

# Remuneration Policy



15/6/2022



## 1 Introduction

The Company "Quest Holdings Société Anonyme" (hereinafter referred to as "the Company") has prepared this Remuneration Policy (hereinafter referred to as the "Policy"), in order to set out and submit for approval to its Shareholders in a transparent, clear and comprehensible way this Remuneration Policy, as such was formulated following the Company's compliance with the new regulatory obligations of Law 4548/2018.

This Policy was approved by virtue of a resolution passed on 25/06/2019 by the annual Ordinary General Meeting of the Company's shareholders and was thereafter amended by virtue of resolutions passed on 18/06/2021 and 15/06/2022 by the Ordinary General Meeting of the Company's shareholders.

This Policy, as amended, shall remain in force for four (4) years from the date of its last amendment (hereinafter referred to as the "Validity Period").

The Policy sets out in detail, on the one hand (i) the existing rights of the Board members as well as of the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9, and the obligations of the Company to them and on the other hand (ii) the conditions, based on which remuneration will be paid, in the future, to existing and / or new Board members or executives of subsidiaries, as such are set out in the International Accounting Standard 24 § 9, during its Validity Period. It is clarified that this Policy applies to the management personnel of subsidiaries, as such is set out in the International Accounting Standard 24 § 9, only with respect to any variable remuneration that may be paid by the Company in the form of free shares or stock options of the Company. The Policy takes into account European best practices for listed companies and, at the same time, reflects the existing agreements regarding the remuneration of the executive members of the Board of Directors.

In addition, the Policy takes into account the provisions of the Company's Articles of Association, the Greek Code of Corporate Governance, as well as the Internal Regulations of the Company.

The Policy is available on the Company's website ([www.quest.gr](http://www.quest.gr)).

## 2 Purpose

The main purpose of the Policy is to ensure that the Company remunerates the members of the Board of Directors as well as the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9 according to 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:

- Safeguard the Company's compliance with the applicable legislation regarding 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,

- Establish basic guidelines for the management and payment of remuneration to the members of the Board of Directors of the Company or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9,
- Identify procedural and other components and ensure their proper implementation in a clear and transparent manner,
- Ensure reliability and transparency regarding the principles and procedures related to the remuneration of the members of the Board of Directors of the Company and/or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9,
- Ensure the Company's compliance with market practices regarding the remuneration of members of the Board of Directors and/or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9, as well as the service of the strategic objectives of the Group, and
- encourage the long-term active participation of shareholders and improve transparency between the Company and investors, combined with the need to align the interests of Management with the long-term interests of the Company, the Group and the shareholders.

### 3 Scope

This Remuneration Policy concerns the members of the Board of Directors and/or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9. Any reference herein to the concept of "executive" concerns the above persons.

It is clarified that this Policy applies to the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9, only with respect to any variable remuneration that may be paid by the Company in the form of free shares or stock options of the Company.

### 4 Description

The key Principles of this Policy are:

- a. Compliance with the applicable 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 able to attract and retain high potential executives) and enhanced efficiency by introducing clear goals and incentives,

- d. Meritocracy, internal justice and competitiveness (remuneration based on the importance of each job position for the organization, but also the performance of executives (achieving goals, etc.),
- e. Securing the interests of the shareholders and the Group (ensuring an adequate capital base, Group sustainability, profitability), and
- f. Distinction between fixed and variable remuneration (for the executive members), and connection of the latter with a system of bonuses / benefits, which depends on the performance of the Group. To calculate this return, consolidated Earnings Before Tax excluding any non-organic profits, impairments and Earnings Before Tax & Bonus (EBTB) shall be taken into account.

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

- By providing a fair and appropriate level of remuneration in order to discourage risk taking, encouraging the members of the Board of Directors and/or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9 to focus on continuous value creation.
- By providing incentives aimed at focusing on both long-term goals and short-term goals that will create value over time.
- By not providing for variable remuneration for the non-executive members of the Board of Directors, so that there is no conflict of interest in decision-making, as well as to be able to exercise constructive criticism on the decisions of the Management that involve taking risks.

#### **4.1 Components of Remunerations and Benefits**

The Policy aims to determine the remuneration paid to the members of the Board of Directors and/or the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9 in a transparent manner and, further, to attract and retain highly reputed executives, with experience in the markets in which the Company operates and with formal and informal qualifications who will contribute effectively to the development of the Company and the Group and their business strategy.

The policy-making process took into account, inter alia, similar policies in Greece and abroad, good practices, as well as the System of Variable Remuneration for Senior Executives.

This Policy, System of Variable Remuneration for Senior Executives as well as the remuneration policy for all employees, is based on the principle of paying fair and reasonable remuneration to each employee for their respective role, while ensuring that the Company provides fair and competitive remuneration and, at the same time, safeguards long-term interests and its sustainability.

