

***[DRAFT REVISED REMUNERATION POLICY OF ELVALHALCOR S.A.  
SUBMITTED TO THE SHAREHOLDERS' ORDINARY GENERAL MEETING OF 24.05.2023  
AGENDA ITEM 11<sup>TH</sup>: APPROVAL OF THE REVISION OF THE REMUNERATION POLICY  
ACCORDING TO L.4548/2018]***



## **REMUNERATION POLICY**

**(Article 110 par. 2 of L.4548/2018, as applicable)**

**As in force, approved by the Ordinary General Meeting of 24.05.2023**

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**REMUNERATION POLICY OF**  
**THE COMPANY “ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY SA”**  
**(Article 110 par. 2 of L.4548/2018, as applicable)**

**1. GENERAL**

In order to comply with the legislative and regulatory framework governing its operation, as in force, “ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY SA” (hereinafter the “*Company*”, has established and implements the present remuneration policy stipulated by article 110 of L.4548/2018 (hereinafter “*Remuneration Policy*”).

The Remuneration Policy, in its present version, was approved by the Annual Ordinary General Meeting of the Company’s shareholders on 24.05.2023 and came into force on the same date. It will be valid for the financial years 2023 - 2026, unless the General Meeting resolves to modify it within this time period, in accordance with the provisions of clause 7 hereof.

The Remuneration Policy is included in the Company’s Operating Regulations (of article 14 of L.4706/2020) and has been drawn up, interpreted and applied in accordance with the provisions of the institutional framework governing companies that have listed their shares on a regulated market, in particular:

- a) L.4548/2018 (notably articles 110 et seq. L.4548/2018),
- b) L.4706/2020 (indicatively, articles 9 par. 2, 11, 13 par. 1(d)),
- c) the Corporate Governance Code adopted and implemented by the Company (Greek Corporate Governance Code, issued by the Greek Corporate Governance Council of June 2021),
- d) the relevant circulars of the Hellenic Capital Market Commission and
- e) the best corporate governance practices.

The Remuneration Policy is in line with the Company’s broader corporate governance framework, corporate culture and risk appetite set by the Company.

The Remuneration Policy is available on the Company’s website (<https://www.elvalhalcor.com>) at no charge, at least for as long as it is in effect.

## **2. SUBJECT MATTER, SCOPE, PURPOSE AND BASIC PRINCIPLES OF REMUNERATION POLICY**

### **2.1. Subject matter – scope**

The Remuneration Policy is part of the Company's corporate governance system (in accordance with article 13 par. 1 point d) of L.4706/2020), and, pursuant to par. 1 article 110 of L.4548/2018, governs and regulates the remuneration:

- of the members of Company's Board of Directors, and
- of the General Managers (one or more) of the Company and their deputies, if any, irrespective of whether they are members of the Company's Board of Directors.

By way of a relevant provision of the Articles of Association the implementation of the Remuneration Policy may be extended to other executives of the Company, except from the aforementioned, as such executives are specified in paragraph 9 of the International Accounting Standard 24.

The Remuneration Policy does not cover any remuneration paid to Board of Directors members under the conditions of articles 99 to 101 of L.4548/2018 for services provided by these members to the Company on the basis of a special relationship, such as, but not limited to, an employment contract, a project or a mandate, pursuant to article 109 par. 3 of L.4548/2018.

The Remuneration Policy is implemented at the parent company level.

### **2.2. Purpose and basic principles**

The Remuneration Policy is intended and designed to ensure that the remuneration system provided for therein (in respect of all individual beneficiaries and remuneration components):

- a) is simple and transparent in its structure, so that it can be easily understood by those concerned and its implementation and monitoring is straightforward,
- b) is dynamic in nature and takes into account and provides for the adjustment and determination of remuneration (in particular the variable components thereof) based on the prevailing economic conditions and data of the Company,
- c) is governed by the principle of paying reasonable and fair, not excessive, remuneration for each position, based on the responsibility degree and the scope of competencies and duties of the position in question as well as the qualifications (knowledge and experience) that are considered necessary to provide a satisfactory performance in line with the expectations for the respective position; such principle governing the remuneration of all of the Company's employees,

- d) aligns the interests of the beneficiaries of the remuneration with the interests of the Company, mainly through the component of variable remuneration (for Executive Members of the Board of Directors) granted on the basis of performance (both individual and corporate),
- e) also ensures that it does not reward, and thus, does not encourage, the taking of excessive and unjustified risks by the beneficiaries of the remuneration on behalf of the Company and, therefore, also prevents the creation of conflicts of interests between the persons concerned and the Company,
- f) is in line with market practices, is competitive and provides incentives to attract and retain suitably qualified and experienced persons to staff the Board of Directors (and general management) of the Company, primarily oriented towards servicing the long-term corporate interest and capable of serving the Company's business strategy,
- g) does not threaten, but instead is consistent and aligned with the Company's long-term business objectives and interests and its tolerable level of risk, as well as with the interests of its shareholders and other stakeholders, such as its employees.

In doing so, the Remuneration Policy serves and contributes to the Company's business strategy, the long-term interests and sustainability of the Company and provides a more secure foundation for the Company's strategic vision and long-standing values.

