

REMUNERATION POLICY FOR THE DIRECTORS AND THE EXECUTIVE MANAGER

1. Purpose of the Remuneration Policy

The purpose of establishing a remuneration policy for directors and managers with a mandate contract is as follows:

- Attracting, retaining and motivating the most appropriate persons in the management of the Company;
- Ensuring the sustainability of company's profits and generating long-term value;
- Rewarding achievement of objectives;
- Maintaining competitiveness;
- Promoting transparency on remuneration and the criteria for determining it;
- Maintaining a fair balance between the fixed allowance and the variable remuneration component.

2. Policy's Objectives

The main objective of this policy is to establish the remuneration frame for the directors and the executive manager of ARMATURA SA, which shall be applied during their activity deployment.

The objectives of this policy are the following:

- i. Establish clear guidelines in respect to the remuneration;
- ii. Establish certain thresholds and the remuneration structure.

3. Policy's Principles

3.1 The remuneration structure is defined separately for the Board of Directors and for the executive management.

3.2 The remuneration structure and remuneration thresholds have been established in the light of best practices at national and international level, according to which the remuneration system includes a fixed component and a variable performance-based component.

3.3 The variable component shall be granted for each financial year within the term of office, after the approval by the General Assembly of Shareholders of the annual financial statements audited for the previous year, depending on the performance achieved.

4. Remuneration of the Directors

4.1 The remuneration of the members of the Board of Directors is determined by the General Meeting of Shareholders, consisting of a variable component.

4.2 The variable component is equal to 2,000 EUR and shall be paid in the event the company obtains a profit higher than 100,000 EUR out of the renting activity. The payment of the variable component shall be made annually, within a maximum delay of 15 days since the approval date, within the Ordinary General Assembly of the Shareholders, of the annual financial statements.

5. Remuneration of the Manager

5.1 The Manager's remuneration is determined by the Board of Directors and consists of a fixed monthly allowance.

5.2 The gross monthly fixed allowance is proposed by the Board of Directors and, in case of acceptance by the Manager, is set out in the mandate agreement, which shall be concluded for a period of one year. Under the contract, a notice period of at least 2 months will be established, as well as the fact that, in the event of non-fulfilment of the obligations assumed by the parties, the agreement may be terminated.

6. Other benefits

The directors of the company and the Manager benefit from the reimbursement of expenses related to the execution of the mandate regarding representation in the interest of the Company, as well as, but not limited to: transport, daily allowance, accommodation

costs, both in the country and abroad, based on supporting documents, during the entire period of the mandate, its value being borne by ARMATURA S.A..

The remuneration policy may be reviewed and/or updated whenever necessary, in compliance with applicable legal regulations or in the event of the emergence of binding regulations or legal provisions on remuneration policy to public undertakings.

The remuneration policy of directors and managers shall be published on the Company's website through the care of the Board of Directors.