



REMUNERATION POLICY

of the company "**PAPAPANAGIOTOU Societe Anonyme Commercial and
Representative Societe Anonyme**" ("**DROMEAS SA**")

No. Γ.Ε.ΜΗ .: 114048152000

(Proposed by the Board of Directors for approval at the General Assembly of 12-07-2021)

1. INTRODUCTION - PURPOSE

The current remuneration policy of the Company under the name "PAPAPANAGIOTOU Societe Anonyme Societe Anonyme de Commerce and Representations" and the distinctive title "DROMEAS SA" (hereinafter "the Company") has been formed based on the current legislation and especially the provisions of Law 45/20188. for Societes Anonymes and L.4706 / 2020 for corporate Governance, in order for the Company to comply with the current legislation regarding the provision of remuneration, the establishment of basic guidelines for the management and payment of remuneration to the members of the Board of Directors (BoD)) of the Company and, if any, for the general manager or his deputy¹, to ensure the reliability and transparency regarding the principles and procedures related to these remunerations, as well as to contribute to the business strategy of the Company, in the long-term interests and its overall viability and development.

2. SCOPE

This Remuneration Policy applies to all members of the Board of Directors (executive and non-executive members, independent or non-members). The Remuneration Policy covers the total remuneration or compensation paid for the general employment of the members of the Board of Directors, for the general management and representation of the Company as well as benefits arising from a special relationship under contracts.

3. GENERAL PRINCIPLES

The Company fully complies with the following principles in a manner and to an extent appropriate to its size, internal organization, nature, scope and complexity of its activities:

- a) The remuneration policy is consistent and promotes the proper and effective management of risks and does not encourage the taking of risks that are not in line with the company profile.
- b) The remuneration policy is in line with the business strategy, goals, values and interests of the company and includes measures to avoid conflicts of interest.

¹ Where reference is made here to the members of the Board of Directors of the Company, it includes, if any, the general manager or his deputy .

c) The Remuneration and Nomination Committee of the company, in the exercise of its supervisory responsibility, proposes the general principles of remuneration policy to the Board of Directors (and the latter to the General Meeting), reviews them when required and monitors its implementation.

d) In case the remuneration is a function of performance, they are based on a combination of the evaluated performance of the person and the service unit with the overall results of the company. Financial and non-financial criteria are taken into account when evaluating individual performance.

e) The Company pays additional amounts of remuneration, to each member of the Board of Directors, to whom they are periodically assigned responsibilities beyond their usual duties and usually concern the handling of business cases in the framework of strategic decisions. The specific fees are determined and decided, in each case, by the Remuneration and Nominations Committee and after informing the Board of Directors, they are submitted for approval to the general meeting of the company's shareholders.

f) The remuneration of the members of the Board of Directors, taking into account their duties and responsibilities, is not disproportionate to the average remuneration of the employees in the company, taking into account their schedule, level of knowledge, skills and experience and responsibilities. they undertake in their work.

4. REMUNERATION STRUCTURE

Total earnings include a fixed and variable portion to ensure that earnings are linked to short-term and long-term business efficiency:

(a) fixed remuneration: granted on a regular periodic basis or on the basis of representations at meetings of the Board of Directors. They are the regular income that each member receives

(b) variable remuneration: granted in proportion to the participation and contribution of each member in matters of management and representation of the company.

(C) Performance Expenses: Includes remuneration for attending meetings of the Board of Directors or its Committees, as well as other Benefits (indicative: corporate car, mobile phone programs, etc.), which enhance the Company's competitiveness in attracting and retaining members of the Board of Directors and the facilitation of the performance of their duties.

5. SPECIFIC RULES OF REMUNERATION POLICY

- a) Not all of the above types of remuneration are necessarily granted, nor are they necessarily granted to all Members, nor is their amount determined uniformly for each member.
- b) For the determination of the amount and any other issue related to the granting of salaries to the members of the Board. The real financial position of the Company is taken into consideration, as well as its general or more specific financial obligations, as well as the wage and working conditions of the company's employees.
- c) No fees are granted that consist of participation in the net corporate profits of the Company.
- d) No fees are granted in the form of purchase options or free distribution of shares of the Company.
- e) The total of all salaries for all members of the Board of Directors may not exceed per ceiling a maximum, which for the duration of this is set at the amount of one hundred thousand euros (100,000.00 €). This limit can be exceeded only with the prior approval of the General Meeting of Shareholders. Exceedance without such pre-approval may be subsequently approved at the next regular General Meeting of Shareholders. For the above ceiling are not taken into account salaries based on a contract irrelevant to their capacity and duties as members of the Board, the conclusion of which either does not exceed the limits of the company's current transactions (as defined in the provision of article 99 of Law 4548/2018) or has been concluded in compliance with the relevant provisions of the law (art. 23a of Law 2190/1920, art. 99 on Law 4548/2018).
- f) The Company is entitled to determine further criteria for the granting of remuneration after modification of the present.

