

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

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Introduction

This Remuneration Policy of the Members of Board of Directors and Senior Management¹ is being approved by virtue of the Annual General Meeting's resolution of the shareholders of "THRACE PLASTICS HOLDING AND COMMERCIAL SOCIETE ANONYME", (the "Company") and shall be effective for four [4] years from the respective approval 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) and is also in accordance with the relevant provisions of Law 4706/2020 about corporate governance.

Scope of Application

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

Principles

The Policy sets out details of the existing rights of the members of BoD, its Committees and the SM as well as the obligations of the Company, as well as of 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 is free of discriminations and takes into consideration the provisions of the Company's Articles of Association, Corporate Governance Code and Internal Regulation of Operation.

No member of the Board of Directors makes decisions about his remuneration. The Policy is approved by the Annual General Meeting of the Company's Shareholders.

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 provision of a fair and appropriate level of fixed remuneration, discourages any over-reliance on variable remuneration and any unnecessary risk-taking. The Company pays no more than what is necessary, always supporting its longer-term interests and sustainability as long as remuneration is linked to the achievement

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.

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

of corporate objectives.

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

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

Aim of the Policy

The purpose of this Policy is to ensure that the Company remunerates the members of the Board of Directors, its Committees and the SM, based on its short-term and long-term operational planning, in order to ensure profitable organic growth in line with strategic planning.

Responsibilities

The Human Resources Department in collaboration with the Remuneration and Nomination Committee (hereafter the "RNC") draws up the policy and proposes amendments as required. RNC recommends any amendments to the Board of Directors for approval and proceeds with the relevant recommendation to the Annual General Meeting of Shareholders.

Remuneration Policy for the Executive Members of the Board of Directors

(Executive Chairman, Chief Executive Officer, as well as any other Executive members of the BoD)

1. Fixed Remuneration

Fixed remuneration is commensurate with the scope and responsibilities of the role of a subject person and also helps to attract and retain the appropriate senior staff. Fixed remuneration is reviewed annually and there is no obligation to increase its level each time.

For the Executive Chairman, the fixed remuneration includes an annual Salary and the annual Fee for participation in the Board of Directors and its Committees.

For the CEO and the other Executive members of the Board of Directors, fixed remuneration includes an annual Salary for the performance of their duties.

The Fixed Remuneration is determined taking into consideration the market standards in companies of similar size as well as the performance and experience of the executive, the performance of the Company, the role and

responsibilities of the executive, the salary and working conditions prevailing in the Company, the inflation rates and fee upgrades of the wider market internationally, and finally the executive's geographic workplace.

Although there is no ceiling on salaries, any increases are generally expected to be in line with the increases applicable in the relevant market of reference. Greater increases may be granted in specific cases, such as when the duties of the Executive's role require larger responsibilities and experience. Fixed remuneration levels are reviewed taking into consideration the performance of the Executive and the Company.

2. Benefits and Coverage of Professional Expenses

The Company and its subsidiaries may provide a benefits package in accordance with the local labor market practices and the generally applicable legislative and regulatory framework. Benefits may include a Group Life and Health Insurance Policy, pension plan provision, a corporate car, meal arrangements, etc.

The Company covers professional expenses based on the relevant corporate policy.

3. Variable Remuneration

The variable remuneration aims to reward short-term performance based on the respective corporate goals and is paid through payroll or profit distribution.

At the beginning of each fiscal year, the Committee determines the performance criteria and their weights on the short-term incentive program, in accordance with the Company's business strategy for the year under consideration. The Committee sets challenging goals for the short-term incentive program, in the context of the Company's business plan, the commercial environment, the internal financial planning and the relevant market forecasts. At the end of the year, the Committee evaluates the performance achieved in comparison to the objectives that have been set.

Details of the targets set for the year under consideration and the performance achieved against those targets are set out each financial year in the policy implementation section of the annual Remuneration Report, unless disclosure is prohibited due to commercially sensitive data.

Payment of fees within the framework of the short-term incentive program may be recovered for a period of at least 3 years from the date of payment, in specific cases, including inaccurate reporting of financial statements of previous years or generally incorrect financial data.

