



DOCUMENT TITLE

POLICY ON THE FEES OF QH BOD MEMBERS

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FEES OF QH BOD MEMBERS		QH POLICY
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PREPARED BY	APPROVED BY
BOD REMUNERATION & COMPENSATION COMMITTEE QH	GENERAL MEETING OF SHAREHOLDERS QUEST HOLDINGS

DOCUMENT ADDRESSED TO
Stakeholders and investment public.

CLASSIFICATION: PUBLIC DOCUMENT

1 Introduction

The company “Quest Holdings Societe Anonyme” (hereinafter “the Company”) established this Remunerations Policy (hereinafter “the Policy”), with a view to setting out the Remunerations Policy in a transparent, clear and understandable way, in order for the latter to be approved by its Shareholders, as such policy was formed following the Company’s compliance with the new regulatory obligations of Law 4548/2018.

This Policy was approved by the decision of the Annual Ordinary General Meeting of the Company’s shareholders dated 25/06/2019 and is valid for four (4) years from that date (hereinafter the “Term”), unless revised or / and amended before the expiry of the Term by virtue of a decision of the General Meeting.

The Policy applies to the remuneration of all members of the Board of Directors, in accordance with the terms and conditions contained therein.

The Policy defines in detail, on the one hand (i) the existing rights of the members of the Board of Directors and the obligations of the Company to them and on the other hand (ii) the terms on which remuneration will be provided to existing and/or new BoD members in the future, during its Term.

The Policy considers the best European practices for listed companies and at the same time reflects the existing agreements regarding the remuneration of the BoD executive members.

In addition, the Policy considers the provisions of the Company's Articles of Association, the Greek Corporate Governance Code and the Company’s Operating Regulation.

The Policy is available on the Company’s website (www.quest.gr).

This text has been translated into English from the Greek language. In any case of ambiguity or doubt, the Greek text prevails.

2 Purpose

The main purpose of the Policy is to ensure that the Company remunerates the members of the Board of Directors based on its business plan, in order to create value for its stakeholders (customers, shareholders, employees, etc.), as well as for the Greek economy.

Furthermore, the Policy aims to:

- ensure compliance of the Company with the current legislation concerning the provision of remuneration,
- establish basic guidelines for the management and payment of remuneration to the members of the Board of Directors of the Company,
- identify procedural and other components and ensure their proper implementation in a clear and transparent manner,
- ensure the reliability and transparency of the principles and procedures relating to the remuneration of the members of the Board of Directors of the Company,
- bring the Company in line with market practices regarding the remuneration of BoD members, as well as ensure that the strategic objectives of the Group are met; and

- encourage the long-term active participation of the shareholders and improve transparency between the Company and investors, together with the need to align the interests of the Management with the long-term interests of the Company, the Group and shareholders.

3 Scope

This Remunerations Policy concerns the members of the Board of Directors. Any reference herein to “executive” shall refer to the above persons (i.e., the members of the Board of Directors).

4 Description

The basic principles of this Policy are:

- a. Compliance with current legislation,
- b. Transparency (simplicity of the remuneration structure, notifications as required by law, etc.),
- c. Competitiveness in relation to the market (remuneration packages in line with the practices followed in the Greek market and capable of attracting and retaining valuable executives) and enhancing efficiency by introducing clear objectives and incentives,
- d. Meritocracy, internal fairness and competitiveness (remuneration based on the importance of each job to the organization, but also the performance of the executives (achievement of objectives, etc.)),
- e. Ensuring the interests of the shareholders and the Group (ensuring a sufficient capital base, sustainability of the Group, profitability) and
- f. Distinction of fixed and variable remuneration (for executive members), linked with a premium/benefit system, which depends on the performance of the Group. A measure of this performance shall be considered to the consolidated Profits before Taxes, excluding any non-operating profits, impairments and before any amounts of provisions for variable remuneration (EBTB).

The Policy contributes to the operational strategy, long-term interests and sustainability of the Company and the Group:

- By providing a fair and adequate level of remuneration with a view to discouraging risk taking, encouraging Board members to focus on continuous value creation.
- By providing incentives aimed at focusing on long-term goals, on the one hand, and short-term goals that will create value over time, on the other.
- By not providing for variable remuneration for non-executive members of the Board of Directors, so that there is no conflict of interest in decision-making, as well as by offering to them the possibility to give constructive feedback on Management decisions that involve taking risks.

4.1 Remuneration and Benefit components

The Policy aims at determining the remuneration of the members of the Board of Directors in a transparent manner and, further, in attracting and retaining executives of known prestige, with experience in the markets in which the Company operates and with formal and substantive qualifications to contribute effectively to the development of the Company and its Group and their business strategy.

During the policy-making process, account was taken, inter alia, of similar policies in Greece and abroad, good practices, as well as the existing system of variable remuneration, relating to the remuneration of the executive members of the Board of Directors.