Within the context and for the purposes of the (periodic and any extraordinary, whenever required) review and any revision of the Remuneration Policy, the levels and the general structure of remuneration and the salary and working conditions of the Company's employees and the Company's practices in this regard, as well as the data and developments in the labor market shall be taken into account and considered (by the Company's competent bodies, in accordance with clause 7 hereof). This is to ensure that there is consistency and a uniform practice within the Company with regard to the remuneration of each position, but always to the extent appropriate and with the relevant and necessary, objectively imposed, differentiations, bearing in mind in particular that:

- the contribution and impact of the Executive Members of the Company's Board of Directors, as a consequence of their responsibilities and duties and competencies, on the Company's performance and financial results differ and are greater (qualitatively and quantitatively) than those of its other employees and, accordingly, the structure of the remuneration of the Company's Board of Directors' Executive Members (in particular as regards the variable components thereof, where applicable) is necessarily different from that of its other employees; and

- the remuneration of the Non-Executive Members of the Board of Directors (including the Independent Non-Executive Members of the Board of Directors), due to their different roles, duties and responsibilities and their contribution to the performance and financial results of the Company, is not comparable to the remuneration of the Executive Members of the Board of Directors and other employees of the Company.

In conclusion, the Company, in formulating the Remuneration Policy for the members of the Board of Directors, took into account the salary and working conditions of its employees. More specifically, taking into account (a) the average monthly salary of all its employees in relation to their working hours, (b) their educational background, (c) their professional experience and (d) the importance of their position and the responsibilities it entails, the Company has formulated this Remuneration Policy accordingly, so as not to create a disproportionate gap between the remuneration and working conditions of the Company's employees and the members of its Board of Directors. At the same time, the objective is to keep the level of remuneration within the market average, based on a comparable sample.

### **3. STRUCTURE, TYPE, COMPONENTS OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE GENERAL MANAGERS OF THE COMPANY**

#### **3.1. General**

The remuneration structure (type/components) of the members of the Board of Directors and the General Managers (and their deputies, if any) of the Company is determined by the Company and varies per category of the Board of Directors member (as indicated below under 3.1.1) and per remuneration component (as indicated below under 3.1.2), as well as per the specific role they undertake. An explanation of how total remuneration complies with this Remuneration Policy is provided in the Company's annual Remuneration Report (article 112 par. 2 point a) of L.4548/2018).

##### **3.1.1. Distinctions of the Company's Board of Directors members**

According to the law, the members of the Board of Directors of the Company are distinguished into Executive, Non-Executive and Independent Non-Executive members.

The Board of Directors of the Company, upon the recommendation of the Company's Remuneration and Nomination Committee, submits to the Company's shareholders General Meeting a proposal for the election of new members of the Board of Directors of the Company, including nominees who meet the statutory criteria of independence.

The members of the Board of Directors of the Company are elected by the Company's shareholders General Meeting, in accordance with the quorum and majority provisions of the Articles of Association of the Company, as in force from time to time.

The term of office of the members of the Board of Directors of the Company is, according to the Company's Articles of Association, one-year, subject to renewal. In the event of a vacancy on the members of the Board of Directors of the Company, a temporary replacement for the outgoing member may be elected by the remaining members, subject to the conditions provided by law, until the next shareholders General Meeting of the Company, which shall finalize the election.

The members of the Board of Directors of the Company may resign or be removed at any time by the shareholders General Meeting of the Company.

### **3.1.2. Components of the remuneration of the members of the Board of Directors of the Company**

The remuneration of the members of the Board of Directors of the Company, depending on the status of each member according to the distinctions made under 3.1.1 above, may include one or more of the following components:

#### **3.1.2.1. Fixed remuneration**

Fixed remuneration may include one or more of the following types of remuneration:

##### **3.1.2.1.1. Fixed (flat) compensation for participation in the Board of Directors and its Committees as well as their meetings and proceedings in general.**

They consist of fixed / flat remuneration for the participation of all Board members in the meetings of the Company's Board of Directors and, solely with respect to Non-Executive Members, including Independent Non-Executive Members, in the meetings of the respective individual committees of the Board of Directors (Audit Committee, Remuneration and Nomination Committee, etc.).

This fixed (flat) financial compensation for participation in the Board of Directors and, where applicable, in its Committees, is paid in accordance with the law (article 109 par. 1 and 4 of Law 4548/2018) and the provisions set forth in the Company's Articles of Association (article 21 par. 1) and this Remuneration Policy, following a decision of the annual Ordinary General Meeting of the Company's shareholders (following a relevant recommendation by the Company's Board of Directors, which is prepared after taking into account a relevant proposal of the Company's Remuneration and Nomination Committee), that may also authorize an advance payment of such remuneration for the time period until the next Ordinary General Meeting, subject to its approval by the next Ordinary General Meeting.

No specific range or cap is set for the annual fixed (flat) monetary compensation / remuneration. The said fixed remuneration of the Board of Directors members is mainly proportional to the time that the members dedicate to the Company in the above-mentioned context, depending on the status of each of them according to the distinctions under 3.1.1 above. In particular, for the preparation of the relevant recommendation by the Remuneration and Nomination Committee and the proposal of



the Company's Board of Directors to the General Meeting of Shareholders, the following are taken into account, indicatively and in particular:

- a) The prevailing level of remuneration and increases, respectively, in the market and, in particular, the corresponding practice of companies of a similar and comparable size to the Company in terms of business scope and economic size (capitalization, revenue, profitability, complexity, international activity), as well as any other factor considered relevant.
- b) The time that the members of the Board of Directors are required to spend in the performance of their duties, depending on the status of each of them according to the distinctions set out in section 3.1.1 above and on the duties arising therefrom, as provided for and/or assigned to them, as the case may be, by law, the Company's Rules of Operation or specific resolutions of the Company's Board of Directors.
- c) The need to find members of the Board of Directors who have suitable – or possibly exceptional – skills, abilities, diversity, knowledge and experience for the position of Board of Directors member (in particular with regard to Non-Executive Members, including Independent Non-Executive Members).