In general, the performance criteria may be up to three (3) and are approved annually based on the priorities arising from the strategic planning, as the latter is approved by the Board of Directors.

Upon 100% achievement of the target, all Executive Members of the Board of Directors receive a predetermined fee, which has a maximum limit of 45% of the Annual Fixed Remuneration (annual Board Fees for the Chairman of the Board of Directors are not included).

In case of higher performance, remuneration will be adjusted accordingly and in a linear relationship with respect to performance, without exceeding 150% of the annual variable remuneration, which corresponds to achieving a 100% target.

Variable remuneration is not paid for achieving a target lower than 80%.

The remuneration corresponding to a target achievement greater than 80% and less than 150% has a linear relationship with respect to performance, which corresponds to a target achievement of 100%.

The criteria used and the corresponding performance will be clearly set out in the policy implementation section of the annual Remuneration Report.

The Company, according to its Articles of Association, enables the remuneration of the Board of Directors to consist also of participation in the profit 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 profit 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, as well as for the achievement of its business of goals.

Remuneration Policy for the Senior Management

1. Fixed Remuneration

Fixed remuneration consists only of annual salary. Fixed remuneration is commensurate with the scope and responsibilities of the role of a subject person and also helps to attract and retain the appropriate senior staff. Fixed remuneration is reviewed annually and there is no obligation to increase its level each time.

The Fixed Remuneration is determined taking into consideration the market standards in companies of similar size as well as the performance and experience of the executive, the performance of the Company, the role and responsibilities of the executive, the salary and working conditions prevailing in the Company, the inflation rates and

fee upgrades of the wider market internationally, and finally the executive's geographic workplace.

Although there is no ceiling on salaries, any increases are generally expected to be in line with the increases applicable in the relevant market of reference. Greater increases may be granted in specific cases, such as when the duties of the Executive's role require larger responsibilities and experience. Fixed remuneration levels are reviewed taking into consideration the performance of the Executive and the Company.

2. Benefits and Coverage of Professional Expenses

The Company and its subsidiaries may provide a benefits package in accordance with the local labor market practices and the generally applicable legislative and regulatory framework. Benefits may include a Group Life and Health Insurance Policy, pension plan provision, a corporate car, meal arrangements, etc.

The Company covers professional expenses based on the relevant corporate policy.

3. Variable Remuneration

The variable remuneration aims to reward short-term performance based on the respective corporate goals and is paid through payroll or profit distribution.

At the beginning of each fiscal year, the Committee determines the performance criteria and their weights on the short-term incentive program, in accordance with the Company's business strategy for the year under consideration. The CEO sets challenging goals in the context of the Company's business plan, the commercial environment, the internal financial planning and the relevant market forecasts. At the end of the year, the CEO evaluates the performance achieved in comparison to the objectives that have been set.

Payment of fees within the framework of the short-term incentive program may be recovered for a period of at least 3 years from the date of payment, in specific cases, including inaccurate reporting of financial statements of previous years or generally incorrect financial data which were used to calculate such payments, or in case of misconduct.

In general, the performance criteria are approved annually based on the priorities arising from the strategic planning, as the latter is approved by the Board of Directors.

Upon 100% achievement of the target, the Senior Management receives a predetermined fee, which has a maximum limit of 45% of the Annual Fixed Remuneration.

In case of higher performance, remuneration will be adjusted accordingly and in a linear relationship with respect to performance, without exceeding 150% of the annual variable remuneration, which corresponds to achieving a 100% target.

Variable remuneration is not paid for achieving a target lower than 80%.

The remuneration corresponding to a target achievement greater than 80% and less than 150% has a linear relationship with respect to performance, which corresponds to a target achievement of 100%.

Deviations from the Policy

A deviation from the Policy is reviewed and approved for very important reasons by the Board of Directors, in order to serve the long-term interests of the Company as a whole and to ensure its sustainability.

Deviations may only be observed in elements of the Policy which are 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 another 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.