

# Frigoglass Board Remuneration Policy

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## Introduction

This Board Remuneration Policy (the “**Policy**”) approved by virtue of the Annual General Meeting’s resolution of the shareholders of Frigoglass S.A.I.C. (the “**Company**”) dated September 5, 2023 replaces the remuneration policy approved by virtue of the Annual General Meeting of shareholders of the Company dated September 8, 2022 and is valid for four (4) years from its approval (hereinafter the “**Term**”), unless it is revised and/or amended earlier by virtue of another General Meeting’s resolution due to significant changes of the circumstances on the basis of which it was drafted. The Policy has been prepared in accordance with the EU Shareholder Rights Directive<sup>1</sup> as incorporated into Greek legislation with Law 4548/2018, the legislation on corporate governance (Law 4706/2020), the Greek Corporate Governance Code (edition of June 2021) adopted by the Company, as well as the guidelines of Hellenic Capital Market Commission.

## Policy overview

The Policy applies to the remuneration of all members of the Board of Directors (together the “**Directors**”) and it aims at ensuring that the Company is remunerating its Directors on the basis of the Company’s short and long-term business plan, so as to continue to win, to be different and to create pioneering solutions that foster better lives, through teamwork, responsibility, ethos and excellence.

The Policy sets out details of both (i) the current rights and obligations and (ii) the terms under which future remuneration may be offered to current and/or new Directors during the Term.

The Policy considers European best practice for listed entities, whilst reflecting the current Directors’ remuneration arrangements and specific circumstances within the Company. In addition, the Policy takes into consideration the provisions of the Company’s Articles of Association, the Greek Corporate Governance Code (edition of June 2021) adopted by the Company and the Company’s Internal Regulation of Operation.

The Policy is available on the website [www.frigoglass.com](http://www.frigoglass.com) used by the Company.

## Determination, review and implementation of the Policy

The Human Resources, Remuneration and Nomination Committee (the “**Committee**”) has worked with the senior management of the Company, as deemed necessary, and from time to time with independent remuneration advisers to arrive at this Policy, which has been recommended to and approved by the Board of Directors.

During the Term and as required to complete its task, the Committee shall liaise with and invite any of the directors of the Company to attend meetings, as deemed necessary for discussion and consultation. In addition, the Committee shall ensure that no individual is present when their own remuneration is discussed.

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<sup>1</sup> DIRECTIVE (EU) 2017/828 OF THE EUROPEAN PARLIAMENT AND THE COUNCIL OF 17 MAY 2017

The Committee will consider annually whether the Policy continues to be aligned to the Company's business strategy or whether amendments should be recommended to the Board of Directors. 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. Every four years (or earlier on a substantive change) on the recommendation of the Committee, the Board of Directors will seek approval of the Policy at the Company's General Meeting of Shareholders with any amendments it deems appropriate at that time.

## **How the Policy contributes to the Company's business strategy and long-term interests and sustainability**

The aim of this Policy is to ensure the Company is remunerating its Directors on the basis of the Company's short and long-term business plan, so as to continue to win, to be different and to create pioneering solutions that foster better lives, through teamwork, responsibility, ethos and excellence.

The Company remunerates the Members of the Board of Directors exclusively with fixed pay. The level of fixed pay – salary and board fees – for both Executive and Non-Executive Directors is established on the basis of paying fair and reasonable remuneration for the best and most appropriate person for the role, taking into account the level of responsibility, as well as the knowledge and experience required to deliver upon expectations, while ensuring that the Company pays no more than is necessary, always supporting its longer-term interests and sustainability.

The Policy does not include any variable pay for Executive Directors and Non-Executive Directors in order to ensure that there is no conflict of interest in the decision making of the Non-Executive Directors and their ability to challenge management's risk-taking decisions.

## **How the pay and employment conditions of employees of the Company were taken into account when establishing the Policy**

The Committee and Board of Directors receive periodic updates on the wider employee remuneration structure and practices within the Company, which are considered when establishing the Policy. This is to ensure that remuneration practices and structure are as consistent as possible across the Company.

In addition, the Committee and Board of Directors are provided with information on remuneration trends of Company's employees including any relevant economic data, such as the rate of inflation to take into account when operating the Policy.

The remuneration of Non-Executive Directors is not comparable to the remuneration for the Executive Director of the Company due to his position and his contribution to the Company's results.

