

Articles of Association

ELT Management Company Slovakia s.r.o.

Together we make a **better world**

ELT Management Company Slovakia s.r.o.

Non-profit producer responsibility organisation for end-of-life tyres

number of authorization 0005/PNE/OZV/A/16-3.3,

registered office at Vajnorská 171/A, 831 04 Bratislava, corporate ID: 50 096 273,

registered in the Commercial Register of the District Court Bratislava I, section: Sro, insert n.: 108173/B

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1. GENERAL PROVISIONS

1.1. Business Name, Seat, Legal form

The business name of the company is “ELT Management Company Slovakia s.r.o.”. The seat of the company (“Eltma”) is located at Vajnorská 171/A, 831 04 Bratislava, Slovak Republic. The legal form of Eltma is a limited liability company.

1.2. Object of Activity

Eltma is not established for the business purpose of generating a profit; a possibly attained profit may be used only as laid down in Section 4.6 below. The objects of its activity are the following:

- Operation of a system of collective treatment of waste tyres as a producer responsibility organisation according to Act No. 79/2015 Coll., on Waste (“Act on Waste”);
- Organisation of courses, training and seminars in the area of treatment of waste tyres.

2. FUNDAMENTAL PRINCIPLES OF ELTMA

2.1. Eltma, its bodies, and persons forming its bodies and other persons taking part in the governance of Eltma and operation of the collective system shall observe the following principles (“Fundamental Principles of Eltma”).

2.2. Legality, Transparency, Non-discrimination

Eltma is governed and the collective system is operated in compliance with the relevant legal regulations, especially the Act on Waste, and under the supervision of the Ministry of the Environment. The principles of transparency and non-discrimination are observed.

2.3. Credibility

Eltma is governed and the collective system is operated in a way that ensures the credibility of Eltma on the part of public administration, collective system participants as well as the general public.

2.4. Protection of Human Health and the Environment, Effectiveness, Sustainability

The collective system is operated with the aim of contributing, to the maximum extent possible, to the protection of human health and the environment in the area of treatment of waste tyres, in a long-term sustainable way and as efficiently and cost-effectively as possible, with respect to the related costs of the participants in the collective system, of public budgets and of the general public. The collective system is operated through the employees of Eltma and through its subcontractors, always in a manner ensuring the effectiveness of the system. For the purpose of the long-term sustainability of the operation of the collective system, this system is financed in a balanced way with respect to its earnings and the costs of fulfilment of its obligations.

2.5. Non-profitability

The profit of Eltma must not be distributed among its shareholders, Executive or members of the Supervisory Board and can be used only for the operation of the collective system in compliance with the generally binding legal regulations, especially the Act on Waste.

2.6. **Protection of Confidential Competition Information**

Eltma protects confidential competition information which it handles. Information is considered to be of a confidential competition nature (i) if it is not generally known and its holder himself legitimately considers it confidential and disposes of it in the appropriate manner, and (ii) if its exchange or disclosure may restrict competition (e.g., information on the market share, economic situation or economic plans of a collective system participant). In case of doubt, information and documents containing the information are considered to be of a confidential competition nature. The protection of the confidentiality of competition information is without prejudice to Eltma's obligation to use the confidential competition information under the conditions and in the manner determined by legal regulations and the right of Eltma to use the confidential competition information in an aggregated form in a manner that is not contrary to the legitimate interests of the subjects concerned (e.g. publishing of the total amount of tyres placed on the market by the collective system participants in the respective period).

2.7. **Competition Protection**

Eltma acknowledges the competitive position of its shareholders and other collective system participants; the generally binding legal regulations in the area of competition protection are complied with in the governance of Eltma and operation of its collective system.

3. **GOVERNANCE OF ELTMA AND OPERATION OF COLLECTIVE SYSTEM**

3.1. **Responsible Persons**

Eltma is responsible for the collective system operation. The bodies of Eltma and the persons forming these bodies are responsible for the governance of Eltma within the scope of their competence. The General Meeting, the Executive or the Executives (hereinafter only in singular as the "**Executive**", unless stated otherwise), the Supervisory Board and the Regulatory Committee are the bodies of Eltma.

3.2. **Rights of the Participants**

The collective system participants participate in the governance of Eltma and the operation of the collective system by exercising the following rights to the extent permitted by general legal regulations:

- (i) The right to be informed regularly and on time about material aspects of the operation of Eltma and the collective system.
- (ii) The right to access information and documents concerning the operation of Eltma and the collective system.
- (iii) The right to comment on the operation of Eltma and the collective system and to propose changes.
- (iv) The right to initiate a review (audit) of the fulfilment of the contractual obligations of another participant in the collective system.

3.3. **Conditions to Exercise the Rights of the Participants**

The participants do not have access to confidential competition information. The participants must exercise their rights in such a way that the due and smooth operation of Eltma and the collective system is not threatened or that Eltma and the collective system are not

inadequately burdened. In case of doubts, and following a consultation with the Supervisory Board, the Executive decides on the acceptability of the manner of execution of the participants' rights, having regard to the need for the balanced protection of the rights of the participants and Eltma and its collective system and in compliance with the Fundamental Principles of Eltma.

3.4. **Initiation of a Participant's Audit**

A participant may initiate an audit of fulfilment of the contractual obligations of another participant in the collective system if the initiator's participation in the collective system of Eltma has lasted more than 12 months. The initiator is obliged to pay an advance of the audit costs to Eltma in the amount of EUR 1,000. If the audit does not reveal any material failures by the participant in fulfilment of the contractual obligations, the initiator of the audit will pay the full amount of the audit costs to Eltma. Further conditions for the exercise of the right to initiate an audit of the fulfilment of the contractual obligations of another collective system participant shall be set by the agreement on fulfilment of waste tyres obligations (Participation Agreement).

