



**ELVALHALCOR**

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

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**REGULATION OF OPERATION  
OF THE  
REMUNERATION AND NOMINATION COMMITTEE**

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REGULATION OF OPERATION OF THE REMUNERATION AND NOMINATION COMMITTEE

**PRESENT VERSION DETAILS**

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**PREVIOUS VERSIONS DETAILS**

<b>Version Nr.</b>	<b>Date of Approval</b>	<b>Title</b>	<b>Description</b>
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**REGULATION OF OPERATION OF THE REMUNERATION AND NOMINATION  
COMMITTEE OF ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY  
SOCIETE ANONYME**

**1. Object of the Regulation**

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**1.1.** This regulation (hereinafter the “**Regulation**”) specifies the mission (role), powers, procedures for their fulfilment and exercise, the composition, the procedure for convening and meeting and other related issues concerning the operation of the Remuneration and Nomination Committee (hereinafter the “**Committee**”) of the société anonyme under the name “ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY SOCIETE ANONYME” (hereinafter the “**Company**”), pursuant to article 10 par.2 and 4 of L. 4706/2020.

**1.2.** The Regulation has been drafted according to the institutional framework that governs the companies with shares listed in a regulated market, especially:

- i) Laws 4548/2018 (esp. articles 110 – 112) and 4706/2020,
- ii) the relevant regulatory decisions of the Hellenic Capital Market Commission (“**HCMC**”), and
- iii) the relevant HCMC circulars, especially Circular Nr. 60/18.9.2020.

**1.3.** The Regulation is construed and implemented according to the letter and the spirit of the provisions of the mentioned laws / regulatory acts.

**1.4.** This Regulation, in its present applicable version, enters into force following its approval by the Company’s Board of Directors (hereinafter the “**Board**”).

**2. Composition – Term of Office – Operation of the Committee**

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**2.1. Composition.** The Committee, being a committee of the Board of Directors, has three members and is composed, entirely, by non-executive members of the Company’s Board of Directors, at least two (2) of whom must be independent. In any case, the majority of the Committee members must be independent non-executive members of the Board of Directors.

**2.2. Nomination.** The Committee members are appointed by the Board of Directors. Re-nomination of the Committee members is always possible.

**2.3. Chairman.** The Chairman of the Committee is nominated from among its independent members at its meeting for its constitution to body.

**2.4. Overall knowledge, skills and experience.** The members of the Committee overall possess the required knowledge, skills and experience in terms of business activity of the Company so that they assess the appropriate composition of the Board of Directors and, among others, the selection procedure and the suitability requirements, aiming to sufficiently execute the duties of the Committee. In the act

of appointment/election of the Committee members, the qualifications of its proposed members are sufficiently justified, as well as the fact of independence of its independent members, according to the provisions applicable at the time.

**2.5. Term of Office.** The term of the Committee is equal to that of the Board of Directors.

**2.6. Forfeiture – replacement of missing member.** Forfeiture of a BOD member automatically entails forfeiture from the Committee’s membership as well. In case of resignation, death or otherwise loss of the Committee’s membership, the Board of Directors appoints from among the current members, the new member of the Committee in replacement of the forfeited one, on the restrictions of clause 2.1 for the period until the expiry of his/her term, in compliance with par. 1 and 2 of article 82, L. 4548/2018 (A’ 104) that applies *mutatis mutandis*.

**2.7. Participation in other committees.** The participation of a person in the Committee does not exclude his/her participation in another committee of the Board of Directors as long as this does not affect the correct execution of the duties of such person as member of the Committee.

**2.8. Secretary of the Committee.** The duties of the Secretary of the Committee are executed by a clerk or officer of the Company nominated by decision of the Company’s Board of Directors, who also keeps the minutes of the Committee's meetings (as provided in clause 4.10).

### **3. Mission – powers of the Committee**

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**3.1.** The Committee exercises, as a single committee, the authorities of both the remuneration committee (article 11, L. 4706/2020), and the nomination (candidacies) committee (article 12 L. 4706/2020) assigned to the Committee as per par. 2 art. 10, L. 4706/2020, by virtue of the relevant decision of the Company’s Board of Directors.

