

Thraces Plastics Holding & Commercial Societe Anonyme

Remuneration Policy of the Members of Board of Directors and Senior Management

Introduction

This Board Remuneration Policy of the Members of Board of Directors and Senior Management¹ has been approved by virtue of the Annual General Meeting's resolution of the shareholders of "THRACE PLASTICS HOLDING AND COMMERCIAL SOCIETE ANONYME", (the "Company"), dated 25/05/2022, and shall be effective for four [4] years from that date (hereafter the "Term") unless it is being earlier revised and/or amended by virtue of another General Meeting's resolution. The Policy has been prepared in accordance with the EU Shareholder Rights Directive², as incorporated into the Greek legislation via the provisions of Law 4548/2018 (Government Gazette A' 104/2018). The Policy is also in accordance with the relevant provisions of Law 4706/2020 about corporate governance.

Policy Overview

This policy refers to the remuneration of the members of Board of Directors (henceforth the "BoD") and of the Senior Management (henceforth the "SM").

The Policy sets out details of both (i) the existing rights of the members of BoD, its Committees and the SM as well as the obligations of the Company, and (ii) the conditions by which any future remuneration may be granted to current and / or new members of the BoD, its Committees and the SM during the above term.

The Policy reflects the current remuneration arrangements with regard to the Executive and Non-Executive Members of BoD, and the Senior Management. In addition, the Policy takes into consideration the provisions of the Company's Articles of Association, Corporate Governance Code and Internal Regulation of Operation.

The Policy is available on the Company's website at the address, <https://www.thracegroup.com>

Determination, review and implementation of the Policy

The Remuneration & Nomination Committee (the "Committee") has collaborated with the Department of Human Resources, as deemed appropriate in order to arrive at this Policy, which has been recommended to and approved by the Board of Directors by virtue of a resolution dated 25/05/2022.

The Committee submits the Policy for approval to the Board of Directors. No member of the Board of Directors makes decisions or is responsible for their own remuneration. Once approved by the Board of Directors, the Policy is submitted for approval to the Company's Annual General Meeting of Shareholders.

The Committee will consider regularly whether the Policy continues to be aligned to the Company's business strategy or whether amendments of this Policy should be proposed to the Board of Directors. Every four years (or earlier in case of a substantive change according to the article 110 of Law 4548/2018) and following a recommendation of the Committee, the Board of Directors will seek approval of the new Policy at the Company's Annual General Meeting of Shareholders with any amendments it deems appropriate at that time.

How the remuneration policy contributes to the Company's business strategy, long-term interests and sustainability

The aim of the present Policy is to ensure that the Company is remunerating the members of BoD, its Committees and the SM on the basis of its short and long-term business plan, so as to ensure profitable organic growth through capacity increase, geographic expansion and value creation based on the Company's strategic plan.

¹ Senior Management (SM): the term refers to the Executives of the Parent Company who report to the Chief Executive Officer. They are also the Managing Directors/General Managers of the Group's subsidiaries, the Head of Internal Control and the Risk & Compliance Manager.

² DIRECTIVE (EU) 2017/828 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS OF 17 MAY 2017.

The level of fixed remuneration – i.e. salary and BoD fees – for the members of BoD, its Committees and the SM is established on the basis of paying the fair and reasonable remuneration to the most appropriate person for each role at the time. The Company pays no more than is necessary, always supporting its longer-term interests and sustainability according to the following principles:

- By providing a fair and appropriate level of fixed remuneration that does not result in over reliance on variable remuneration and undue risk taking, thereby encouraging the executive to focus on consistent long-term value creation.
- By linking remuneration to short term objectives that will over time lead to long-term value creation.

The Policy does not include any long-term variable remuneration.

How the remuneration and employment conditions of employees of the Company were taken into consideration when establishing the Policy

The Company provides fair, reasonable, and competitive remuneration to all Executive members of BoD, the SM as well as all employees, while safeguarding its long-term interests and viability.