3.5. **Rights of Shareholders, Non-discrimination**

The shareholders take part in the governance of Eltma and the operation of the collective system by exercising the above-mentioned rights belonging to the collective system participants, as well as governing and supervisory rights in relation to Eltma and its bodies as determined by the generally binding legal regulations and these Articles of Association (see below). Unless the legal regulations stipulate otherwise, the shareholders shall exercise their rights under the same conditions as the above-mentioned conditions for the exercising of the rights of the collective system participants. As a result, and contrary to the generally binding legal regulations and in compliance with the Fundamental Principles of Eltma, the shareholders shall not have access to the confidential competition information. The shareholders must also exercise their rights in such a way that the due and smooth operation of Eltma and the collective system is not threatened and that Eltma or the collective system are not inadequately burdened; in case of doubts, and following a consultation with the Supervisory Board, the Executive decides on the acceptability of the manner of execution of the shareholders' rights, having regard for the need for the balanced protection of the rights of the shareholders and Eltma and its collective system and in compliance with the Fundamental Principles of Eltma. The shareholders can also exercise the right to initiate an audit of the fulfilment of the contractual obligations of a collective system participant under the same conditions as the participants in the collective system. The shareholders take part in the collective system under the same conditions as other participants.

4. **SHAREHOLDERS, GENERAL MEETING**

4.1. **Shareholders, Contributions of Shareholders and Administrator of Contributions**

The following companies are the shareholders of Eltma, each with the following contribution to the registered capital of Eltma, business share and number of votes:

- (i) **Bridgestone Europe NV/SA**, with its registered seat at Kleine Kloosterstraat 10, 1932 Zaventem, Belgium, Company ID: 0441.192.820
Contribution EUR 26,400; business share 20 %; 1 vote
- (ii) **Continental Barum s.r.o.**, with its registered seat at Objízdna 1628, 765 02 Otrokovice,

Czech Republic, Company ID: 457 88 235

Contribution EUR 26,400; business share 20 %; 1 vote

- (iii) **Goodyear Slovakia s. r. o.**, with its registered seat at Ivánska cesta 30/B, 821 04 Bratislava, Slovakia, Company ID.: 36 002 542

Contribution EUR 26,400; business share 20 %; 1 vote

- (iv) **Michelin Hungária Kft.**, with its registered seat at Bottyán J. utca 15., 4400 Nyíregyháza, Hungary, Company ID: 15-09-062150

Contribution EUR 26,400; business share 20 %; 1 vote

- (v) **Pirelli Slovakia, s.r.o.**, with its registered seat at Miletičova 23, 821 09 Bratislava, Slovakia, Company ID: 35 797 282

Contribution EUR 26,400; business share 20 %; 1 vote

- 4.2. The contributions will be paid by each shareholder in the full extent prior to submission of the proposal for the registration of Eltma into the Commercial Register. The identification details of the administrator of contributions: Bridgestone Slovakia s. r. o., with its registered seat at Michalská 9, 811 01 Bratislava, Slovakia, Company ID: 44 198 191.

4.3. **Absence of Acting in Concert and Prohibition of Silent Partnership**

Contrary to the presumption of Act No. 513/1991 Coll., the Commercial Code, as amended (“**Commercial Code**”) (Section 66b), neither Eltma and its shareholders, nor its shareholders alone are persons acting in concert. Eltma is not allowed to conclude a silent partnership agreement establishing the participation of a silent shareholder in Eltma.

4.4. **Registered Capital**

The registered capital of Eltma amounts to EUR 132,000.

4.5. **Determination of Votes, Business Share and its Transferability, Pre-emptive Right**

Business shares in Eltma are only basic (no special rights or obligations are connected to them). A shareholder has one vote for every EUR 26,400 of its contribution. A transfer of business share to a third person is permitted; all the persons concerned need to comply with relevant conditions under the generally binding regulations, especially the Act on Waste. A shareholder can transfer its share or part thereof to another shareholder or to a third person; the transfer is not subject to a prior consent of the General Meeting. The shareholder-transferor shall ensure full adherence by the acquirer to the relevant legal obligations, especially the Act on Waste, and to the Articles of Association, including the Fundamental Principles of Eltma. Unless a shareholder intends to transfer the business share to a person belonging to the same holding (a controlled or controlling person or a person controlled by the same controlling person, under Section 66a of the Commercial Code), each of the other shareholders holds a pre-emptive right vis-à-vis the business share to be transferred. The shareholder-transferor shall provide them with all legitimate cooperation to perform the right, especially provide them with a written transfer notice stating especially the interested person. Each of the shareholders may perform the pre-emptive right within two months upon receipt of the transfer notice. The price for the transferred business share under the pre-emptive right shall correspond to its nominal value. If several shareholders duly express their interest in acquiring the business share, and unless they agree otherwise, each of them is

entitled to acquire a proportional part of the business share in line with the proportion of their current business shares.

4.6. **Non-profitability**

Contrary to a general regulation pursuant to the Commercial Code, and in compliance with the Fundamental Principles of Eltma and the Act on Waste, the shareholders are not entitled to any share of profit of Eltma. The General Meeting may not decide on distribution of the profit among shareholders of Eltma or payment to the Executive of Supervisory Board members and has to decide in such a way that in case of the existence of accumulated losses, the profit shall be used to cover these losses; otherwise, it shall be transferred to other profit funds created for the purpose of financing the operation of the collective system, with the Executive deciding on the use of the fund's means in compliance with the generally binding regulations, especially the Act on Waste and with the current budget and the three-year's Eltma Strategic Plan. Also, contrary to a general regulation pursuant to the Commercial Code and in compliance with the Fundamental Principles of Eltma and the Act on Waste, the shareholders have the right to a settlement share, where applicable under the Commercial Code, only in the amount of its paid contribution to the registered capital of Eltma.