## The remuneration policy for the Executive Director

The table below sets out the remuneration policy for the Executive Director:

Element and how it contributes to business strategy, long-term interests and sustainability of the Company	How it Operates	Quantum and Maximum amount	Performance-related framework and recovery
<p><b>Fixed Pay</b></p> <p>To assist in the recruitment and retention of appropriate talent.</p> <p>To provide a fair fixed level of pay commensurate with the scope and responsibilities of the role.</p>	<p>The fixed pay consists of the annual remuneration, which is paid monthly in twelve (12) equal instalments.</p> <p>Salaries are normally reviewed, but not necessarily increased, annually.</p> <p>The Company's policy is to set levels taking into account levels of pay at other companies of a similar size for roles of similar scope and responsibility, so as to ensure remuneration is fair and competitive in the market.</p> <p>The amount of remuneration depends on:</p> <ul style="list-style-type: none"> <li>– The performance and experience of the individual</li> <li>– The performance of the Company</li> <li>– The individual's role and responsibilities</li> <li>– Pay and employment conditions elsewhere in the Company and across relevant peers</li> <li>– Rates of inflation and market-wide increases across international locations</li> </ul>	<p>There is no prescribed maximum.</p> <p>Annual increases (if applicable) will take into account the increases provided to the broader employee population and region where the Executive Director is based.</p>	<p>Levels will be reviewed taking into account the performance of the individual and the Company.</p>
<b>Expenses</b>	<p>The Company may reimburse the Executive Member for reasonable professional expenses incurred in the performance of their duties.</p> <p>These include, but are not limited to, travel and accommodation expenses for attending Board meetings and other actions of the Company, as well as supplementary expenses.</p>		

## **Executive Director's contracts and loss of office**

The Executive Director's contract shall be for a fixed term and may be extended only upon written agreement.

The Executive Director's contract may be terminated by either party without compensation upon ninety (90) days simple written notice to the other party.

The Executive Director's contract may also be terminated by either party for cause. No specific compensation is provided for in case of termination of the contract.

## **Approach to recruitment and promotions**

The recruitment package for a new Executive Director would be set in accordance with the terms of the Company's approved remuneration policy.

On recruitment, Fixed Pay may be set below the normal market rate, with phased increases as the Executive Director gains experience.

The Committee and the Board of Directors are entitled to grant to the Executive Director any benefits, which may include relocation, housing or schooling expenses. In arriving at a benefits package the Company's prevailing consideration will be to pay only what is considered necessary and appropriate taking into account the importance of securing the right candidate for the job and acting in the best interests of the Company's shareholders and limiting certain benefits to a specified period where possible.

## The remuneration policy for Non-Executive Directors

The table below sets out the remuneration policy for the Non-Executive Directors including the Non-Executive Chairman of the Board:

Structure and payment of remuneration	Setting the level of remuneration
<p><b>Fees</b> The Non-Executive Directors are paid a basic annual board fee which is fixed and covers the time required to perform their duties on the Board of Directors and its committees. These annual fixed fees cover for each Non-Executive Director of the Board of Directors the time to attend in Board meetings and includes travelling and preparation time.</p> <p>Supplemental fees may be paid to the Non-Executive Directors for additional responsibilities and activities, which exceed the scope of the duties assigned including but not limited to, attending additional Board meetings, site visits, meetings with management.</p> <p>The Non-Executive Chairman's fee would normally be inclusive of all of his responsibilities, but additional fees may be payable in specific circumstances depending on the time commitment for his role.</p> <p>There is no performance-based variable pay or pension provided to the non-executive Chairman or Non-Executive Directors.</p> <p><b>Expenses</b> Reasonable business expenses incurred by the Non-Executive Directors in carrying out their duties may be reimbursed by the Company.</p> <p>Reasonable business expenses may include but are not limited to travel expenses and accommodation for attending Board meetings and other Company business, as well as out of pocket expenses.</p> <p><b>Payment process and review</b> Payment of Board of Directors' Non-Executive Directors annual fees and reimbursement of expenses are conducted on a monthly basis, with the payment of twelve (12) equal instalments.</p> <p>If fees are paid at the request of the Non-Executive Director in a foreign currency, they shall be exchanged at the rate applicable at the time of payment or on any other basis that the Company determines as reasonable.</p> <p>Fees are reviewed, but not necessarily increased, annually.</p>	<p>There is no prescribed level of annual fee or fee increase and no prescribed maximum. The Board of Directors is guided by the general fee level and increases in the Non-Executive market.</p> <p>The Non-Executive Directors' market for reference in setting and increasing Non-Executive Director fees will usually be companies of a similar size in terms of market capitalisation, revenue, profit, complexity and internationality of the business and any other factors considered relevant by the Board of Directors including fee levels in countries from which Non-Executive Directors may be recruited.</p> <p>Fee levels and increases will be determined taking into account:</p> <ul style="list-style-type: none"> <li>• Market rates;</li> <li>• The need to ensure that Non-Executive Directors can be recruited with the relevant skills, diversity, knowledge and experience for the board;</li> <li>• The time commitment for the role;</li> <li>• Any increase in the scale, scope or responsibility of the role</li> <li>• Any need to recruit a Non-Executive Director with specific skills and experience.</li> </ul> <p>The Board of Directors may also introduce fee levels for new roles or new supplemental fees for certain aspects of existing roles that are established within the Company. Where these are introduced, they will be fully disclosed in the Remuneration Report.</p>