The Committee and BoD receive periodic updates on the wider employee remuneration structure and practices within the Company. Those updates are also taken into consideration when establishing, reviewing / amending the Policy. The ultimate objective is to ensure that there is consistency within the Company and relevance between remunerations that are offered across different roles and duties.

In addition, the Committee and the Board of Directors receive information regarding key indicators of the Company such as the average increase of remuneration within the Company, as well as other economic indicators such as inflation, so that these trends are taken into account along the implementation of the Policy.

The Remuneration Policy for the Executive Members of BoD

The following table lists the Remuneration Policy which applies to the Executive Chairman, Chief Executive Officer, as well as to any other Executive members of the BoD:

Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it applies	Maximum level and how it links to performance
<p>Fixed Remuneration For the Executive Chairman, the fixed remuneration consists of the annual Salary and the annual Remuneration for participations in BoD and its Committees for the performance of his duties. For the CEO and the other Executive members of the Board of Directors consist of the annual Salary only as regards only the performance of respective duties.</p> <p>To assist in the recruitment and retention of appropriate senior staff.</p> <p>To provide a fair fixed level of remuneration commensurate with the scope and responsibilities of the role.</p>	<p>Fixed Remuneration is normally reviewed, but not necessarily raised, annually.</p> <p>The Company's policy is to set levels of fixed remuneration taking into account levels of remuneration at other companies of a similar size for roles of similar scope and responsibility.</p> <p>Decisions are influenced by:</p> <ul style="list-style-type: none"> --The performance and experience of the individual --The performance of the Company --The individual's role and responsibilities --Remuneration and employment conditions elsewhere in the Company --Rates of inflation and market-wide increases across international locations --The geographic location of the executive. 	<p>Whilst there is no prescribed maximum level of salary, increases are expected to be set in alignment with the relevant benchmark market.</p> <p>Larger increases may be awarded in certain circumstances including where the individual's role has a higher requirement in responsibility or experience.</p> <p>Levels will be reviewed taking into account the performance of the individual and the Company.</p>
<p>Other benefits and coverage of Business expenditures</p>	<p>The Company provides a Group Life and Health Insurance Program. Apart from the above voluntary benefit, the Company does not cover any other benefit and / or expense, unless otherwise specified by the applicable legislative and regulatory framework in general.</p> <p>The Company covers professional expenses based on the relevant corporate policy.</p>	<p>What the legislation stipulates.</p> <p>The coverage of professional expenses is carried out based on the relevant policy of the Company for all employees.</p>

Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it applies	Maximum level and how it links to performance
<p>Annual Short-Term Incentive Scheme</p> <p>Focuses on the short-term performance of the Company, while at the same time creating long-term value for the Company.</p>	<p>At the start of each financial year, the Committee determines the performance measures and their weighting for the short-term incentive scheme to reflect the Company's business strategy for the year.</p> <p>The Committee sets demanding targets for the short-term incentives in the context of the Company's business plan, the transaction-related environment in which it operates, the internal financial planning, and market forecasts.</p> <p>At the end of the financial year, the Committee assesses the performance realized against these targets.</p> <p>Any amounts earned are paid wholly in cash.</p> <p>Details of the performance targets set for the year under review and performance against them will be provided each financial year in the implementation of policy section of the Remuneration Report unless there is commercial sensitivity preventing disclosure.</p> <p>Payments under the short-term incentive plan can be recovered for a period of at least 3 years from their payment, in certain cases, including inaccurate financial statements of previous years or generally incorrect financial data, used to calculate these payments, or including misconduct.</p>	<p>The performance criteria can be basically up to three (3) and are decided annually based on the priorities arising from the strategic plan, as approved by the Board of Directors.</p> <p>Upon 100% achievement of the above target, all Executive Members of the BoD are entitled to a pre-defined remuneration, which is set at maximum 45% of Annual Fixed Remuneration (excluding the annual Board Fees for the Chairman of BoD).</p> <p>In case of higher than expected performance, the remuneration will be adjusted accordingly and in a linear relationship with respect to the performance, without exceeding 150% of the annual variable remuneration, which corresponds to the achievement of a 100% target.</p> <p>Short-term incentive will not be paid for target achievement of less than 80%.</p> <p>Short-term incentive payout for target achievement between 80% and 150%, has a linear relation to the performance, that corresponds to 100% target achievement.</p> <p>The measures used and the respective performance will be clearly set out in the implementation of policy section of the Remuneration Report.</p>