3.1.2.1.2. Salary for the performance of organic duties. Applies exclusively to Executive Members of the Board of Directors (see clause 3.2.1.2) and to the Company's General Managers and any deputies of the latter (see clause 3.4).

3.1.2.1.3. Additional benefits in kind (e.g. use of company car, liability insurance for members of the Board of Directors).

3.1.2.1.4. Business costs/expenses.

#### 3.1.2.2. **Variable remuneration**

It only applies to Executive Members of the Board of Directors (see clause 3.2.2) and to General Managers and their deputies (see clause 3.4).

Variable remuneration may include one or more of the following types of remuneration:

3.1.2.2.1. Annual variable remuneration (Short-Term Variable Remuneration Plan), through:

- i) Participation in the financial year's (and/or previous years') profits (see clause 3.2.2.2.1.1.1), and/or
- ii) Bonus (see clause 3.2.2.1.1.2).

3.1.2.2.2. Long-term Variable Remuneration Plan (see clause 3.2.2.2).

3.1.2.2.3. Participation in a Company share option plan (according to article 113 of L.4548/2018) and/or free share allocation plan (according to article 114 of L.4548/2018).

## **3.2. Remuneration of Board of Directors Executive Members**

The remuneration of Executive Members is divided into fixed and variable. The percentage distribution of the overall remuneration between fixed and variable is determined by the Company based on criteria aimed at aligning the objectives of the remunerated members of the Board of Directors with the long-term interests of the Company and the shareholders. In general, the amount of the remuneration and its structure is linked and designed so that, by attracting and retaining competent, qualified, experienced and committed executives, it serves primarily the creation of long-term value for the Company. In particular:

### **3.2.1. Fixed remuneration**

Fixed remuneration reflects the education and training level, experience, skills, responsibility and the functional requirements of the position (knowledge of the work object, negotiating skills, professionalism, business acumen). Fixed remuneration may include one or more of the following types of remuneration (see clause 3.1.2.1):

#### **3.2.1.1. *Fixed (flat) compensation for participating in the Board of Directors (meetings and its proceedings in general)***

Paid pursuant to the stipulations of 3.1.2.1.1.

#### **3.2.1.2. *Salary for the performance of organic duties***

It is paid on the basis of an employment relationship for the performance of organic duties arising from the beneficiary's organic relationship/position as an Executive Member of the Company's Board of Directors, in accordance with the law (article 109 par. 1 of L.4548/2018), the provisions of the Company's Articles of Association (article 21 paragraph 1) and the present Remuneration Policy.

It does not include and is distinguished from the remuneration (provided for by article 109 paragraph 3 of L.4548/2018) paid to members of the Board of Directors for services to the Company based on a special relationship, such as, indicatively, an employment, project or mandate contract, subject to the conditions and in compliance with the procedure for authorizing a transaction with an associated party of articles 99 to 101 of L.4548/2018.

#### **3.2.1.3. *Additional benefits in kind***

Indicatively: use of a company car, liability insurance for the members of the Board of Directors.

#### **3.2.1.4. *Business costs / expenses***

Indicatively: commuting / accommodation expenses, required and incurred in the context of the performance of the duties of the Executive Members of the Company's Board of Directors.

### 3.2.2. Variable remuneration

When and if the financial situation of the Company so permits, and always at its discretion, variable remuneration may be granted to the Executive Members of the Company's Board of Directors. Variable remuneration may include one or more of the following types of remuneration (see clause 3.1.2.2):

#### 3.2.2.1. **Annual variable remuneration (Short-term Variable Remuneration Plan)**

##### 3.2.2.1.1. Structure/types of annual variable remuneration

Annual variable remuneration may consist of one or more of the following:

##### 3.2.2.1.1.1. *Remuneration consisting of profit sharing in the financial year (and/or past financial years)*

Paid in accordance with Article 109 par. 2 of L.4548/2018, article 21 par. 2 of the Company's Articles of Association and the provisions of this Remuneration Policy, following a resolution of the annual Ordinary General Meeting of the Company's shareholders that approves the total amount of remuneration to be distributed from the profits (upon the relevant recommendation of the Company's Board of Directors, which is prepared after taking into account a relevant proposal of the Company's Remuneration and Nomination Committee).

##### 3.2.2.1.1.2. *Bonus*

It is paid on the basis of the beneficiary's employment contract with the Company and/or a resolution of the Company's Board of Directors, upon proposal of the Remuneration and Nomination Committee.

##### 3.2.2.1.2. Criteria for the award of annual variable remuneration – method for assessing the extent to which these criteria are met

The annual variable remuneration is primarily focused on the performance of the Company, followed by the performance of the Board of Directors' Executive Members. The relevant remuneration is granted based on the extent to which targets are achieved, being set at a combination of personal and corporate level. Accordingly, the annual variable remuneration links the individual performance of the beneficiary to the performance of the Company and reward it based on this as well. It therefore provides an incentive to achieve individual performance, but also to the benefit the Company's performance. Thus, the annual variable remuneration aligns the interests of the beneficiaries of the remuneration to the interests of the Company.