4.7. **General Meeting - Capacity**

The shareholders of Eltma constitute the General Meeting, the supreme body of Eltma, and exercise their rights primarily by their participation in the General Meeting. Especially the following acts fall under the capacity of the General Meeting:

- (i) Approval of financial statements;
- (ii) Election and recall of the Executive, members of the Supervisory Board and member of the Regulatory Committee who is the state representative; approval of the respective agreements on the execution of office;
- (iii) Decision-making on changes of the content of the Articles of Association, transformations of the legal form of Eltma, dissolution of Eltma with liquidation, election and recall of the liquidator, approval of the disposition of a business unit of Eltma or a part thereof or a change of the object of activity of Eltma and decision-making on the increase or decrease of the registered capital.

The General Meeting also decides about other matters essential for the existence and governance of Eltma, which are stipulated by the Commercial Code (in particular Section 125) or set by its own decision. The General Meeting approves a three-year's Eltma Strategic Plan and its updates on a regular yearly basis. Except for cases determined by the Commercial Code, however, the General Meeting cannot interfere with the business management of Eltma.

4.8. **General Meeting - Convocation**

The General Meeting shall be convened by the Executive or, under the conditions stipulated by the Commercial Code, by the shareholders or the Supervisory Board. The General Meeting is convened by sending an invitation to the shareholders at least 15 days before the day on which the General Meeting is to be held, in a written form as well as electronically by e-mail, both according to the up to date list of shareholders of Eltma. The invitation is sent electronically to respective e-mail addresses to the Executive and members of the Supervisory Board within the same time limit (unless the General Meeting is being convened by the Executive or the Supervisory Board, as applicable). Documents necessary for the due

participation in the General Meeting must be available for inspection at the registered seat of Eltma at least 10 days before the day of holding the General Meeting and sent to a requester if required during the same period.

4.9. **General Meeting – Course of Meetings**

4.9.1. **Participation in the General Meeting**

The General Meeting shall be attended by the shareholders and, without voting rights, by the Executive, members of the Supervisory Board, candidates for the chairman and the minutes clerk until the moment of election of the bodies of the General Meeting, persons forming the bodies of the General Meeting after their election and other persons with the consent of all the present shareholders. The shareholders take part in the General Meeting personally or represented by their proxies based on a written power of attorney complying with the requirements of the relevant generally binding legal regulations. The participants in the General Meeting shall sign the attendance sheet prepared by the convener.

4.9.2. **Opening, Quorum**

The convener (the Executive or another person authorised by him/her if the General Meeting is convened by the Executive) opens the General Meeting and checks its quorum. If the respective person to open the General Meeting is not present, any of the present Shareholders may open and chair the General Meeting until the election of the bodies. The General Meeting constitutes a quorum if shareholders having at least half of all votes are present.

4.9.3. **Election of the Bodies**

After the opening and verifying of the quorum, the convener will let the General Meeting vote in respect of the chairman and the minutes clerk as the bodies of the relevant General Meeting. The person of the chairman must be different from the person of the minutes clerk; an external legal advisor of Eltma shall usually be the minutes clerk. The bodies are elected by a simple majority of votes of the present shareholders from the present candidates proposed by the shareholders, Executive and the Supervisory Board before voting in respect of their election. From the moment of his/her election, the chairman chairs the General Meeting, i.e., submits the points for discussion and voting, grants a word, counts the votes, checks the quorum of the General Meeting in the event of a change of participation in the General Meeting and terminates the General Meeting.

4.9.4. **Agenda**

The General Meeting discusses the points specified in the agenda in the invitation and in the order as specified in the invitation. Only if all shareholders are present at the General Meeting and subject to approval by all the shareholders, (i) points other than those specified in the invitation can be discussed, (ii) points can be discussed in an order different to the determined order, or (iii) some points that were included in the agenda may not be discussed. Possible proposals regarding the inclusion of new points in the agenda, a change in the order of discussing the points or non-discussion of some points must be presented at the latest upon the request of the chairman. If such proposals are presented, the inclusion of the new points is firstly voted on, looking at points submitted by the shareholders, then by the Executive and finally by the Supervisory Board, in the order in which they were submitted. In case of acceptance, the new points of the agenda are included in the same order behind the points specified in the invitation. Afterwards, in the same order, possible proposals for a change in

the order of discussion of points are voted on, and lastly, possible proposals for non-discussion of some points are voted on.

4.9.5. Termination and Minutes

The General Meeting is closed by having discussed all the included points or by losing its quorum. The minutes of the General Meeting are drawn up within 15 days from the day of its termination and signed by the minutes clerk and co-signed by the chairman. The signature of the minutes clerk may need to be notarized based on generally binding legal regulations if selected decisions are adopted (especially on election, recalling or remuneration of Executive, or on election and recalling of proxy). The attendance sheet and appendices pursuant to the discussed points are appended to the minutes. The minutes clerk shall to hand over one counterpart of the minutes to the Executive to be deposited with Eltma and the second counterpart to the external legal advisor of Eltma to be deposited with the advisor. The minutes of the General Meeting are made even if a notarial record is drawn up about the decision or the course of the General Meeting based on generally binding legal regulations. The minutes clerk will ensure the sending of the minutes of the General Meeting in the electronic form to the respective e-mail addresses of all the shareholders, the Executive and members of the Supervisory Board without undue delay.

4.10. General Meeting - Decisive Majority

The General Meeting makes decisions by a simple majority of votes of present shareholders, unless a qualified majority or consent of all the shareholders is required by the Articles of Association or the generally binding legal regulations. Beside the decisions requiring a qualified majority based on the Commercial Code, the following decisions require consent of a qualified majority of 2/3 of all votes based on these Articles of Association:

- election and recalling of an Executive and approval of the agreement on execution of the office of Executive;
- adoption of a decision by which the Articles of Association are changed; including a decision concerning expulsion of a Shareholder (in the last case without the Shareholder in question carrying out its voting right);
- granting of a consent with the activity of the Executive, members of the Supervisory Board or shareholders, which represents a breach of the prohibition of competition;
- approval of (an update of) a three-year's Eltma Strategic Plan.

