



**REMUNERATION POLICY**  
REGULAR GENERAL  
MEETING OF SHAREHOLDERS  
OF JUNE 30, 2023  
(2<sup>nd</sup> edition)



## **1. Introduction**

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The Company EPSILON NET SA (hereinafter the "Company"), establishes the basic principles and rules regarding the remuneration of the members of the Board of Directors and senior executives, (hereinafter the "Remuneration Policy"), which covers all their remuneration. The "Remuneration Policy" is an integral part of the Company's corporate governance and is in line with the Company's overall operating policy, the business strategy, the objectives, as well as the long-term interests of the Company and the long-term creation of value for its shareholders. The "Remuneration Policy" promotes sound and effective risk management and is consistent with the objectives of the Company's business and risk management strategy, corporate culture, values, long-term interests and measures taken to avoid conflicts of interest. Consequently, the operating standards and mechanisms adopted ensure that remuneration levels are based on the Company's value system, are directly linked to the intended business results and desired behaviors.

The "Remuneration Policy" has been adopted and implemented in accordance with Articles 110 and 111 of Law 4548/2018, which incorporate Article 9a of Directive 2007/36/EC, as introduced by Directive 2017/828/EU.

The "Remuneration Policy" is valid for four (4) years from the date of its approval by the General Meeting of the Company's Shareholders.

The "Remuneration Policy" may be revised in the event of material changes in the circumstances under which it was drawn up. Any revision requires the approval of the ordinary General Meeting of the Company's Shareholders, as defined by paragraph 2 of article 110 of Law 4548/2018, as in force. A temporary derogation from the present approved "Remuneration Policy" may be granted, provided that the cumulative conditions set out in paragraph 6 of article 110 of Law 4548/2018, as in force, are met. The principles and requirements of the present "Remuneration Policy" of the Company are harmonized with the similar remuneration policies of all its subsidiaries in Greece and abroad that constitute the EPSILON NET Group (hereinafter the "Group"). This "Remuneration Policy", succeeds, merges and replaces any other remuneration policy that existed prior to its adoption.

The approved "Remuneration Policy" is subject to the publicity rules of articles 12 and 13 of Law 4548/2018 and is posted on the company's website, [www.epsilonnet.gr](http://www.epsilonnet.gr).

## **2. Purpose.**

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The purpose of the "Remuneration Policy" is to increase corporate value through the retention and attraction of the most competent and suitable employees, those who achieve the objectives and serve the Company's interests in an excellent manner. Seeking to safeguard the interests and sustainability of the Company and the Group, the "Remuneration Policy" is in line with the Company's business strategy and supports the culture of performance creation, which aligns the Company's and the Group's objectives with the objectives of the stakeholders - employees, management, shareholders -

and motivates employees to continue to act in the best corporate interest.

The "Remuneration Policy" is based on the following principles:

- Maximizing performance
- Attracting and retaining talents
- Aligning remuneration and rewards with profitability, risk, capital adequacy and sustainable growth
- Complying with the applicable legislative and regulatory framework
- Internal transparency
- Ensuring that the remuneration paid is appropriate to the duties, responsibilities, position, performance, professional experience and qualifications of the persons to whom it applies

### **3. Scope of application.**

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The "Remuneration Policy" applies to the following categories of persons:

- Non-executive Members of the Board of Directors
- Executive Members of the Board of Directors
- Senior Executive Members

### **4. Remuneration.**

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#### **4.1. Members of the Board of Directors**

##### **4.1.1. Non-executive Members of the Board of Directors**

Non-executive members of the Board of Directors may receive an indemnity for their participation in the meetings of the Board of Directors, which is approved by a special decision of the Ordinary General Meeting. These rewards must be paid in cash and are subject to the statutory deductions in accordance with tax and insurance legislation. Non-executive members of the Board of Directors are included in the senior executives' liability insurance coverage.

At the same time, the Chairman and the members of each Committee (such as the Audit Committee, Remuneration Committee, etc.) may be paid a fixed indemnity/remuneration, which will be decided by the Board of Directors and subsequently approved by the General Meeting.