The annual variable remuneration is determined and granted based primarily on the financial performance of the Company, in combination with the individual performance of the beneficiaries of the remuneration, at the predetermined level of performance in specific target / priority areas. Each of these criteria carries a different of weightage,

based on which their specific contribution is weighted and variable remuneration is calculated. More specifically:

- a) The Company's financial performance criterion is primarily the adjusted EBITDA (a-EBITDA), which the Company uses as a measurement indicator of its profitability, as it is considered to be more representative of the organic profitability and more objectively reflects the performance of its executives and personnel. The Company's achievement of the financial performance criterion is assessed based on the extent to which the Company achieves a predetermined adjusted EBITDA (a-EBITDA) target for the respective fiscal year.
- b) The criterion of the individual performance of each beneficiary is the effectiveness and efficiency of his work and the degree to which he has achieved the personal objectives that may have been set for him in advance for the respective financial year, in specific target/priority categories, including, inter alia, with regard to both the financial and non-financial performance of the Company. The Company's non-financial performance may be assessed primarily on the basis of its performance in the areas of environment, corporate social responsibility and corporate governance (ESG), customer management, processes and organizational effectiveness as well as human resources and leadership.

The Company may, at any time, determine further criteria for the granting of variable remuneration.

#### 3.2.2.1.3. Calculation method of annual variable remuneration

##### 3.2.2.1.3.1. *General*

In determining the amount of the annual variable remuneration, the Company's mainly financial performance criteria are of paramount importance.

For each Executive Member of the Board of Directors who receives fixed remuneration consisting of a salary (under 3.2.1.2 above), the maximum annual variable remuneration (potential maximum annual variable remuneration) is set in relation to his salary, depending on the performance of the Company. Other fixed remuneration, e.g. fixed (flat) compensation for participation in the Board of Directors (meetings and general Board proceedings), are not included in the calculation basis for the maximum annual variable remuneration ceiling by applying the above-mentioned percentage due to the fact that they are set at a low level. In the case of an Executive Member of the Board of Directors who may not receive fixed remuneration consisting of a salary, for the purposes of calculating the annual variable remuneration, an imputed salary will be taken into account, such imputed salary falling within the range between the minimum and the maximum salary received by Executive Members of the Board of Directors and determined by the Company's Remuneration and Nomination Committee on the basis of the duties of such Member and the objectives achieved by him.

The amount of the annual variable remuneration that each of the Board of Directors' Executive Member is entitled to receive is determined, based on the individual performance of the Executive Member as part of the (potential) maximum remuneration determined on the basis of the Company's performance.

*3.2.2.1.3.2. Cap of annual variable remuneration based on the Company's performance criteria*

In case of a 100% performance of the Company (based on the predefined annual targets), the annual variable remuneration cannot exceed 50% of the annual base salary. In the event that the Company's performance exceeds 100% (limited in any case to a maximum performance rate of 120%), the annual variable remuneration shall increase on a pro rata basis but under no circumstance can it exceed 60% of the annual base salary.

In the event that the Company's performance is at the minimum acceptable level, the annual variable remuneration cannot exceed 25% of the annual base salary.

In the event that the Company's performance falls below the minimum acceptable level, no annual variable remuneration is paid.

*3.2.2.1.3.3. Determination of the entitled remuneration based on individual performance criteria*

The amount of the annual variable remuneration that each Executive Member of the Board of Directors is entitled to receive is determined as a part (percentage / multiplier) of his potential maximum annual variable remuneration (which has been calculated based on the Company's performance as described above under 3.2.2.1.3.2), determined on the basis of his individual performance. And the individual performance (as a percentage / multiplier on the potential maximum annual variable remuneration) is assessed according to the extent (percentage) of fulfillment of his individual objectives set in all the relevant predefined categories of the objectives / priorities and depending on the importance of each category, and ranges between 0% and 100%.

*3.2.2.1.3.4. Criteria, objectives and performance setting process*

The objectives and performance criteria at corporate and individual level and their weighting for the determination of the annual variable remuneration are determined, upon recommendation by the Company's Remuneration and Nomination Committee, at the beginning of each financial year, for each financial year in accordance with the Company's business strategy.

At the end of each financial year, the Company's Remuneration and Nomination Committee evaluates the performance achieved against these targets.

Any determined remuneration amounts are paid in money.

An explanation of how the performance criteria are applied is set out in the Company's annual Remuneration Report (article 112 par. 2 point a) of L.4548/2018).

#### **3.2.2.2. Long-term variable remuneration plan**

The purpose of the long-term variable remuneration plan (hereinafter "**Long-Term Variable Remuneration Plan**") is to provide incentives to the Executive Members of the Board of Directors to contribute to the achievement of the Company's sustainable performance in the long run, in line with the interests of the Company and its key stakeholders, as well as to reward the implementation and enforcement of the Company's long-term business strategy.

The Long-Term Variable Remuneration Plan consists of successive discrete, performance-based monetary remuneration plans. Each plan has a three-year term and, more specifically, includes three (3) consecutive financial years.

For the vesting of the relevant remuneration, the performance achieved by the Company, based primarily on financial criteria and, secondarily, on non-financial criteria, in relation to the corresponding budgeted performance set as a target, pursuant to the Company's business plan, as adjusted, for each financial year of the above three-year period, is taken into account. In particular, the Company's achieved performance based on the "adjusted ROCE" ratio (a-ROCE) is taken into account as a financial performance criterion. The Company's non-financial performance may be primarily assessed on the basis of its performance in the areas of environment, corporate social responsibility and corporate governance (ESG). The performance criteria will be reviewed periodically and will be modified and/or adjusted, whenever and as deemed necessary, by the Board of Directors upon the recommendation of the Company's Remuneration and Nomination Committee, in order to ensure that they optimally reflect the current economic conditions and the Company's business strategy. An explanation of how the relevant performance criteria are applied is provided in the Company's annual Remuneration Report (article 112 paragraph 2, point a) of L.4548/2018).