The Company, according to its Articles of Association, enables the remuneration of the Board of Directors to consist in participation in the profits of the year, in accordance with the applicable provisions of Law 4548/2018. Therefore, this Policy stipulates that the Chairman of the Board of Directors may receive an annual fee, which will consist of participation in the net profits of the closed year of the Group Companies, in accordance with the provisions of article 109 par. 2 of Law 4548 / 2018. The relevant amount (in terms of percentage) will be specified by a relevant decision of the Annual Ordinary General Meeting of the Company, which will be taken by a simple quorum and majority and must specify the amount of remuneration paid. The Company makes the above provision, as it recognizes the special importance of the position, executive duties and responsibilities of the Chairman of the Board. The Company seeks through the above, the provision of additional incentives for its continuous and smooth development and achievement of business of goals.

The Remuneration Policy for the Senior Management (SM)

The following table present the Remuneration Policy applied for the Senior Management:

Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it applies	Maximum level and how it links to performance
<p>Fixed Remuneration The fixed remuneration consists only of the annual Salary.</p> <p>To assist in the recruitment and retention of appropriate senior staff.</p> <p>To provide a fair fixed level of remuneration commensurate with the scope and responsibilities of the role.</p>	<p>Fixed Remuneration is normally reviewed, but not necessarily raised, annually.</p> <p>The Company's policy is to set levels of fixed remuneration taking into account levels of remuneration at other companies of a similar size for roles of similar scope and responsibility.</p> <p>Decisions are influenced by:</p> <ul style="list-style-type: none"> --The performance and experience of the individual --The performance of the Company --The individual's role and responsibilities --Remuneration and employment conditions elsewhere in the Company --Rates of inflation and market-wide increases across international locations --The geographic location of the executive. 	<p>Whilst there is no prescribed maximum level of salary, increases are expected to be set in alignment with the relevant benchmark market.</p> <p>Larger increases may be awarded in certain circumstances including where the individual's role has a higher requirement in responsibility or experience.</p> <p>Levels will be reviewed taking into account the performance of the individual and the Company.</p>
<p>Other benefits and coverage of Business expenditures</p>	<p>The Company and its subsidiaries may provide additional benefits (e.g. Life and Health Insurance Program, company car, etc.) based on local labor market conditions and the applicable legal and regulatory framework in general.</p> <p>The Company covers professional expenses based on the relevant corporate policy.</p>	<p>It is determined by the company, in accordance with the current legal framework.</p> <p>The coverage of professional expenses is carried out based on the relevant policy of the Company for all employees.</p>

Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it applies	Maximum level and how it links to performance
<p>Annual Short-Term Incentive Scheme</p> <p>Focuses on the short-term performance of the Company, while at the same time creating long-term value for the Company.</p>	<p>At the start of each financial year, the Chief Executive Officer determines the performance measures and their weighting for the short-term incentive scheme to reflect the Company's business strategy for the year.</p> <p>The Chief Executive Officer sets demanding targets for the short-term incentives in the context of the Company's business plan, the transaction-related environment in which it operates, the internal financial planning, and market forecasts.</p> <p>At the end of the financial year, the Chief Executive Officer assesses the performance realized against these targets.</p> <p>Any amounts earned are paid wholly in cash.</p> <p>Payments under the short-term incentive plan can be recovered for a period of at least 3 years from their payment, in certain cases, including inaccurate financial statements of previous years or generally incorrect financial data, used to calculate these payments, or including misconduct.</p>	<p>The performance criteria are decided annually based on the priorities arising from the strategic plan, as approved by the Board of Directors.</p> <p>Upon 100% achievement of the above target, all Members of the SM are entitled to a pre-defined remuneration, which is set at maximum 45% of Annual Fixed Remuneration.</p> <p>In case of higher than expected performance, the remuneration will be adjusted accordingly and in a linear relationship with respect to the performance, without exceeding 150% of the annual variable remuneration, which corresponds to the achievement of a 100% target.</p> <p>Short-term incentive will not be paid for target achievement of less than 80%.</p> <p>Short-term incentive payout for target achievement between 80% and 150%, has a linear relation to the performance, that corresponds to 100% target achievement.</p>