**3.2.** The mission and the main powers of the Committee are as follows:

**3.2.1. As to the Remuneration.** The Committee:

3.2.1.1. Formulates proposals to the Board of Directors related to:

3.2.1.1.1. The remuneration policy of the Company (art. 110 L. 4548/2018, hereinafter “**Remuneration Policy**”) submitted for approval to the General Meeting (as per art. 110 par. 2, L. 4548/2018)

3.2.1.1.2. The remuneration of the persons falling under the scope of the Remuneration Policy, as per article 110 of L. 4548/2018, and related to the remuneration of the managing officers of the company, including:

- a) the performance remuneration,
- b) the structure and amount of stock option rights and the staff long-stay motivation programs,
- c) the amount of the standard remuneration,

- d) all kinds of variable remuneration,
  - e) position allowances,
  - f) pension schemes,
  - g) compensations for work contract termination,
  - h) the amount of annual rewards of the members of the Board of Directors, as well as the members of the Company's committees.
- 3.2.1.1.3. The remuneration of the Head of Internal Audit Unit as per applicable provisions (article 11 (b), L. 4706/2020).
- 3.2.1.2. Assesses, on a periodic basis, the need of updating the Remuneration Policy of the Company, considering the legislative developments, the best practices and the relevant conclusions/reports of the Internal Audit Unit.
- 3.2.1.3. Reexamines, on a periodic basis, the emoluments level of the Company based on best practices and the remuneration levels of the respective sector, proposing, if necessary, the required modifications, in terms of emoluments, also in the Remuneration Policy.
- 3.2.1.4. Reexamines on an annual basis, the categories of the staff of the Company, whose activities, due to their nature, has material effect on its risk profile. Such assessment considers the type and nature of the activities, the degree of participation of the assessed staff in such classes and the overall procedures followed at each stage of the activities.
- 3.2.1.5. Examines the information included in the final draft of the annual remuneration report of the Company (art. 112, L. 4548/2018, hereinafter the "**Remuneration Report**") and expresses opinion to the Board of Directors thereon, before the submission of the Remuneration Report to the General Meeting (as per art. 112 of L. 4548/2018).

**3.2.2. As to the Nomination.** The Committee:

- 3.2.2.1. Monitors the efficacy and re-examines the planning and implementation of the Suitability Policy of the Company and proceeds to its periodical assessment regularly or when significant facts or changes occur.
- 3.2.2.2. Processes, in cooperation with the Internal Audit Unit and the Legal Department (legal counsel) of the Company, and proposes to the Board of Directors a plan of Suitability Policy (art. 3, L. 4706/2020) and amendments thereof, which is approved by the Board of Directors (art. 3 par. 1, L.4706/2020) and is submitted for approval to the General Meeting of the shareholders of the Company and is posted on its website (art. 3 par. 3, L. 4706/2020). For material amendments of the Suitability Policy, the Committee may also consider recommendations by other external agencies. As material amendments are meant those introducing deviations or significantly altering the content of the Suitability Policy especially as to the applicable general principles and criteria.

- 3.2.2.3. Detects and proposes to the Board of Directors, persons appropriate to be appointed as members of the Board of Directors, the Audit Committee of the Company (art. 44, L. 4449/2017) and any other committees of the Board of Directors, taking into consideration the factors and criteria of individual and collective suitability set by the Company, according to the adopted Suitability Policy and based on the relevant procedure stipulated in the Annex of this Regulation. In such context, the Committee assesses the adequacy of the skills, knowledge and experience of the candidates. Additionally, it prepares the description of the roles, qualities and time commitment required by each position.
- 3.2.2.4. Assesses the performance of the members of the Board of Directors and the Committees of the Company, considering the skills, knowledge and experience of the members of the Board of Directors and the committees of the Company and informs the Board of Directors respectively.
- 3.2.2.5. Evaluates the structure, composition and size of the Company's Board of Directors and makes proposals as to required changes.
- 3.2.2.6. Monitors on a constant basis, the suitability of the members of the Board of Directors, especially to detect, in the scope of any new fact, the cases in which reassessment of their suitability is required as per relevant definitions of Suitability Policy.
- 3.2.2.7. Examines the independence of the independent non-executive members of the Board of Directors periodically, at least once every year, as well as in case of election of a new Board of Directors or election of a member in replacement of a missing independent member, as well as extraordinarily when required, and it submits proposals to the Board of Directors as to the appropriate actions or/and changes in its composition.
- 3.2.2.8. Recommends to the Board of Directors the re-election or not of the current members of the Board of Directors, including any relevant committees of the Board of Directors, at the expiry of their term of service.
- 3.2.2.9. Designs a succession plan, for both the members of the Board of Directors and the committees of the Company, as well as the superior executives of the Company, according to the Company's needs at the time.
- 3.2.2.10. Examines the selection policy of the superior executives (main managing executives in the meaning of art. 2 (13), L. 4706/2020) of the Company and recommends their employment to the Managing Director, if appointed, otherwise to the Board of Directors. In deviation of the foregoing: (a) upon proposal of the Committee, the Managing Director and the General Managers and their deputies, are nominated by the Board of Directors and (b) upon opinion by the Committee, to the Audit Committee and proposal of the Audit Committee to the Board of Directors, the head of the Internal Audit Unit is appointed by the Board of Directors and (c) following recommendation of the Committee to the Audit Committee and proposal



