervisory board participated in the said session;
- the session of the supervisory board held on 25 May 2023 reviewed proposals and draft resolutions relating to agenda of the annual general meeting of the Company to be held on 30 May 2023 and passed the report of the supervisory board on its operation concerning the preceding business year; all members of the supervisory board participated in the said session.

The supervisory board – in order to take all necessary actions immediately in case a task falling under its scope of authority emerged – kept in touch with the chairman of the board of directors and the director of finance of the Company and the acting attorney of the law firm mandated by the Company under a permanent contract to handle exchange-related legal issues.

In the previous business year the Company has not operated yet an internal audit function, thus the supervisory board did not perform any task related thereto.

The Company employs a dedicated compliance manager, who is responsible for ensuring compliance with legal regulations, for exploring and handling any abuse, and for preventing future

ones inside the organization. In the previous business year the supervisory board did not perform any task related to the compliance function.

The Company currently does not have an independent risk management system, but operates a quality management system complying with standards ISO 9001, ISO 14001 and ISO 50001, that contains environmental risk management module as part of its procedures, and a dedicated Company-level risk management framework is under construction.

In the previous business year neither the shareholders, nor third persons reported any information to the supervisory board based upon which the supervisory board should have taken any action.

#### **4. Recommendations**

The supervisory board makes the following recommendations concerning internal control systems, and risk management of the Company:

- the Company should create an independent internal audit function, who reports directly to the supervisory board;
- the Company should create the framework and order of cooperation between the supervisory board and the compliance function;
- the Company should develop the basic principles of risk management, taking into account the special idiosyncrasies of the industry and the Company (with the involvement of the relevant areas, responsible for design, operation, control and implementation of the related risk management processes into the daily operation of the Company), and then should create effective procedures of risk management necessary to achieve such principles.

Budapest, 21 May 2024

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**Tamás Rózsás**  
chairman of the supervisory board  
**EU-SOLAR Plc.**