4.11. Decision-making *Per Rollam*

The shareholders can also make decisions about all matters outside the General Meeting (*per rollam*). A person that is entitled to convene the General Meeting shall send a draft decision of the General Meeting to all shareholders, to receive their opinion, together with the documents necessary to adopt a decision, in written form and simultaneously in electronic form to e-mail addresses, both according to the up to date list of the shareholders of Eltma. This submitter shall also send it in an electronic form to the respective e-mail addresses to all members of the Supervisory Board and the Executive for information. The shareholders must provide their standpoint in a written form on the proposed draft decision within the time limit specified by the submitter, i.e., to deliver their written standpoint by the end of the specified time limit to the address indicated in the draft decision. The time limit for the delivery of the standpoint is generally determined to be 15 days from the day the draft decision was sent by

the submitter, but it can also be shorter or longer for reason of special circumstances explained in the draft decision. If the shareholder does not provide its standpoint within the required time limit, it applies that the shareholder does not agree with the proposed decision. The same number of votes as in the case of decision-making at the General Meeting is required to adopt decisions *per rollam*; however, the majority is always counted from the votes of all shareholders. The decision is adopted by the day of the delivery of the standpoints from all shareholders of Eltma, otherwise by the expiration of the time-limit set for their standpoint. The submitter is obliged to send electronically to respective e-mail addresses a statement about the result of voting to all shareholders, the Executive and members of the Supervisory Board without undue delay after the adoption of the decision. The submitter is further obliged to hand over the documents confirming the sending of the draft decision and the received standpoints to the Executive to be deposited with Eltma and the copies of these documents to the external legal advisor of Eltma to be deposited with the advisor.

4.12. **Language Mode**

Documents for the General Meeting shall be prepared and the General Meeting shall be held in Slovak, unless agreed otherwise.

5. **EXECUTIVE**

5.1. **Representation and Business Management**

The Executive is (the Executives are) the statutory body of Eltma. At the establishment of Eltma, one Executive was set. The identification details of the first Executive: Radim Filák, birth identification number: 740411/4124, residence address: Přílepy 310, 76901 Holešov, Czech Republic. The Executive performs all legal conduct of Eltma and carries out the business management of Eltma, including the operation of the collective system. The Executive performs his/her office with due care, for which he/she bears the burden of proof in case of doubt. The Executive follows the principles and instructions approved by the General Meeting, as long as these are in compliance with generally binding legal regulations and these Articles of Association. No one can give instructions to the Executive concerning the business management of Eltma. The Executive can ask the General Meeting for the granting of an instruction concerning the business management of Eltma; this is without prejudice to the obligation to act with due care.

5.2. **Acting on behalf of Eltma and Decision-making**

If there is only one Executive appointed, he/she shall represent and act on behalf of the company solely. If there are several Executives appointed, two Executives shall represent and act on behalf of the company jointly. If there are several Executives appointed, decisions on business management of Eltma shall be carried out jointly by at least two of them.

5.3. **Issues Conditioned by the Consent of the Supervisory Board**

The following legal conduct, decisions and measures can be performed by the Executive only with the prior consent of the Supervisory Board:

- (i) Principal material changes in the manner of operation of Eltma or the collective system, e.g., changes of participant's contributions.
- (ii) Disposal of the real estate, share of Eltma, a business unit of Eltma or of another person, establishment of a participation in another entity and performance of voting rights and other rights arising from the participation in another entity.

- (iii) Conclusion of an agreement with the subject of performance in the amount of EUR 200,000 as a lump sum or as an aggregate sum in the period of 12 consecutive months as foreseen at the time of conclusion of the respective agreement.
- (iv) Other legal conduct, decisions or measures of an exclusive or unusual nature or carried out under special circumstances (e.g., measures falling outside a budget for the respective period, assumption of someone else's liabilities or provision of a guarantee for someone else's liabilities, commencement of a judicial dispute except for cases on the enforcement of Eltma's receivables, or conclusion of an agreement between Eltma and the Executive).

5.4. **Process for Obtaining the Consent of the Supervisory Board**

The Executive will provide the Supervisory Board with all relevant information and documents sufficiently in advance for the purpose of its decision in the matter of granting consent. The decision is granted by the Supervisory Board in writing or during its meeting. The Supervisory Board can also provide its decision in another form, e.g., over the phone. If it is not clear whether the legal conduct, decision or measure is subject to the prior approval of the Supervisory Board, the Executive is obliged to address the Supervisory Board with a request for its standpoint regarding the conditionality of the conduct, decision or measure by prior approval of the Supervisory Board and provide it with all relevant information and documents. The standpoint of the Supervisory Board is binding for the Executive. If the decision in the matter of granting consent and the standpoint on the matter of conditionality by prior approval of the Supervisory Board is in other than a written form or, if it is not adopted during the meeting of the Supervisory Board, the Executive will make a written record about it and its original will be kept with Eltma. If the consent or standpoint on non-conditionality by the prior approval of the Supervisory Board is granted, the Executive is further obliged to send a copy of this record by email or otherwise to all members of the Supervisory Board without undue delay after receipt of the relevant consent or standpoint, in any case at least 24 hours before the execution of the relevant legal conduct, decision or measure.

5.5. **Fiction of the Consent of the Supervisory Board**

The Supervisory Board is obliged to provide its standpoint on the conditionality of a legal conduct, decision or measure of the Executive by the prior approval of the Supervisory Board and provide the decision in the matter of granting consent without undue delay after receipt of the request of the Executive, with respect to the circumstances of the relevant case. If the Executive does not receive the standpoint or decision within seven days following the day he requested the Supervisory Board or dispatched the respective request, it shall be deemed that the Supervisory Board does not find the respective legal conduct, decision or measure to be conditioned by its prior approval, or that it grants the consent accordingly. The fiction of taking a standpoint on the non-conditionality or granting consent shall not materialise if, before the expiry of the time-limit, the Supervisory Board requests its extension, given the circumstances of the particular case.