Deviations from the Policy

In exceptional circumstances, it is temporarily allowed to deviate from the Policy whenever deemed necessary by the Board of Directors, in order to serve the long-term interests of the Company as a whole and to ensure its viability. Any deviation must be reviewed and approved by the Board of Directors.

The elements of Policy that may be the object of deviation are those included in the short-term incentive plan. The Board of Directors may set a higher level of remuneration than the one set out in the variable remuneration plan, such as for example in cases of recruitment or retention or for any other reason, provided that it is deemed necessary. However, the maximum level of remuneration (of the short-term incentive plan), cannot exceed 115% of the Fixed Remuneration (excluding the annual remuneration of the Board of Directors) of an Executive Board Member or a Member of the SM, in a certain financial year.

Contracts between the Company and members of the Board of Directors

Compensation due to Termination of the Contract by the Company

The Executive Members of the Board of Directors of the Company and the SM, are not entitled to special severance payments or other compensation by the Company for loss of office or otherwise howsoever arising, except those provided by the applicable law provisions each time.

Remuneration management based on annual variable remuneration plans

At the discretion of the Company and upon the recommendation of the Committee and the decision of the Board of Directors, the Executive Board Member or the member of SM who resigns, may receive a proportionate remuneration from the Annual Variable Remuneration Plan based on the performance and the period of employment in the Company, in cases of illness or retirement during the financial year under consideration. In all other cases, no fee will be paid.

Recruitment and Promotions

The total remuneration for the recruitment of a new Executive Member of the Board of Directors or SM, will be defined in accordance with the terms of the approved Policy of the Company.

Upon recruitment, Fixed Remuneration may be set below market levels and gradually increase as the Executive Board member or the Member of SM gains experience.

Upon recruitment, the Company may reimburse the Executive Member or the Member of SM for the variable remuneration that the previous employer would provide. The determination of these extraordinary variable remuneration will take into account the amount and structure of the variable remuneration that will be lost by the new Executive Member or the Member of SM (e.g. cash or shares), the degree to which the respective performance criteria exist and the probability of their fulfilment, as well as the remaining time for fulfilling the vesting conditions. These special variable fees are added to the variable remuneration defined by the Policy, without being taken into consideration in the above rates of fixed or variable remuneration described in this Policy.

The Remuneration Policy for Non-Executive Board Members

The Non-Executive members of the Board of Directors of the Company are paid exclusively fixed fees, i.e. fees which are not dependent on the achievement by these members of any predetermined quantitative and qualitative objectives or are not dependent on the financial position, profitability, performance and prospects of the Company.

Moreover this occurs as under the current regulatory framework on the one hand the non-executive members of the Board of Directors are not engaged with, nor are they in charge of the day-to-day management of the Company, and on the other hand the remuneration and any other remuneration they receive are proportional to their time devoted to the meetings of the Board of Directors, the committees in which they participate and the fulfilment of the tasks assigned to them in accordance with the law.

Fixed remuneration means the remuneration and amounts that in order to be granted meet the conditions thereof:

- are based on predefined criteria,
- do not depend on performance,
- are permanent, i.e. they are maintained for a period of time related to the specific role and management responsibilities,

- the remuneration is irrevocable, in the sense that the amount paid can only be altered after renegotiation between the interested parties.