of the Audit Committee to the Board of Directors, the Compliance Officer and Risk Manager are appointed by the Board of Directors.

3.2.2.11. Monitors and introduces to the Board of Directors the suitability and adequacy of the top executives' selection and employment policy followed by the Company.

3.2.2.12. In cooperation with the Audit Committee, the Committee is responsible for the periodical assessment of the performance of the head of the Internal Audit Unit, the Compliance Officer and the Risk Manager.

3.2.3. In the context of its duties, the Committee examines proposals of the parties concerned including the basic shareholders and the Management of the Company.

#### **4. Meetings and Decision Making**

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**4.1. Place of meetings.** The Committee meets at the registered seat of the Company or anywhere provided by its Articles of Association, as applicable, according to the article 90 of L. 4548/2018, as applicable.

**4.2. Frequency of meetings.** The Committee meets at regular intervals at least four (4) times per year and extraordinarily whenever deemed necessary by its Chairman or any of its members.

**4.3. Convocation – notice.** The Committee is convened by the Chairman of the Committee by notice given to the other two (2) members, at least two (2) business days before the meeting. The notice includes the items of the agenda, the date, the time and the place of the session of the Committee. The convocation of the Committee may also be requested by at least one (1) of its other members save the Chairman, by application (which should clearly contain also the issues to be discussed by the Committee) to the Chairman of the Committee who is obliged to timely convene the Committee so as to convene within a deadline of seven (7) days as of submission of the application. No notice is required, if all members of the Committee are present at the meeting and none of them opposes to the taking any decision.

**4.4. Representation.** Each member of the Committee may validly represent only one of the other members thereof. The relevant power of attorney must be given in writing.

**4.5. Quorum.** The participation of all members of the Audit Committee must be sought in the meetings thereof. In any case though, the Committee will be found at quorum, if at least two of its members are present.

**4.6. Majority.** Decisions are taken by a majority of its members, and in the event of a tie, the vote of the President shall prevail.

**4.7. Meeting via teleconference.** The Committee may meet also via teleconference without physical presence of some or all of its members. The Company encourages the use of new technologies to facilitate the proceedings of the Committee on the self-evident condition of compliance with the necessary safety measures.

**4.8. Decision making without meeting.** By analogy with article 94 par. 1 of L. 4548/2018, as in force, the preparation and signing of minutes by all members of the Audit Committee is equivalent to a decision thereof, even if no meeting was previously held.

**4.9. Participation of other persons in the meetings.** At the discretion of the Committee, superior or top executives of the Company, depending on the issues to be discussed, may attend the meetings of the Committee.

**4.10. Minutes of meetings.** The discussions and decisions of the Committee are recorded in minutes in summary. The minutes of the Committee are approved and signed by the attending members. In case of refusal of signature by any member, a relevant reference is made in the minutes.

## **5. Relations with other persons/bodies of the Company**

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**5.1.** The Committee may be assisted in its work also by special external consultants selected by it and not belonging to the staff of the Company. The fees of such consultants are determined by decision of the Board of Directors of the Company and are paid by the latter.