## Appointment and cessation of Non-Executive Directors of the Company

According to the Company's Articles of Association, Non-Executive Directors are appointed for a fixed period of three (3) years, subject to reappointment each year at the Annual General Meeting.

On the appointment of a new Non-Executive Director, the fee arrangement will be set in accordance with the Company's remuneration policy in force at that time. No remuneration is payable on cessation except for those fees being payable to the date of cessation.

## Discretions and derogations from the Policy

Temporary derogations from the Policy may be allowed in exceptional circumstances where it is considered by the Board of Directors necessary to serve the long-term interests and sustainability of the Company as a whole, or to assure its viability. Any derogation is required to be considered by the Committee and approved by the Board of Directors.

## Defining the criteria of "significant remuneration or benefit" in accordance with art. 9 par. 2(a) of Law 4706/2020

According to the provisions of paragraph 2 (a), of article 9 of the Law 4706/2020 on corporate governance, in order a Non-Executive Director to be characterized as an independent one must, during his appointment and term of office in the Board of Directors, not directly or indirectly hold a percentage of voting rights greater than zero point five percent (0.5%) of the Company's share capital and at the same time, be exempt from any financial, business, family or other dependency relationships, including, among others, the receipt of any significant remuneration or benefit from the Company or affiliated company.

To this end, the Company has established a framework under which it is ensured that the remuneration and benefits received by the Independent Non-Executive Directors are consistent with their independence. Therefore, the criteria, which are taken into account by the Company, in order to assess the significance of the remuneration or benefit received by each the Independent Non-Executive Director are summarized below:

- The size, the internal structure, the organization, the complexity of the activities and investments, the special characteristics and the areas of activity of the Company.
- The skills, abilities, diversity, knowledge and experience of the Director.
- The significant international experience in the business and the society as well.
- Ensuring and effectively utilizing the diversity of the Director.
- The requirements of the role of the Director.
- The place of residence of the Director.
- The levels of remuneration of Independent Non-Executive Directors in similar companies in the Greek market.

In addition to the aforementioned criteria, the Company takes into account specific quantity criteria for defining the concept of significant remuneration or benefit. Specifically, a remuneration or benefit is considered significant, which equals or exceeds, per year and per person, the amount of € 100,000 gross.

## Policy on external appointments

Subject to Board of Directors' approval, according to the Greek Corporate Governance Code adopted by the Company, Executive Directors may accept external non-Executive Director positions and retain the fees payable for such appointments.



Non-Executive Directors' may accept other Executive and/or Non-Executive Director roles but must advise the Board of Directors as a whole of such appointments, the expected time commitment and confirm that there is sufficient time to devote to the work with the Company. Account of and compliance with, where appropriate, should be taken of any guidance or regulation on time commitment and number of Executive and/or Non-Executive Director roles to be held in any applicable Corporate Governance Code, Institutional Investor or Proxy Voting Agency guidelines or regulation.

### **Legacy arrangements**

In approving this Policy, authority is given to the Company to honour any commitments already entered into with Directors, prior to the effective date of this Policy. Details of any such payments will be set out in the Remuneration Report as they arise.