The Remuneration Committee and the Board of Directors take into account the structural elements of employees' remuneration when reviewing the Policy. The aim is to ensure that there is consistency within the Company and relevance between the remuneration paid to different roles, given that the structure of the remuneration of the executive members of the Board of Directors and/or the management personnel of the subsidiaries necessarily differs from that of other employees, as their contribution to the Company's performance is different because of their role and their ability to influence it.

The remuneration paid to 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 taken into account for granting all kinds of fixed and variable remuneration to the Company and its subsidiaries' employees are as follows:

- a. Fixed remuneration: Aimed at rewarding employees depending on their knowledge, experience, managerial level and / or weight if there is a relevant evaluation system. The fixed remuneration aims at ensuring the attraction and keeping of employees in the Company, in order for the latter to be competitive in comparison to similar companies. Remuneration is expressed in gross amounts and is subject to the respective legal withholdings.
- b. Variable remuneration (voluntary benefit - bonus connected to an employee performance evaluation system and the Company's results). Variable remuneration aims to reward the effort of the executives and to enhance their efficiency and is directly dependent on their performance and their contribution to the, in general, long-term development of the Company and the Group.
- c. Ad hoc variable reward remuneration related to earnings from the sale of Quest Holdings shareholdings. Said Ad Hoc variable remuneration is intended to reward the efforts of executives in case they are directly involved in profitable shareholding sales and is directly dependent on their contribution to the overall effort to see through the transaction, on a case-by-case, basis.
- d. Long-term incentives (shares, stock options). This remuneration aims at the long-term keeping of high potential executives but also at ensuring the sustainability and long-term prosperity of the company and the Group.
- e. Other Benefits (e.g., group insurance policies, gift certificates, company car, corporate credit card, etc.). The benefits enhance the Company's competitiveness in terms of attracting and keeping executives. They also enhance the standard of living of the executives.

## **4.2 Structure of remuneration paid to the members of the Board of Directors**

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

#### 4.2.1 **Executive and Non-Executive Members of the Board of Directors**

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

- **Fixed remuneration:** Is related to a salaried relationship (by way of indication: employment contract, contract for works or for the provision of independent services), between the executive members of the Board of Directors and the Affiliated Companies of the Group, the nature of which is determined, on a case-by-case basis, and is approved by the competent corporate bodies of the Affiliated Companies of the Group.
- **Variable remuneration:** May be paid to the executive members of the Board of Directors who have a salaried relationship, duties and competencies in the day-to-day operation of the Company or the Affiliated Companies of the Group, as well as to the Executive Chairman and non-executive Vice Chairperson of the Board of Directors of the Company, regardless of the nature of their duties and responsibilities.

In accordance with a resolution passed by the Board of Directors, the System of Variable Remuneration for Senior Executives is approved, which sets out the persons who fall within its scope, as well as the more specific terms and conditions for the payment of variable remuneration. The System of Variable Remuneration for Senior Executives is a short-term variable remuneration program, part of which is converted into deferred long-term payment of compensation.

The variable remuneration aims to provide sufficient incentives to maintain and continuously improve the size and organic profitability of the Group.

The variable remuneration is related to the performance of the Group and in particular to the annual change of the adjusted profits, as well as to the achievement of ESG objectives or other quantitative and qualitative objectives, in accordance with the provisions of the Variable Remuneration System for Senior Executives.

At the end of each fiscal year, the Remuneration Committee of the Board of Directors of the Company evaluates the performance achieved against the above objectives and makes a recommendation to the Board of Directors.

The remuneration resulting from said achievement is paid in cash at the rate provided in the System of Variable Remuneration for Senior Executives.

The remaining rate, as such is set out in the Variable Remuneration System for Senior Executives, is a deferred compensation and is paid at a later stage, upon achievement of additional long-term goals, in the form of shares of the Company.

If relevant decisions are made by the competent corporate bodies, the variable remuneration may be paid, in part or in full, through profit distribution.

Amounts of variable remuneration already paid are neither sought nor recovered, except in specific cases provided for in the System of Variable Remuneration for Senior Executives.

The more specific terms and conditions concerning the calculation and return of variable remuneration etc., are set out in the System of Variable Remuneration for Senior Executives. Extraordinary (Ad hoc) variable reward remuneration for profits from the sale of Quest Holdings shareholdings: May be paid to the executive members of the Board of Directors who have a salaried relationship, duties and responsibilities in the day-to-day operation of the Company and its subsidiaries, as well as to the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9. Said ad hoc variable remuneration may be related to the realized gain that will result in an eventual sale of the Company or the subsidiary's shareholding. The determination and payment of such variable remuneration can be made only following the approvals of the competent bodies of the Group companies. If relevant decisions are made by the competent corporate bodies, the variable remuneration may be paid, in part or in full, through profit distribution.