For each Executive Member of the Board of Directors who receives fixed remuneration consisting of a salary (under 3.2.1.2 above), the maximum (potential) limit of remuneration based on the Long-Term Variable Remuneration Plan is set on the basis of their salary, depending on the performance of the Company. Other fixed remuneration, e.g. fixed (flat) compensation for participating in the Board of Directors (meetings and its proceedings in general), will not be included in the calculation basis of the annual variable remuneration cap by applying the above rate due to the fact that they are set at a low level. In the case of an Executive Member of the Board of Directors who may not receive a fixed remuneration consisting of a salary, for the purposes of calculating their annual variable remuneration, an imputed will be taken into account, such imputed salary falling within the range between the minimum and maximum salary received by Executive Members of the Board of Directors and is determined by the

Remuneration and Nomination Committee of the Company based on the duties of the Member in question and the objectives achieved by him shall be taken into account.

In case that the Company performs 100% (of the target), the corresponding remuneration will be  $\frac{1}{6}$  (16.67%) of the annual base salary. In case that the Company's performance exceeds 100%, the corresponding remuneration will be pro-rated up to a performance rate of 120% or more, in which case the remuneration will amount to  $\frac{1}{3}$  (33.33%) of the annual base salary which cannot be exceeded (cap). In case the Company's performance is below 100%, the respective remuneration is pro-rated down to a performance rate of 80%, which is defined as the minimum acceptable level of performance, resulting in a remuneration of  $\frac{1}{12}$  (8.33%) of the annual base salary. If the Company's performance falls below the minimum acceptable performance level of 80%, no remuneration entitlement is established (zero remuneration).

Remuneration is calculated and vested for each financial year of the three-year period above, after which the Company's relevant performance is assessed (for each of the three financial years separately).

Upon completion of each three-year period of the Long-Term Variable Remuneration Plan, the Company's Remuneration and Nomination Committee evaluates the performance achieved against the respective targets for each of the relevant three fiscal years of the plan separately.

Any fixed remuneration amounts, in aggregate for the three-year term of the Long-Term Variable Remuneration Plan, shall be paid upon completion. The relevant payments may be made through profit sharing for the financial year (and/or past financial years) or as a bonus as defined in terms 3.2.2.1.1.1 and 3.2.2.2.1.1.2 of this Remuneration Policy, which shall apply mutatis mutandis in such case.

It is possible for the Long-Term Variable Remuneration Plan to be included/integrated into an insurance pension plan administered by an insurance company and the payments of the relevant fees to be made thereunder.

The Long-Term Variable Remuneration Plan may provide for the non-payment and the loss of the right to collect, in whole or in part, of the relevant remuneration under certain conditions, such as in the event of early voluntary departure of the beneficiary from the Company, dismissal due to his fault, fraudulent conduct, etc. Fees paid under the Long-Term Variable Remuneration Plan may be recovered, depending on the specific terms of each plan and in accordance with the provisions of clause 3.2.2.4 of the present Remuneration Policy.

**3.2.2.3. *Stock option plan (pursuant to article 113 of L. 4548/2018) and/or free allocation of the Company's shares (pursuant to article 114 of L. 4548/2018)***

By resolution of the General Meeting of the Company's shareholders, following a relevant proposal of the Company's Board of Directors, which is formulated following a

relevant recommendation of the Company's Remuneration and Nomination Committee, the following may be established:

(a) share distribution plan to Executive Members of the Company's Board of Directors and its affiliated companies, within the meaning of article 32 of L.4308/2014, in the form of stock options, in accordance with article 113 of L.4548/2018, and/or

(b) free share distribution plan to Executive Members of the Company's Board of Directors and its affiliated companies, within the meaning of article 32 of L.4308/2014, in compliance with article 114 of L.4548/2018.

#### **3.2.2.4. *Deferral of payment / variable remuneration clawback by the Company***

The Board of Directors may decide to apply malus or clawback arrangements up to 100% of variable remuneration regardless of the method of payment, including any deferral arrangements. Malus arrangements may be applied at the time the deferred remuneration vests, while for clawback the Company may apply the arrangements after the payment or vesting of the variable remuneration. This procedure results in a reduction in variable remuneration.

Both the payment of variable remuneration over a period of more than one year and the possibility of repayment are intended to link variable remuneration to performance over time and not just on an annual basis.

The criteria include, but are not limited to, evidence of misconduct or serious fault of a person which is subject to this Remuneration Policy, which caused significant financial loss or damage, serious deterioration of the Company's performance and significant negative impact or damage to the Company's reputation, as well as regulatory sanctions due to misconduct of the person subject to this Remuneration Policy.

##### **a) *Deferral of variable remuneration***

In the event that the Company's financial situation deteriorates significantly, especially in cases where the smooth continuation of its activities becomes uncertain, the payment of the planned variable remuneration may be deferred, fully or partially.

Likewise, if the target achievement rate per Unit/Directorate in a year is negative then, for that year, there is the possibility of cancelling the award of deferred variable remuneration.

If the individual performance level of the person who is subject to this Remuneration Policy is deemed to be inadequate then, following a recommendation by the Human Resources Department in cooperation with the Remuneration and Nomination Committee and a resolution of the Board of Directors, the payment of any deferred variable remuneration for the year may be cancelled.