5.6. **Information Obligations, Cooperation with Other Bodies**

The Executive informs regularly and on time all collective system participants and the shareholders about material aspects of the operation of Eltma and the collective system, at least once a year through an annual report deposited to the Registry of Financial Statements kept by the Ministry of Finance. The Executive always takes part in the General Meeting. Regularly once a year, usually at a regular General Meeting, the Executive provides the

General Meeting with his/her proposal of a three-year's Eltma Strategic Plan or its update, following its previous consultation with the Supervisory Board. The Executive provides the General Meeting with a new budget, following its previous consultation with the Supervisory Board. Unless the Supervisory Board decides otherwise, the Executive takes part in meetings of the Supervisory Board. The Executive is obliged to inform the Supervisory Board about the matters of Eltma and the collective system thereof, in a detail, frequency and manner which the Supervisory Board legitimately requires; the Executive consults with the Supervisory Board a draft (update) of a three-year's Eltma Strategic Plan on a yearly basis, and further a draft yearly budget sufficiently in advance before commencement of the new budget period, usually by October of the previous year. The Executive provides without undue delay the information and documents concerning the operation of Eltma and its collective system based on a request of the collective system participants and the shareholders and takes into account their standpoints and proposals on the operation of Eltma and the collective system, all this with regard to the need for the balanced protection of the rights of the participants, the shareholders and Eltma and its collective system and in compliance with the Fundamental Principles of Eltma. The Executive provides material conditions and cooperation to the General Meeting and Supervisory Board necessary for the due performance of their competencies.

5.7. Audits of Fulfilment of Contractual Obligations of the Participants

The Executive decides on the carrying out of audits of the fulfilment of the contractual obligations of the collective system participants based on the due initiative of the collective system participants or the shareholders, or based on his/her own initiative, possibly following a recommendation of the Supervisory Board.

5.8. The protection of Confidential Competition Information

The Executive is obliged to ensure both systemic and specific protection of confidential competition information. The Executive is in particular obliged to reject the provision of confidential competition information and disable access to this information by unauthorised persons. The Executive is obliged to maintain confidentiality in respect of confidential competition information also after the termination of the office of the Executive of Eltma.

5.9. Office Term, Resignation

The Executive is elected for an indefinite period. The Executive can resign from his/her office by written notice delivered to all the shareholders. The office lapses by the expiration of six months from the delivery of the notice to the above mentioned persons. The General Meeting can approve, upon the request of the resigning Executive, another moment of lapse of the office.

6. SUPERVISORY BOARD

6.1. Supervisory Function

The Supervisory Board is the supervisory body of Eltma. The Supervisory Board executes the activities stipulated by the Commercial Code, especially supervises the activity of the Executive and, in general, the governance of Eltma and the operation of the collective system from the point of view of legality, efficiency, adherence to the Fundamental Principles of Eltma and other provisions of these Articles of Association and instructions of the General Meeting. Members of the Supervisory Board perform their functions with due care, for which, in case of doubt, each of them bears the burden of proof. Members of the Supervisory Board

follow the principles and instructions approved by the General Meeting, as long as these are in compliance with the legal regulations and these Articles of Association. Upon the request of the General Meeting, the Executive or, at its own will, the Supervisory Board comments on the proposal of the annual budget and a three-year's Eltma Strategic Plan prepared by the Executive, on the remuneration of the Executive and other material aspects of governance of Eltma and the operation of the collective system. The Supervisory Board further examines the financial statements of Eltma and submits its written standpoint to the General Meeting directly or through the Executive sufficiently in advance for the purpose of the decision on the approval of the financial statements. Members of the Supervisory Board take part in the General Meeting and, at any time within its course, comment on the matters of Eltma.

6.2. **Access to Information**

The Supervisory Board has access to documents and information concerning Eltma and the collective system. The Supervisory Board avoids accessing confidential competition information; if it is in doubt regarding the character of information it aims to require, it seeks advice of an external legal advisor on the matter and/or avoids accessing such possibly confidential competition information by establishing appropriate measures (e.g. examination of a matter carried out by an external advisor and providing the Supervisory Board with only anonymised results of the examination). Before the provision of such information to the Supervisory Board, the Executive is obliged to seek advice of an external legal advisor on his/her obligation to provide the information. Members of the Supervisory Board are obliged to ensure the protection of confidential competition information and are also obliged to maintain confidentiality in this respect after termination of the office of member of the Supervisory Board of Eltma; confidential competition information possibly accessed by the Supervisory Board shall not be assessed by the Shareholders (Section 3.5. above).

6.3. **Access to Advisory Services**

Eltma must ensure that the Supervisory Board has conditions for the due fulfilment of its supervisory activity, including access to the services of external advisors according to the choice of the Supervisory Board and at the cost of Eltma. Unless the Supervisory Board stipulates otherwise, the Executive does not have access to information and outputs concerning the services of these external advisors provided to Eltma for the purpose of the performance of the supervisory activity of the Supervisory Board.

6.4. **Recommendation of a Participant's Audit**

The Supervisory Board can at any time recommend to the Executive that he/she carries out an audit of the fulfilment of the contractual obligations of the selected collective system participants. The final decision in the matter of the execution of the audit will be made by the Executive.

6.5. **Composition, Office Term**

The Supervisory Board consists of five members, who are elected for an indefinite period. The identification details of the first Supervisory Board members:

- (i) Ewa Czarnecka, date of birth: 11 April 1966, residence address: 10-686 Olsztyn, Wilczynskiego 6d/29, Poland
- (ii) Petr Dvořák, birth identification number: 721212/1510, residence address: Zálužická 147/24, Cholupice, 143 00 Praha 4, Czech Republic
- (iii) Jan Mulač, birth identification number: 630720/1747, residence address: Otická 371/25, Háje, 149 00 Prague 4, Czech Republic
- (iv) Michal Palaš, birth identification number: 790517/2605, residence address: Haškova 977/22, Liberec VI-Rochlice, 460 06 Liberec, Czech Republic
- (v) Miloš Radosa, birth identification number: 630410/6303, residence address: Pod Skalkou 10, 911 50 Trenčín, Slovakia

6.6. **Chairman**

The chairman represents the Supervisory Board, and, in cases stipulated by law, acts on behalf of Eltma, further convenes and organises the meetings of the Supervisory Board, prepares and signs statements, decisions and other outputs from the meetings of the Supervisory Board, ensures the protection of confidential competition information in connection with the meetings of the Supervisory Board and informs the General Meeting about the supervisory activity of the Supervisory Board. The term of office of the first chairman is three years, the term of office of subsequent chairmen is one year. A termination of the term of office of the chairman is without prejudice to the duration of the term of office of a Supervisory Board member.