This Policy, as well as the remuneration policy of all employees, is based on the principle of fair and reasonable remuneration for each employee in every role, ensuring while the Company provides fair and competitive remuneration and, at the same time, safeguards the long-term interests and its viability.

The Remuneration & Compensation Committee and the Board of Directors shall consider the structural elements of the employees' remuneration during the policy review. The aim is to ensure that there is consistency within the Company and relevance between the remuneration received by different roles, considering that the structure of the remuneration of executive members necessarily differs from that of the other employees, as their contribution to the Company's performance is different because of their role and their ability to influence it.

The remuneration of the non-executive members of the Board of Directors is not comparable with the structure of the remuneration of the employees and the executive members of the Board of Directors of the Company.

The components that are considered for the granting of all kinds of fixed and variable remuneration to the employees of the Company and its subsidiaries are the following:

- a. Fixed remuneration: Aims at rewarding employees according to their knowledge, experience, level of management and/or significance of their job, if there is a relevant evaluation system. Fixed remuneration aims at ensuring the attraction and retention of employees in the Company, in order to be competitive against similar companies. Remuneration is expressed in gross amounts and is subject to legal deductions.
- b. Variable remuneration (voluntary benefit-bonus linked to an employee performance evaluation system and the Company's results). Variable remuneration aims at rewarding the effort of the executives and strengthening their profitability and is directly dependent on their performance and their contribution to the long-term development of the Company in general.
- c. Ad hoc variable remuneration fees related to profits from the sale of Quest Holdings shares in its holdings. This ad hoc variable remuneration is intended to reward the effort of the executives in cases of their direct involvement in profitable sales and is directly dependent on their contribution to the overall effort of the transaction, as appropriate.
- d. Long-term incentives (stocks, stock options). This remuneration aims at the long-term retention of notable executives, but also at ensuring the sustainability and long-term prosperity of the company and the Group.
- e. Other benefits (e.g. group insurance, gift vouchers, corporate car, corporate credit card, etc.). The benefits enhance the Company's competitiveness in terms of attracting and retaining executives. They also strengthen the standard of living of executives.

4.2 Structure of remuneration of the members of the Board of Directors

The structure of remuneration of the members of the Board of Directors is as follows:

4.2.1 Executive and Non-Executive BoD Members

The Executive and Non-Executive members (excluding the Independent Non-Executive Members) of the Board of Directors do not receive the following remuneration from the Company, but exclusively from its subsidiaries - members of the Group.

These remuneration fees are as follows:

- Fixed remuneration fees: are related to a paid relationship (such as, for example, from an employment, project or mandate or service contract), which have the executive members of the Board of Directors or the non-executive members with the subsidiaries of the Company, the nature of which is determined as appropriate and approved by the competent corporate bodies of the Company's subsidiaries.
- Variable remuneration fees: Such remuneration fees may be paid to the executive members of the Board of Directors who have a paid relationship, duties and responsibilities in the day-to-day operation of the Company and its subsidiaries, as well as to the Executive Chairman and the non-executive Vice-Chairman of the BoD regardless of the nature of their duties and responsibilities. Variable remuneration depends on the performance of the Group and in particular on the annual operating results of its companies. Among other things, variable remuneration is aimed at maintaining fixed remuneration at relatively low levels and providing sufficient incentives to maintain and continuously improve the Group's size and profitability.

Postponement of payment of variable remuneration is only foreseen when it is linked to long-term objectives. Payment of variable remuneration is neither sought nor recovered.

- Ad hoc variable remuneration fees related to profits from the sale of Quest Holdings: Such fees may be paid to the executive members of the Board of Directors who have a paid relationship, duties and responsibilities in the daily operation of the Company and its subsidiaries. These ad hoc variable fees may be related to realized profit that will result in a possible sale of the company's holding. The determination and payment of such variable fees can only be made after approvals of the competent bodies of the Group companies.
- Fixed monthly fee (for participation in the meetings of BoDs of subsidiaries): It is payable to executive and non-executive members of the Board of Directors for their participation in the meetings of the Board of Directors of the Company and/or the subsidiaries. The above fixed fees are approved by the Ordinary General Meetings of the subsidiaries.
- Participation in stock distribution plans of the Company: The executive members of the Board of Directors and the non-Executive Vice-Chairman may be granted the right to participate in stock distribution plans, following the procedure of Article 113 of Law 4548/2018, following a recommendation from the Remuneration & Compensation Committee and/or the Board of Directors.
- Participation in a group retirement plan: The right to participate in a group retirement plan is granted to the executive members and to the Non-Executive Vice-Chairman of the Board of Directors, who are related under a paid relationship with subsidiaries of the Company, , as mentioned above.