Also, if it subsequently becomes apparent that the reasons that led to the payment or vesting of the specific variable remuneration to the person who is subject to this



Remuneration Policy were erroneous, then the payment of all the deferred remuneration originally calculated may be cancelled.

**b) Variable remuneration Clawback**

In cases where it is found that through fraud or other equally serious cause, the Company has been misled by a person subject to this Remuneration Policy into granting variable remuneration, the Board of Directors may take all legal remedies to cancel or recover/refund any short term or long-term variable remuneration paid.

**3.3. Remuneration of Non-Executive and Independent Non-Executive Members of the Board of Directors**

**3.3.1. Type of remuneration**

The Non-Executive and Independent Non-Executive Members of the Board of Directors of the Company, who are involved in the general promotion of corporate affairs, exercise the duties provided for by article 7 of I. 4706/2020 and are not engaged in the day-to-day management of the Company, are paid fixed / flat remuneration for their participation in meetings of the Company's Board of Directors and its Committees, in accordance with the provisions of clause 3.1.2.1.1.

The Non-Executive and Independent Non-Executive Members of the Company's Board of Directors do not receive variable remuneration, in order to avoid any conflict of interest when expressing their opinions and voting during decision making by the Company's Board of Directors.

It is clarified that Non-Executive Members of the Company's Board of Directors (excluding Independent Non-Executive Members) may receive additional remuneration for responsibilities, roles, duties and services rendered to the Company under a special relationship, such as, but not limited to, an employment, project or mandate contract, which are beyond their competences and obligations as members of the Board of Directors. Any such remuneration is not covered by this Remuneration Policy and will be paid under the conditions and in compliance with the authorization procedure for a related party transaction under articles 99 to 101 of L.4548/2018 (see also the last paragraph of clause 2.1).

The Independent Non-Executive Members of the Company's Board of Directors do not receive any remuneration whatsoever, other than for their participation in the Board of Directors or its Committees, as mentioned below under 3.3.2, subject to any costs / expenses and additional benefits in kind as set out in the next two paragraphs.

In addition, the Company may reimburse reasonable business expenses incurred by the Non-Executive and Independent Non-Executive Members of the Company's Board of Directors in the performance of their duties. Such expenses include, but are not limited to, travel and accommodation expenses for attending meetings of the Company's Board

of Directors, its Committees and other business activities of the Company, which are reimbursed in accordance with the Company's expense policy applicable from time to time.

Furthermore, the Company may grant to the Non-Executive and Independent Non-Executive Members of the Board of Directors the following additional benefit in kind: liability insurance for the members of the Board of Directors.

### **3.3.2. Determination of "significant remuneration or benefits" for the Independent Non-Executive Members of the Company's Board of Directors (article 9 par. 2 point a of L. 4706/2020)**

The Independent Non-Executive Members of the Company's Board of Directors may not receive any significant remuneration or benefit, or participate in a stock option scheme or any other performance-related remuneration or benefit scheme, other than remuneration for their participation in the Board of Directors or its committees, as well as the receipt of fixed benefits under a pension scheme, including deferred benefits, for past services to the Company, in line with article 9 par. 2 a) of L.4706/2020.

The criteria on the basis of which the concept of "significant remuneration or benefit" is defined in this Remuneration Policy, in accordance with the provision of Article 9 par. 2 a) of L.4706/2020 and taking into account, mutatis mutandis, the definition of major subsidiary as rendered in par. 16 of article 2 of L.4706/2020, and in accordance with the document of the Hellenic Capital Market Commission entitled "QUESTIONS AND ANSWERS ON THE PROVISIONS OF ARTICLES 1-24 OF L.4706/2020 ON CORPORATE GOVERNANCE" under protocol nr. 428/21.02.2022, nr. 19, and protocol nr. 1591/05.07.2021, nr. 15, read as follows:

#### **A) Quality Criteria**

The concept of significant remuneration or benefit is determined by quality criteria, which are linked to the principle of proportionality, based on the size of the Company and its activities, and with a non-horizontal application of this concept to all members of the Board of Directors, in order not to consider that there is a dependency relationship between them and the Company within the meaning of par. 1 of article 9 of L.4706/2020. This is because account should be taken in each case of the quality features of the position and the responsibilities covered or to be covered by the member of the Board of Directors in question, on the one hand, and the specific attributes, skills and qualifications of the Board of Directors' member, whether or not he is a candidate, on the other.

In particular, the following quality criteria shall be taken into account in defining the concept of significant remuneration or benefit:

- The absence of any link or other type of connection between such remuneration or benefit and the short-term financial performance of the Company and its short-

term objectives or results in general. It may, however, be linked to the Company's long-term objectives

- The remuneration or benefit must not be such as to create a strong incentive for the Board member to achieve short-term corporate objectives that may increase the Company's exposure to risks
- The importance of the competences and the responsibility entailed by the position to be filled on the Board of Directors.
- The participation of the member in the Board of Directors' committees and any extraordinary supervising committees of it.
- The estimated time required for the performance of the member's duties and in particular the frequency of the Board of Directors and its committees' meetings.
- The skills, abilities, diversity, knowledge and experience of the Board of Directors' member.
- The Board of Directors member's significant international experience in business and the broader social sector
- The place of residence of the Board of Directors' member.
- The remuneration rates of Independent Non-Executive Directors in similar companies in the Greek market.