6.7. **Chairman – Election, Rotation**

The Supervisory Board elects its chairman from among its members. If several candidates for the chairman are presented, the candidates will be voted on in the alphabetical order of their surnames. Supervisory Board members shall seek to ensure a rotation of the function of chairman among their members; the rotation will be primarily based on the alphabetical order of the current members' surnames.

6.8. **Supervisory Board Meetings**

Ordinary meetings of the Supervisory Board are held at least three times a year on dates approved by the Supervisory Board in advance, usually at one of the previous meetings. As and when necessary, the chairman of the Supervisory Board will convene another extraordinary meeting of the Supervisory Board, sufficiently in advance, based on his/her own initiative or at the request of another member of the Supervisory Board, Executive or General Meeting in such a way that it is held, at the latest, within 30 days after receipt of the request. The meetings of the Supervisory Board take place under the attendance of (i) the members of Supervisory Board, (ii) a minutes clerk authorised by the present members of the Supervisory Board and who is different from the members of the Supervisory Board and the Executive and usually being the external legal advisor of Eltma, (iii) the Executive, unless the present members of the Supervisory Board decide otherwise, and (iv) other persons with the consent of the present members of the Supervisory Board. The participants in the meeting of the Supervisory Board are present physically or through telecommunication devices.

6.9. **Other Supervisory Board Dealings**

The Supervisory Board can discuss all matters and adopt decisions even without the concurrent presence of its members, but only with the particular or general prior consent of all of its members. The consent must be in writing or expressed at one of the meetings of the Supervisory Board. The revocation of the consent must be in writing and can be effective at the earliest by the commencement of the day of its delivery to Eltma. The Executive shall inform all the members of the Supervisory Board on the delivery of such a revocation of the consent without undue delay upon the delivery. These dealings of the Supervisory Board, other than ordinary or extraordinary meetings, can be in the form of, e.g., a written or e-mail circular or a series of personal talks or communication through telecommunication devices individually among the members of the Supervisory Board.

6.10. **Quorum and Decisive Majority**

The Supervisory Board constitutes a quorum if at least three of its members take part in its dealings. The consent of a simple majority of the present members is needed for the adoption of decision. In the event of parity of votes, the decisive vote shall be that of the chairman of the Supervisory Board.

6.11. **Minutes**

The Supervisory Board takes minutes of each of its dealings. The minutes of a dealing other than an ordinary or extraordinary meeting are drawn up, at the latest, as part of the minutes of the meeting of the Supervisory Board immediately following the holding of the relevant dealing. In such a case, the minutes clerk will note that he/she was not present at the dealing corresponding to the relevant part of the minutes. Each of the minutes shall enclose the documents that were subject to the dealings. The minutes of the Supervisory Board are drawn up and signed by the minutes clerk, co-signed by the chairman and, when he/she is not present, all present members of the Supervisory Board. Without undue delay after the preparation of each of the minutes, the Supervisory Board, acting through the minutes clerk, hands over one counterpart of the minutes to the Executive for the depositing of the minutes with Eltma and the second counterpart to the external legal advisor of Eltma for depositing with the advisor. The minutes clerk will further ensure, without undue delay after the preparation of the minutes, that a copy of the minutes is sent to all members of the Supervisory Board. For the avoidance of doubt, the minutes of a meeting of the Supervisory Board are considered confidential competition information.

6.12. **Information Obligations**

The Supervisory Board informs the General Meeting about the performance of its supervisory activity without undue delay in case of serious circumstances, otherwise on the request of the General Meeting and further at least once a year in the form of a Report of the Supervisory Board on the performance of the supervisory activity or personally by the charged member of the Supervisory Board. The report is submitted by the Supervisory Board to the shareholders for the previous period at the latest at the session of the General Meeting held by the end of June, otherwise by the end of June. The report is in written form and shall be presented by the charged member of the Supervisory Board at the General Meeting. The content of this report is in particular (i) an overview of the main activity of the Supervisory Board in the past period with a specification of the conclusions arising from this activity, drawing attention to potential facts that are worthy of attention and with the relevant recommendations, (ii) an overview of the provided standpoints and decisions in the matter

of the conditionality of legal conducts, decisions and measures of Executive by prior approval of the Supervisory Board, (iii) facts relevant from the point of view of compliance with the Fundamental Principles of Eltma, (iv) facts relevant from the point of view of the obligation of loyalty, independence and prohibition of competition of the members of the Supervisory Board, (v) an overview of special costs for the performance of the supervisory activity of the Supervisory Board (especially the costs of services of external advisors), and (vi) other information, in which the General Meeting expresses its interest.

6.13. Language Mode

Documents concerning meetings of the Supervisory Board shall be prepared and the meetings and other dealings of the Supervisory Board shall be held in Slovak, unless agreed otherwise.

6.14. Resignation, Co-optation

A member of the Supervisory Board can resign from his/her office. The resignation must be given to Eltma in writing. The office lapses by the expiration of two months after the delivery of the notice. The General Meeting can approve, upon the request of the resigning member, another moment of lapse of the office. In case of termination of the office of one of the members of the Supervisory Board due to any reason, the Supervisory Board can appoint a substitute member of the Supervisory Board for a term until the next holding of the General Meeting.