- Provision of insurance under insurance policies: The Company and its subsidiaries draw up insurance policies with insurance companies to cover hospital care, pension plans, etc. insurance policies for the executive members of the Board of Directors and the Executive Vice-Chairman, as well as insurance contracts for professional and other risks (D&O insurance) for all members of the Board of Directors.
- Other benefits: The Company and its subsidiaries may provide non-monetary benefits to the members of the Board of Directors in order to support them in discharging their duties (e.g., mobile phone, car, accommodation expenses, etc.) on the approval of the competent corporate bodies.

The executive members of the Board of Directors, who are in a paid relationship (such as, for example, an employment, work or mandate or service contract) with the subsidiaries of the Company shall, during their term of office in the Board of Directors of the Company, receive the remuneration offered for their job and shall not be entitled to compensation for participation in the meetings of the Board of Directors and its Committees or the Company, which is received by the other (non-executive and independent non-executive) members of the Board of Directors. This principle also applies to the remuneration of the members of the Board of Directors for their participation in the Committees of the Board of Directors or the Company.

4.2.2 Independent Non-Executive Members

Independent non-executive members of the Board of Directors receive only fixed remuneration.

The above fixed remuneration is offered to them in compensation for their participation in the meetings of the Board of Directors of the Company, as well as in the Committees of the Board of Directors and/or the Company. Furthermore, the role of each independent non-executive member in the Board of Directors in the individual Committees is also considered.

Apart from the above fixed fees/compensations, no other provision is offered to independent non-executive members of the Board of Directors of the Company.

In addition, it is noted that the annual Ordinary General Meeting approves the ceiling of these fees and authorizes the Board of Directors to further specify them separately for each independent non-executive member of the Board, considering the above criteria.

The General Meeting may authorize a fee in advance for the period until the next Ordinary General Meeting. The advance payment of the fee is subject to the approval of the next Ordinary General Meeting.

4.3 Competent Bodies – Procedure – Other Provisions

- ❖ The Remuneration & Compensation Committee shall be responsible for drawing up a draft of this Policy or any revision thereof, in accordance with its Operating Regulation. To this end, the Remuneration & Compensation Committee may be assisted as appropriate by the Company's competent executives and/or external specialized consultants.

The Remuneration & Compensation Committee shall propose to the Board of Directors a draft Policy which has at least the content set out in the applicable law. It shall also suggest any required amendments/revisions to the Policy by describing and explaining them.

- ❖ The Board of Directors may accept the recommendation of the Remuneration & Compensation Committee and/or amend the draft Policy. In case of a policy review, the Board of Directors shall submit its report on the proposed revisions to the General Meeting.
- ❖ The Board of Directors shall submit the Remuneration Policy approved by it or a review of the Remuneration Policy for approval at the General Meeting of the Company's shareholders.
- ❖ In case of revision of the Remuneration Policy, the relevant report of the Board of Directors, following a recommendation from the Remuneration & Compensation Committee, shall describe and explain all changes in the Remuneration Policy. The relevant decision of the General Meeting of Shareholders shall describe the manner in which the votes and opinions of the shareholders on the Remuneration Policy and the remuneration reports were taken into account from the last vote on the Remuneration Policy at the General Meeting of Shareholders and thereafter.
- ❖ In exceptional circumstances, it shall be temporarily allowed to derogate from the approved Remuneration Policy, whenever necessary at the discretion of the Board of Directors, to serve the long-term interests of the Company and the Group as a whole and to ensure their viability.

In this case, the derogation shall apply under the following conditions:

(a) the Remuneration & Compensation Committee submits a recommendation to the Board of Directors, including the data (fees and remuneration) for which such derogation is necessary, as well as the reasons which make it necessary to derogate from the approved Remuneration Policy, including the reasons that make the derogation necessary to serve the interests of the Company or its subsidiaries in the long term or to ensure their viability.

(b) the Board of Directors, upon the relevant recommendation of the Remuneration & Compensation Committee, decides on the necessity of the derogation and on the data (fees and remuneration) on which it can be applied. Furthermore, the Board of Directors is obliged to include the derogation in the Remuneration Report of the year after the one during which any derogations were applied, as well as the information concerning these derogations.

- ❖ When adopting this Policy, the Company reserves the right to comply with any contractual obligations already concluded with the members of the Board of Directors, before the date of entry into force of this Policy. Details of such payments will be listed in the Remuneration Report as they arise.

4.4 Disclosures

The policy, as approved by the General Meeting, together with the date and the results of the voting, shall be submitted to the statutory publicity formalities and shall remain available on the Company's website (www.quest.gr) at least during its Term.

5 Implementation Control

The implementation of the Policy shall be controlled under the responsibility of the Remuneration & Compensation Committee and/or the Board of Directors.

The officers in charge of the Company shall provide all the information required to substantiate the Policy implementation control.

6 File of Changes

Version	Date	Description
1	25/06/2019	Initial Version of Policy
2	18/06/2021	Amendment by the ordinary GM of 18/06/2021