The fixed remuneration of the Non-Executive Members of the Board of Directors include the following:

- I. Fixed remuneration paid pursuant to any existing service agreement or remunerated mandate (annual fixed remuneration) with the company or affiliated business,
- II. the compensation for the participation in the meetings of the Board of Directors,
- III. the compensation for any participation in special Committees of the Board of Directors (i.e. Audit Committee, Committee for the Remuneration & Nomination of Members of the Board of Directors) etc.,
- IV. benefits that may be included in kind (indicatively, provision of private health and / or life insurance, participation in pension schemes).

The Company also pays any expenses with regard to travel, accommodation and meal expenses related to the fulfilment of the duties of the Non-Executive Members of the Board of Directors.

The fixed remuneration of the Non-Executive Members of the Board of Directors must be competitive and properly formed, so that it is possible to attract and retain directors who have the appropriate knowledge, skills, experience and behaviors that the Company requires.

When determining fixed remuneration, criteria such as the theoretical education, previous experience, know-how, consistency and efficiency, the development of initiatives for the benefit of the corporate interest, as well as the salary and broader working conditions of other employees of the company must be taken into consideration.

The fixed remuneration and compensation of the Non-Executive Members of the Board of Directors are paid in accordance with the provisions of the current tax legislation and are subject to the deductions provided by the current tax and insurance legislation.

The remuneration of the Non-Executive Members of the Board of Directors is approved by a special decision of the annual Ordinary General Meeting of the Company's Shareholders, following a proposal by the Committee to the Board of Directors, and in turn following a proposal by the latter to the Annual Ordinary General Meeting.

When appointing a new Non-Executive Member of the Board of Directors, the remuneration will be agreed in accordance with the Company's Remuneration Policy in force at the time. Upon termination of a Non-Executive Member, no remuneration is due, except for those remuneration due at the time of termination.

Especially the independent non-executive members of the Board of Directors for the proper collection of their remuneration and compensation are obliged to submit to the Company any supporting documents requested to prove the fulfilment by these criteria set by law for their designation as independent members.

The Vice Chairman of the Board of Directors receives higher remuneration than the other Non-Executive members of the Board, as does the Chairman of each committee compared to the other members.

Finally, as far as the Audit Committee is concerned, members outside the Board of Directors may participate, in accordance with the provisions of the Law on Corporate Governance. In this case, the remuneration of these members, for their participation in the Audit Committee, will be twice as much as if they were also members of the Board..

Finally, the Non-Executive members can participate in other Committees apart from the Board Committees. The fees for the above participation shall be approved by the Board of Directors.

Importance of remuneration or benefit for independent non-executive board members

According to the provisions of law 4706/2020 (9/2/a) on corporate governance, in order to characterize a non-executive member of the Board as an independent, both at the beginning and during his tenure, he must not directly or indirectly hold a percentage of voting rights greater than zero party five percent (0.5%) of the share capital of the Company. At the same time, the member must be free from financial, business, family or other dependent relationships, including the receipt of any significant remuneration or benefit from the Company or a company affiliated with it.

According to the above, it is ensured that the remuneration and benefits received by the independent non-executive members are in line with their independence.

The essential criterion that the company takes into account in assessing the importance of remuneration for each independent Non-Executive member is the regular comparison of members' remuneration with market data in similar companies, which take into account size, internal structure, organization and the complexity of its activities.

Additional Commitments of Members

Subject to the approval of the Board of Directors, the Executive members of BoD may accept or retain positions of being Non-Executive Board Members in other companies and retain the remuneration paid for such positions.

For the above positions, the provisions of legislation, the Code of Corporate Governance applied by the Company, the policies of institutional investors - shareholders regarding the commitment of members, the cases of avoidance of conflicts of interest, and the number of non-executive positions taken by each member should be taken into account.

Pre-existing Commitments

Upon approval of this Policy, the Company reserves the right to comply with any contractual obligations already assumed by the Board members, prior to the effective date of this Policy. Details of these payments (based on pre-existing contractual commitments) will be listed in the Remuneration Report as they arise.

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