7. REGULATORY COMMITTEE

7.1. Supervisory Function

The Regulatory Committee executes exclusively inspectional activity set out by the Waste Act, thus inspection of the performance of the obligations set out by the Waste Act and to the extent determined by the Waste Act. Members of the Regulatory Committee perform their functions with due care, for which, in case of doubt, each of them bears the burden of proof. Members of the Regulatory Committee follow the principles and instructions approved by the General Meeting, as long as these are in compliance with the legal regulations and these Articles of Association.

7.2. Access to Information

The Regulatory Committee has access to documents and information concerning Eltma and the collective system to the extent necessary for the performance of its inspectional function. The Regulatory Committee avoids accessing confidential competition information; if it is in doubt regarding the character of information it aims to require, it seeks advice of an external legal advisor on the matter and/or avoids accessing such possibly confidential competition information by establishing appropriate measures (e.g. examination of a matter carried out by an external advisor and providing the Regulatory Committee with only anonymised results of the examination). Before the provision of such information to the Regulatory Committee, the Executive is obliged to seek advice of an external legal advisor on his/her obligation to provide the information. Members of the Regulatory Committee are obliged to ensure the protection of confidential competition information and are also obliged to maintain confidentiality in this respect after termination of the office of member of the Regulatory Committee of Eltma; confidential competition information possibly accessed by the Regulatory Committee shall not be assessed by the Shareholders (Section 3.5. above).

7.3. **Reporting Obligation**

If the Regulatory Committee is not allowed to perform its inspectional function, the Regulatory Committee notifies the Ministry of the Environment of the Slovak Republic and the Slovak Environmental Inspection.

7.4. **Composition, Office Term**

The Regulatory Committee consists of seven members. Five members of the Regulatory Committee comprise the members of the Supervisory Board. Two members of the Regulatory Committee are a state representatives proposed by the Minister of the Environment and elected by the General Meeting. The General Meeting is bound by the proposal.

7.5. **Chairman**

The chairman represents the Regulatory Committee, convenes and organises the meetings of the Regulatory Committee, prepares and signs statements, decisions and other outputs from the meetings of the Regulatory Committee and ensures the protection of confidential competition information in connection with the meetings of the Regulatory Committee. The chairman of the Supervisory Board is always the chairman of the Regulatory Committee and his term of office corresponds to the term of office of the chairman of the Supervisory Board. A termination of the term of office of the chairman is without prejudice to the duration of the term of office of a Regulatory Committee member.

7.6. **Regulatory Committee Meetings**

Ordinary meetings of the Regulatory Committee are held at least one time per year on a date approved by the Regulatory Committee in advance, usually at one of the previous meetings. The date of the meeting usually coincides with one of the meetings of Supervisory Board. As and when necessary, the chairman of the Regulatory Committee will convene another extraordinary meeting of the Regulatory Committee, sufficiently in advance, based on his/her own initiative or at the request of at least half of the Regulatory Committee members or the Executive in such a way that it is held, at the latest, within 30 days after receipt of the request. The meetings of the Regulatory Committee take place under the attendance of (i) the members of Regulatory Committee, (ii) a minutes clerk authorised by the present members of the Regulatory Committee and who is different from the members of the Regulatory Committee and the Executive and usually being the external legal advisor of Eltma, (iii) the Executive, unless the present members of the Regulatory Committee decide otherwise, and (iv) other persons with the consent of the present members of the Regulatory Committee. The participants in the meeting of the Regulatory Committee are present physically or through telecommunication devices.

7.7. **Other Regulatory Committee Dealings**

The Regulatory Committee can discuss all matters and adopt decisions even without the concurrent presence of its members, but only with the particular or general prior consent of all of its members. The consent must be in writing or expressed at one of the meetings of the Regulatory Committee. The revocation of the consent must be in writing and can be effective at the earliest by the commencement of the day of its delivery to Eltma. The Executive shall inform all the members of the Regulatory Committee on the delivery of such revocation of the consent without undue delay upon the delivery. These dealings of the Regulatory Committee, other than ordinary or extraordinary meetings, can be in the form of, e.g., a

written or e-mail circular or a series of personal talks or communication through telecommunication devices individually among the members of the Regulatory Committee.

7.8. Quorum and Decisive Majority

The Regulatory Committee constitutes a quorum if at least four of its members take part in its dealings. The consent of a simple majority of the present members is needed for the adoption of a decision. In the event of parity of votes, the decisive vote shall be that of the chairman of the Regulatory Committee.

7.9. Minutes

The Regulatory Committee takes minutes of each of its dealings. The minutes of a dealing other than an ordinary or extraordinary meeting are drawn up, at the latest, as part of the minutes of the meeting of the Regulatory Committee immediately following the holding of the relevant dealing. In such a case, the minutes clerk will note that he/she was not present at the dealing corresponding to the relevant part of the minutes. Each of the minutes shall enclose the documents that were subject to the dealings. The minutes of the Regulatory Committee are drawn up and signed by the minutes clerk, co-signed by the chairman and, when he/she is not present, all present members of the Regulatory Committee. Without undue delay after the preparation of each of the minutes, the Regulatory Committee, acting through the minutes clerk, hands over one counterpart of the minutes to the Executive for the depositing of the minutes with Eltma and the second counterpart to the external legal advisor of Eltma for depositing with the advisor. The minutes clerk will further ensure, without undue delay after the preparation of the minutes, that a copy of the minutes is sent to all members of the Regulatory Committee. For the avoidance of doubt, the minutes of a meeting of the Regulatory Committee are considered confidential competition information.

7.10. Language Mode

Documents concerning meetings of the Regulatory Committee shall be prepared and the meetings and other dealings of the Regulatory Committee shall be held in Slovak, unless agreed otherwise.

7.11. Resignation

A member of the Regulatory Committee who is the state representative can resign from his/her office. The resignation must be given to Eltma in writing. The office lapses by the expiration of two months after the delivery of the notice. The General Meeting can approve, upon the request of the resigning member, another moment of lapse of the office.