#### **B) Quantity Criteria**

Along with the above quality criteria, the Company also takes into account specific quantity criteria for the definition of the concept of significant remuneration or benefit. Specifically, total remuneration, compensation and benefits of any kind (including the annual fixed remuneration for participation in the Company's Board of Directors and/or its Committees) paid by the Company, or by an affiliated company, to a member of its Board of Directors or any third party member of its Audit Committee (non-Board member), exceeding the amount of one hundred thousand euros (€100.000,00) per year shall be deemed to constitute "significant remuneration or benefit" within the meaning set out above.

In any case, this remuneration should not create a business or financial dependence of the Board of Directors' member with the Company, within the meaning of article 9 par. 1 of L.4706/2020, which may influence his decisions and independent and objective judgment. To this end, as a secondary and parallel criterion, the periodicity and the amount of the remuneration paid in relation to the overall financial situation of the Board of Directors member shall be taken into account, evaluated on a case-by-case basis.

### **3.4. Remuneration of the Company's General Managers**

With regard to the remuneration of the Company's General Managers (and their deputies, if any), irrespective of whether they are members of the Company's Board of Directors, the terms of this Remuneration Policy for the payment of remuneration to Executive Members of the Board of Directors (under 3.2 above) are applicable, with the following derogations:

- (a) If a General Manager is not a (Executive) member of the Board of Directors, any variable remuneration paid to him, consisting of profit sharing for the financial year (and/or past financial years), shall be paid to him not as part of the remuneration of the Board of Directors' Executive Members out of the profits, but within the context of the remuneration payment out of the profits of the Company to its employees.
- (b) With regard to additional benefits in kind, the Company may grant its General Managers (and their deputies, if any) the use of a company car, a pension plan and a life and hospital care insurance plan.

### **3.5. Remuneration overview**

In summary, the remuneration structure of the persons covered by this Policy is as shown in the table below:

		EXECUTIVE MEMBERS OF THE BoD	NON-EXECUTIVE MEMBERS OF THE BoD	INDEPENDENT NON-EXECUTIVE MEMBERS OF THE BoD	GENERAL MANAGERS & THEIR DEPUTIES
REMUNERATION TYPE	<b>1.</b>	<b>Fixed remuneration:</b>	<b>Fixed remuneration:</b>	<b>Fixed remuneration:</b>	<b>Fixed remuneration:</b>
	<b>1.1.</b>	Fixed (flat) compensation for participation in the Board of Directors and its individual committees.	Fixed (flat) compensation for participation in the Board of Directors and its individual committees.	Fixed (flat) compensation for participation in the Board of Directors and its individual committees.	
	<b>1.2.</b>	Salary for the performance of organic duties.			Salary for the performance of organic duties, in the capacity of general manager or deputy.
	<b>1.3.</b>	Additional benefits in kind (e.g. use of company car, liability insurance for members of the Board of Directors).	Additional benefit in kind: liability insurance for the members of the Board of Directors.	Additional benefit in kind: liability insurance for the members of the Board of Directors.	Additional benefits in kind (e.g. use of company car, pension plan, life insurance and hospital care plan).
	<b>1.4.</b>	Business expenses / costs	Business expenses / costs	Business expenses / costs	Business expenses / costs
	<b>2.</b>	<b>Variable remuneration</b>			<b>Variable remuneration:</b>
	<b>2.1.</b>	Annual variable remuneration (Short-Term Variable Remuneration Plan):			Annual variable remuneration (Short-Term Variable Remuneration Plan):
	<b>2.1.1.</b>	Profit sharing for the financial year (and/or past financial years).			Profit sharing for the financial year (and/or past financial years).
	<b>2.1.2.</b>	Bonus			Bonus
	<b>2.2.</b>	Long-Term Variable Remuneration Plan			Long-Term Variable Remuneration Plan
<b>2.3.</b>	Participation in a stock option plan (pursuant to article 113 of L.4548/2018) and/or free shares (pursuant to article 114 of L.4548/2018) of the Company.			Participation in a stock option plan (pursuant to article 113 of L.4548/2018) and/or free shares (pursuant to article 114 of L.4548/2018) of the Company.	

#### **4. CONTRACTS OF BD'S MEMBERS WITH THE COMPANY**

##### **4.1. Term of the Board of Directors Executive Members and General Managers' contracts**

The term of the Company's contracts with the Board of Directors' Executive Members and the General Managers will be determined each time, for an indefinite or fixed term, as the case may be, by a resolution of the Board of Directors, following a proposal by the Company's Remuneration and Nomination Committee.

##### **4.2. Conditions for the termination of contracts of Board of Directors Executive Members and General Managers - notice period & payment of compensation**

In case of termination of the contract with a Board of Directors Executive Member or with a General Director of the Company, the notice periods and the payment of compensation are effected as stipulated by the relevant labor legislation, and/or as contractually determined, and/or as approved by the Board of Directors or the General Meeting of the Company's shareholders, in accordance with the provisions and stipulations of the law on the conclusion of an employment contract with a member of the Board of Directors in force at the time of its conclusion.

The Executive Members of the Company's Board of Directors, in their capacity as such, are not entitled to any lump sum payments or other compensation from the Company for any loss of membership on the Board of Directors.