**5.2.** The Audit Committee is an independent body, its decisions are made independently of the decisions of other bodies of the Company and its members act and decide on their own conscience only.

**5.3.** The Audit Committee calls, at its discretion and when advisable, key executives involved in the governance of the Company, including especially the General Director, the Internal Auditor, executives of the Company, to attend specific meetings or specific issues of the agenda.

**5.4.** The Audit Committee has full access to all documents of the Company required in order to perform its duties and the Company disposes to the Audit Committee all persons the Committee deems requisite.

**5.5.** The Board of Directors ensures appropriate information and education to each member of the Audit Committee so as to enable the most efficient exercise of his/her duties.

## **6. Assessment**

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Once every year or even earlier, if necessary, the Committee assesses its performance and this Regulation. Then it submits to the Board of Directors its proposals aiming to the enhancement of the services rendered and its efficient operation.

## **7. Transparency**

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**7.1.** The Committee analytically keeps all necessary records, including minutes of its meetings, in which its actions and their results are recorded, as to implementation of its mission. To this end, the Committee may incorporate to the minutes any reports,

presentations and any other material placed to its attention and having been the object of discussion among its members.

**7.2.** The members of the Committee fully comply with the provisions of the internal Regulation of Operation and the Code of Corporate Governance of the Company.

## **8. Remuneration of members of the Committee**

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The remuneration of the members of the Committee is determined by a decision of the Board of Directors and is approved by a decision of the Ordinary General Meeting of the Company. The remuneration must correspond to the scope of their duties, taking into account, inter alia, the complexity – breadth of their work, the time of engagement required, the degree of their responsibility and the level of remuneration of the other members of the Board of Directors.

## **9. Effect – Review Process – Publicity**

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**9.1.** This Regulation is prepared by the Committee, is approved by the Board of Directors and enters into effect from the date of the said approval.

**9.2.** Subject to clauses 6 and 9.3, the Regulation is reviewed, at any time, upon the recommendation of the Committee and approval by the Board of Directors. The Committee may adopt and apply immediately, and prior to the amendment of this Regulation, provisions of new legislation governing different matters governed by this Regulation.

**9.3.** The Committee evaluates at regular intervals the adequacy and effectiveness of this Regulation and recommends to the Board of Directors the necessary amendments.

**9.4.** This Regulation is posted on the Company's website as per paragraph 4 (b), article 10, L. 470/6/2020.

## ANNEX

### **PROCEDURE OF ASSESSMENT OF CANDIDATE MEMBERS OF THE BOARD OF DIRECTORS**

The procedure of assessment of the suitability of the candidate members of the Board of Directors, in case of forthcoming election of

- new Board of Directors or
- Members of Board of Directors or a committee thereof in replacement of missing members.

is in specific as follows:

#### Collection of Candidates' supportive documents



For each candidate person, the required supportive documents are collected (by diligence of the Committee member nominated to this effect as rapporteur by the Chairman of the Committee and with the support of the Secretary of the Committee).

#### Examination of Supportive Documents – Preparation of Assessment Report



For each candidate, their produced supportive documents are examined and an Assessment Report is drafted by the rapporteur – member of the Committee, regarding whether the candidate adequately responds to the suitability and credibility standards set.

#### Preparation of Assessment Report and Recommendation to the BoD



The Committee meets and, based on the candidates' Assessment Reports, a Recommendation to the Board of Directors regarding the persons proposed to be elected as members of the Board of Directors is drafted, with full and adequate reasoning, for the selection of the most appropriate candidates based on the Assessment Report(s) escorted by the supportive documents to which they refer.

## Submission of Recommendation to the BoD

The Recommendation of the Committee is submitted to the Board of Directors in order to make the final choice for the selection of the most appropriate candidate(s).

### **Notes**

- The assessment of suitability and credibility of the candidate members of the Board of Directors takes place before the nomination of the new member of the Board of Directors, upon recommendation of the Committee.
- In cases that during the term of office of the Board of Directors, there are changes that affect the suitability or credibility conditions of the members of the Board of Directors, the continuation of the membership of the Board of Directors is reconsidered as per the above procedure that applies *mutatis mutandis*.