6. CONCEPT OF "SIGNIFICANT REMUNERATION" OF INDEPENDENT NON-EXECUTIVE MEMBERS

The Independent Non-Executive Members of the Board of Directors may not receive any significant remuneration or benefit, or participate in a system of options for the purchase or free distribution of shares or in any other remuneration or benefit system related to the performance, except for the remuneration for their participation in the Board of Directors or in its committees, including the deferred benefits for any previous services to the Company.

Under this Policy, any remuneration to independent non-executive members is considered "significant", which creates strong incentives for the member or is otherwise associated with the achievement of short-term goals, which expose the Company to risks, results and profitability of the Company and in general not to create a dependent relationship between them and the Company in the sense of par. 1 of article 9 of law 4706/2020. In each case "significant" is considered a fee or benefit, which exceeds, per year and per person, the amount of 50,000 €.

7. COMPANY CONTRACTS

In accordance with circumstance g) of par. 1 of article 111 of law 4548/2018, the provisions of the Company's contracts with members of the Board of Directors, which exist at the time of this amendment, are disclosed herein:

- a) Contract with the Executive Chairman and Managing Director Mr. Athanasios Papapanagiotou, Civil Engineer, drawn up on 15/10/2012, through which the above granted the exclusive prefecture of exploitation of his patents to the Company (the contract was approved during the Ordinary General Meeting of shareholders of 25/6/2013) and was amended on 5-1-2017 (the amending contract was approved at the Ordinary General Meeting of shareholders of 30/5/2017), which is for a certain period of time and lasts until 31-12-2024.
- b) Contract with the Executive Vice President Mr. Konstantinos Papapanagiotou, Electrical Engineer, drawn up on 2-1-2018 and concerns the provision of independent services of supervision and quality control of production, as well as the good maintenance of the electromechanical installations of the industrial unit of the Company (the agreement was approved at the Ordinary General Meeting of shareholders of 5/6/2018) and is of indefinite duration, terminated by unilateral termination of any of the parties, without deadline and without compensation for the parties.
- c) Contract of employment with the subject of Marketing & Sales Management with the executive member Mrs. Stavroula Papakonstantinou, which was hired in July 2018 (while she was not a member of the Board). The above contract is for an indefinite period and is terminated in accordance with the provisions of the current labor legislation. The amount that the Company would pay today in case of termination of the employment contract amounts, in case of compliance with the deadline (warning) to € 1,550.50 and in case of non-compliance with the deadline to € 3,101.00

d) Contract with the non-executive member Mr. Stylianos Petrislis, Electrical Engineer, drawn up on 2-1-2018 and concerns the provision of independent services of supervision and quality control of production, as well as the good maintenance of the electromechanical installations of its industrial unit Company (as long as he was not a member of the Board of Directors) and is of indefinite duration, solvable by unilateral termination of any of the parties

8. VALIDITY - DURATION - CHANGE OF REMUNERATION POLICY

This policy was drafted and adopted by the Board of Directors of the Company, approved and entered into force by the special decision of the Ordinary General Meeting of the Company's shareholders from 16 June 2020 and was amended / codified, in accordance with the provisions of Law 4607 / 2020 with the decision of 12 July 2021 of the Ordinary General Meeting of the Company's shareholders. The duration of the remuneration policy approved by the General Meeting is four (4) years from its last approval by the General Meeting of Shareholders and is subject to change in the event of a substantial change in the conditions under which it was drawn up. In case of need to replace or amend the Policy, the Board of Directors, following a relevant proposal of the Remuneration and Nominations Committee, suggests the content of the Remuneration Policy to the General Meeting for approval with a written proposal and a relevant report from the Board to the General Meeting, which must describe and explain all the changes.

The relevant decision of the General Meeting of Shareholders, which will decide on its replacement or amendment, must describe the way in which the votes and views of the shareholders on the policy and the reports from the last vote on the remuneration policy at the General Meeting of Shareholders and thereafter. According to the provisions of par. 5 of article 110 of law 4548/2018, the approved remuneration policy together with the date and the results of the voting of the General Meeting, is submitted to publicity formalities and remains available on the Company's website, for as long as this period is valid.

Annually, according to par. 3 of article 112 of law 4548/2018, a salary report is prepared that contains a comprehensive overview of all salaries regulated in the remuneration policy. The report is submitted to the Ordinary General Meeting for discussion, as the subject of the agenda. The shareholders' vote on the earnings report is advisory

Serres, June 18, 2021

The Board