#### **5. DEROGATIONS**

In exceptional circumstances, a temporary derogation from the present Remuneration Policy is allowed, if the Company's Board of Directors, with a reasoned decision, following the relevant recommendation - opinion of the Company's Remuneration and Nomination Committee, deems it necessary and provided, however, that the relevant derogation is necessary for the long-term interests of the Company as a whole or for ensuring its viability. The elements of the Remuneration Policy to which the derogation may be applied may consist of the percentages of the fixed remuneration, which are used to calculate the ceiling of variable remuneration of the Board of Directors' Executive Members, that may be set, by way of derogation, at a higher level, indicatively, in order to attract or retain competent executives with excellent performance and contribution to the Company's operations, business or results. The relevant exceptional remuneration is included in the Company's annual Remuneration Report (article 112 of L.4548/2018) which will include relevant information.

## **6. MEASURES FOR THE AVOIDANCE AND MANAGEMENT OF INTERESTS CONFLICTS**

In particular, in order to avoid/prevent the creation and management of potential or actual cases of interest conflicts, among other measures that may be taken in the light of the specific circumstances, the relevant measures defined by the Company's Conflict of Interest Policy are applied, which provide for, indicatively, the following:

**a)** The obligation of the Board of Directors' members (pursuant to article 97 par. 1 b) of L.4548/2018) to disclose in a timely and adequate manner to the other members of the Board of Directors:

- i) their own interests that may arise from transactions of the Company that fall within the scope of their duties,
- ii) any conflict of interests with those of the Company or its affiliated companies within the meaning of article 32 of L.4308/2014, which arises during the performance of their duties,
- iii) any conflict between the interests of the Company and the interests of the persons referred to in paragraph 2 point a) of article 99 of L.4548/2018, if they are related to these persons.

**b)** The abstention of the involved members of the Company's Board of Directors from participating in discussions and decision-making processes (voting) on matters on which there is a conflict of interest of the same or related persons, as described above (e.g. for the determination of the remuneration of the Board of Directors members involved).

**c)** The occasional assignment to another member of the Board of Directors of the competences of the Board of Directors member concerned, the exercise of which by that member gives rise to a (actual or potential) conflict of interest.

**d)** The obligation of confidentiality.

**e)** The obligation of the members of the Company's Board of Directors to declare to the Chairman of the Board of Directors any participation in Boards of Directors or any other form of administrative bodies of other legal entities of any nature and scope, as well as any other relationship and/or activity is likely to conflict with the interests of the Company.

**f)** Candidate Board of Directors members are required to disclose their professional commitments of any kind to other companies, as well as to non-profit entities, prior to their election to the Board of Directors of the Company.

## **7. COMPILATION, DURATION, REVISION AND APPROVAL OF THE REMUNERATION POLICY**

The Company's Remuneration Policy, as well as any revision/amendment thereof, is prepared and approved by the following procedure:

- a) The Company's Remuneration and Nomination Committee, in line with the specific provisions of the Operating Regulations of the said Committee, makes recommendations to the Company's Board of Directors regarding the structure (components, etc.) of the remuneration covered by the Remuneration Policy and the general parameters of its determination and makes proposals to the Board of Directors regarding the Remuneration Policy, in accordance with article 11 of L.4706/2020.

During the periodic review of the Remuneration Policy, as indicated below, as well as for the compilation of its recommendation to the Board of Directors regarding any revision/amendment to this Remuneration Policy, the Company's Remuneration and Nomination Committee may cooperate and request information and the general assistance of any competent and involved department or unit of the Company, in particular the Human Resources Departments, the Internal Audit Unit, the Risk Management Unit (indicatively, with regard to the impact that the structure of variable remuneration may have on the Company's risk profile) and the Regulatory Compliance Unit (indicatively, with regard to the control of the Company's compliance with its obligations under the relevant applicable legislation), which are responsible for the general implementation of the Remuneration Policy.

- b) Subsequently, the Company's Board of Directors, based on the above recommendation of the Company's Remuneration and Nomination Committee, compiles its report – proposal on the Remuneration Policy to the General Meeting of the Company's shareholders. In case of revision of the Remuneration Policy, the report of the Board of Directors shall describe and explain all changes in the Remuneration Policy.
- c) Thereafter, the Remuneration Policy proposed by the Company's Board of Directors is submitted for approval to the General Meeting of the Company's shareholders, in accordance with par. 2 of article 110 of L.4548/2018. The shareholders' vote on the Remuneration Policy is binding. The relevant resolution of the General Meeting of the Company's shareholders must describe the manner in which the votes and opinions of the shareholders on the Remuneration Policy and the reports have been taken into account since the last vote on the Remuneration Policy at the General Meeting of the shareholders and onwards.



The duration of the approved Remuneration Policy may not exceed four (4) years from the date of its approval by the General Meeting of the Company's shareholders.

In the event of a material change in the circumstances under which the approved Remuneration Policy was established, and in any case every four (4) years from its approval, as well as whenever it is deemed necessary or advisable, the Company's Remuneration and Nomination Committee shall review the Remuneration Policy and submit a proposal to the Company's Board of Directors, which presents the proposed Remuneration Policy to the General Meeting of the Company's shareholders for approval, in accordance with the procedure above.

In the event that the General Meeting of the Company's shareholders does not approve the proposed new Remuneration Policy, the Company may only continue to pay the remuneration of the Board of Directors members in accordance with the previously approved Remuneration Policy and submit a revised Remuneration Policy for approval at the next General Meeting of the Company's shareholders.

Approval of this Remuneration Policy grants authority to honor any commitments already undertaken by the Company prior to the effective date of this Remuneration Policy.

The approved Remuneration Policy, together with the date and the voting result of the General Meeting of Shareholders as described above, shall be subject to publicity formalities and shall remain available on the Company's website, free of charge, at least for as long as it is in force.