8. LOYALTY, INDEPENDENCE, PROHIBITION OF COMPETITION, DETERMINATION OF AUDITOR, USE OF THE LIQUIDATION BALANCE

8.1. Obligation of Loyalty

The shareholders, the Executive, members of the Supervisory Board and members of the Regulatory Committee have an obligation of loyalty to Eltma. They are obliged to perform their functions, rights and obligations in the interest of Eltma, honestly and in a way that preserves the inner order of Eltma. The shareholders as the so-called tyre producers within the meaning of the Act on Waste have the obligation to perform their particular legal obligations regarding waste tyres in the territory of the Slovak Republic through the Eltma's collective system. The shareholders, the Executive, the members of the Supervisory Board

and the members of the Regulatory Committee have the obligation to maintain confidentiality of all information of Eltma that they learn about as part of the performance of their function, even after the end of the performance of this function.

8.2. Obligation of Independence

The execution of the office of the Executive, of a member of the Supervisory Board, of a member of the Regulatory Committee and the position of a shareholder are mutually incompatible (this does not apply to the members of the Supervisory Board and their membership in the Regulatory Committee). Members of the Supervisory Board that are simultaneously members of the Regulatory Committee distinguish within their conduct from which function they act and within their conduct unequivocally state, from which function they act. Neither the Executive nor the members of the Supervisory Board or members of the Regulatory Committee may accept any instructions from individual shareholders of Eltma or third parties when performing their functions. In case of the existence of circumstances that can invoke reasonable doubt in respect of their independence when performing their functions, the Executive and the members of the Supervisory Board must inform all other bodies of Eltma about these circumstances without undue delay, in particular sufficiently in advance before the execution of any related or material legal conducts, decisions or measures.

8.3. Prohibition of Competition

Prohibition of competition according to the Commercial Code (Section 136) relates not only to the object of activity similar to Eltma's activity, but also to the performance of business in the field of treatment of waste tyres and applies to the Executive, members of the Supervisory Board and the shareholders; the prohibition of competition applies only to activities in the Slovak Republic. In case of the existence of circumstances, which could raise reasonable doubts regarding compliance with the prohibition of competition (e.g. participation of a shareholder or a Supervisory Board member in the activity of another collective system operator in the Slovak Republic), the respective person has the obligation to inform about the circumstances without undue delay all the bodies of Eltma. As long as permitted by the general legal regulations, the General Meeting decides on granting consent with an activity, which presents a breach of the prohibition of competition.

8.4. Result of a Breach of the Obligation of Loyalty or the Prohibition of Competition by a Shareholder

Breach of the obligation of loyalty or of the prohibition of competition within the meaning of these Articles of Association by a shareholder is considered as a breach of the obligations of a shareholder in a particularly serious manner and as such entitles Eltma to seek the expulsion of the shareholder.

8.5. Determination of Auditor

If Eltma is obliged by law to have the financial statements verified by an auditor, the General Meeting will determine the auditor, in each case for the verification of certain financial statements or for a certain period. The Executive is obliged to present to the General Meeting a proposal for the determination of the auditor and a proposal of the conditions of agreement on the performance of the statutory audit, and the Supervisory Board is obliged to submit its standpoint on this proposal to the General Meeting. If the General Meeting does not determine the auditor within one year from the submission of the proposal of the Executive and the standpoint of the Supervisory Board, the auditor will be determined by the

Supervisory Board. The Executive is only authorised to conclude the agreement on the statutory audit with an auditor that was selected in this manner.

8.6. Use of the Liquidation Balance

Also, in the event of dissolution of Eltma and during the course of the liquidation, the bodies of Eltma and the liquidator are obliged to follow the Fundamental Principles of Eltma. The shareholders are obliged to vote at the General Meeting in a way that a potential liquidation balance (in such order of preference) (i) will be transferred to another appropriate collective system operator for the treatment of the waste tyres or (ii) will be transferred to another appropriate entity of general interest, whose object of activity is the protection of the environment in the Slovak Republic with regard to the treatment of waste tyres, or (iii) will be proportionally paid out to the collective system participants.

8.7. Guardian

In the event that the court appoints a guardian to Eltma according to the Civil Procedure Code, the guardian shall be appointed from the members of the Supervisory Board.

9. RESERVE FUND

The reserve fund is not created at the establishment of Eltma. Eltma will create a reserve fund from the net profit manifested in the annual financial statement in the year in which the profit is created for the first time, in the amount of 5 % of the net profit but not more than 10 % of the value of the registered capital. Eltma is obliged each year to contribute 5 % of the net profit to the reserve fund up to the amount of 10 % of the registered capital. The reserve fund serves to cover Eltma's losses unless a special law provides otherwise.

10. BENEFITS PROVIDED TO PERSONS PARTICIPATING IN THE ESTABLISHMENT OF ELTMA OR IN ACTIVITIES LEADING TO ACQUISITION OF AUTHORISATION FOR ITS ACTIVITIES

No benefits were provided to persons participating in the establishment of Eltma or in activities leading to the acquisition of authorisation for its activities.

11. ANTICIPATED COSTS RELATING TO THE ESTABLISHMENT AND INCORPORATION OF ELTMA

Anticipated costs relating to the establishment and incorporation of Eltma amount to EUR 27,842.

12. ARBITRATION CLAUSE

The shareholders will attempt in good faith to resolve any dispute or claim arising out of or in relation to these Articles of Association through negotiations among representatives of each of the shareholders with authority to settle the relevant dispute. If the dispute cannot be settled amicably within thirty (30) days from the date on which a shareholder has served written notice on the others regarding the dispute, then all the disputes or claims, including disputes concerning the validity, interpretation or annulment of the Articles of Association, shall be settled before the Court of Arbitration of the Slovak Chamber of Commerce and Industry in Bratislava by three arbitrators in conformity with its internal rules and regulations. The parties shall comply with the decision of the Court; its decision shall be binding upon the parties.

13. FINAL PROVISIONS

The matters of Eltma not explicitly regulated by these Articles of Association are governed by the provisions of the relevant generally binding legal regulations.