##### **4.1.2. Executive Members of the Board of Directors**

The executive members of the Board of Directors are paid a fixed salary which includes:

- a) indemnities for their participation in the meetings of the Board of Directors,
- (b) remuneration paid under a contract of employment or a contract for services, work and commission,
- (c) benefits in kind, such as use of company car/mobile phone//laptop computer/credit or debit



card/fuel card/life and health insurance/entertainment expenses/ travel, accommodation and subsistence expenses for the performance of their duties, senior executives' liability insurance.

To date, the Company has not implemented any pension benefit plans for the executive members of the Board of Directors, nor any supplementary pension plans, except for the coverage of statutory social security contributions.

## **4.2. Senior Executive Members**

Remuneration is an important factor in attracting and maintaining a high level of human resources in the Company and the Group, whose role is crucial for the operational efficiency of providing high quality products and services. Particular emphasis is placed on the adoption of principles in the development of the remuneration system in order to take into account both the knowledge and performance of human resources and the promotion of the long-term business objectives of the Company and the Group.

The Company and the Group apply a remuneration framework which varies according to the hierarchical level, the position of responsibility and risk management. In the "Remuneration Policy" of the Senior Executives, the forms of fixed cash remuneration and voluntary benefits are included, as this "Remuneration Policy" does not provide for remuneration relating to share schemes, options and voluntary pension benefits.

### **4.2.1. Fixed Remuneration**

Fixed remuneration must be competitive in order to attract and retain individuals with the appropriate skills, abilities, experiences and attitudes needed by the Company and the Group.

The maintenance of competitiveness is ensured by monitoring the remuneration levels in the Company's and/or the Group's sector of activity - at Greek and/or European level - through relevant surveys.

Along with the assessment of the importance of the position, the academic background and the previous experience of the employee are taken into account in order to determine the level of the fixed remuneration.

The aim is to keep the level of remuneration in line with the market average. Higher salaries are provided for specialized roles that are of major importance for the operation and development of the Company and/or the Group or are cases of outstanding experience and performance. Fixed remuneration is the significantly higher percentage of the total remuneration of the persons to whom this "Remuneration Policy" applies.

Fixed remuneration is paid in cash.

### **4.2.2. Variable Remuneration**

This "Remuneration Policy" does not provide for the provision of variable remuneration in any form.

Any variable remuneration that may be granted in the future may occur upon the proposal of the Board of Directors and approval of the General Meeting of Shareholders of the Company, as defined



by paragraph 2 of article 110, of Law 4548/2018, as in force.

#### **4.2.3. Voluntary benefits**

- Use of company car
- Travel/Entertainment expenses
- Mobile phone tariffs
- Executive members' liability insurance coverage (D&O insurance plan)

#### **4.2.4. Termination of the Contract**

In the event of termination of an indefinite duration employment contract, the Company shall pay the statutory compensation. The payment of further compensation in the event of early termination of employment or retirement requires a decision of the Board of Directors of the Company.

### **5. Implementation of a "Remuneration Policy".**

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The Board of Directors of the Company is responsible for the implementation of this "Remuneration Policy" and any revision thereof. The "Remuneration Policy" is reviewed every four years, taking into account labor market trends and current legislation. If there are reasons to accelerate the revision of the policy, this may be done with a documented proposal of the Board of Directors and approval by the General Meeting of Shareholders of the Company, as defined by paragraph 2 of article 110 of Law 4548/2018, as in force.

In exceptional circumstances, by decision of the Board of Directors, a temporary deviation from the approved "Remuneration Policy" is allowed, provided that such deviation is necessary for the long-term interests of the Company as a whole or to ensure its viability.

In case of deviation, such remuneration shall be borne by the Company only after special approval by the General Meeting of the Company's shareholders.

### **6. Advance payment of remuneration.**

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The General Meeting of the Company may authorize the advance payment of remuneration until the convening of the next ordinary General Meeting. The advance payment of remuneration is subject to its approval by the next ordinary General Meeting

### **7. Validity of the "Remuneration Policy".**

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This "Remuneration Policy" shall enter into force after its approval by the General Meeting of the Company's shareholders and shall remain in force for four (4) years, unless the General Meeting decides to amend it earlier.