- Fixed monthly remuneration (for participation in the meetings of the BoD of Subsidiaries): May be paid to executive and non-executive members of the Board of Directors for their participation in the meetings of the Boards of the Company and/or Subsidiaries. The above fixed remuneration is approved by the Ordinary General Meetings of the Affiliated Companies.
- Participation in share schemes of the Company: The executive members of the Board of Directors and the non-executive Vice-Chairperson and the management personnel of the subsidiaries, as such is set out in the International Accounting Standard 24 § 9 may be granted the right to participate in share schemes, according to the procedure set out in article 113 or 114 of Law 4548/2018, upon relevant recommendation of the Remuneration Committee and / or the Board of Directors of the Company.
- Participation in a group pension scheme: The executive members of the Board of Directors and the non-executive Vice-Chairperson who have, according to what is mentioned hereinabove, a salaried relationship with the Affiliated Companies of the Group, are entitled to participate in a group pension scheme.
- Provision of insurance under insurance policies: The Company and its Affiliated Companies enter into policies with insurance companies to cover hospital care, to offer pension schemes to the executive members of the Board of Directors and the non-executive Vice-Chairperson, as well as insurance policies for Directors & Officers' Liability Insurance for all members of the Board of Directors.
- Other benefits: The Company and its Affiliated Companies may provide non-monetary benefits to the members of the Board of Directors, in order to support the fulfilment of their duties (e.g., mobile phone, car, accommodation expenses, etc.), subject to the approval of the competent corporate bodies.

The executive members of the Board of Directors, who have a salaried relationship (by way of indication: employment contract, contract for works or for the provision of services), with the Company's Affiliated Companies, during their term of office on the Company's Board of Directors shall receive the remuneration related to their position and shall not be entitled to compensation

for participating in the meetings of the Board of Directors and the Committees of the Company which is paid to the other (non-executive and independent non-executive) members of the Board of Directors. This principle is also observed regarding the remuneration paid to the members of the Board of Directors for their participation in the Committees of the Board of Directors or of the Company.

#### **4.2.2 Independent Non-Executive Members**

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

The above fixed remuneration constitutes compensation for their participation in the meetings of the Board of Directors of the Company, as well as in Committees of the Board of Directors and / or the Company. Furthermore, the role of each independent non-executive member of the Board of Directors in the individual Committees is taken into account.

Apart from the above fixed remuneration / fees, no other benefit is paid to independent non-executive members of the Board of Directors of the Company.

Furthermore, it is noted that the annual Ordinary General Meeting approves the maximum sum of said remuneration and authorizes the Board of Directors, to further set it out, per independent non-executive member of the Board of Directors, taking into account the above criteria.

The General Meeting may allow an advance payment of the remuneration for the period up to the next Ordinary General Meeting. The advance payment of the remuneration is subject to its approval by the next Ordinary General Meeting.

#### **4.3 Competent Bodies – Procedure – Other Provisions**

- ❖ The Remuneration Committee is responsible for the preparation of a draft of this Policy or any revision, in accordance with its Rules of Operation. To this end, the Remuneration Committee may receive any necessary assistance from the competent executives of the Company and / or from external specialized consultants.

The Remuneration Committee recommends to the Board of Directors a draft Policy, which has, at least, the content set out in the applicable legislation. It also recommends any required modifications / revisions of the Policy describing and explaining them.

- ❖ The Board of Directors may accept the recommendation of the Remuneration Committee as is and / or make amendments to the draft Policy. In case of revision of the Policy, the Board of Directors submits to the General Assembly its report regarding the proposed revisions.
- ❖ The Board of Directors submits the Approved by it Remuneration Policy or the revision of the Remuneration Policy for approval to the General Meeting of the Company's shareholders.



- ❖ In case of revision of the Remuneration Policy, the relevant report of the Board of Directors, upon the recommendation of the Remuneration Committee, will describe and explain all the changes made in the Remuneration Policy. The relevant decision of the General Meeting of Shareholders is required to describe the manner in which the votes and views 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 is temporarily allowed to deviate from the approved Remuneration Policy, whenever this is necessary, at the discretion of the Board of Directors, in order to serve the long-term interests of the Company and the Group as a whole and to ensure their sustainability.

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

(a) the Remuneration Committee submits a recommendation to the Board of Directors, which includes the items (fees and remuneration) from which it is necessary to deviate, as well as the reasons that make such deviation from the approved Remuneration Policy necessary, also including the reasons that render the deviation necessary for the long-term service of the interests of the Company or its Affiliates Companies or to ensure their sustainability.

(b) the Board of Directors, upon relevant recommendation of the Remuneration Committee, decides on the necessity of the deviation and on the items (fees and remuneration) to which it may be applied. Furthermore, the Board of Directors is obliged to include the deviation in its Remuneration Report of the year following the one in which any deviations were applied, as well as the information regarding said deviations.

- ❖ When approving of this Policy, the Company reserves the right to comply with any contractual obligations it has already concluded with the members of the Board of Directors, prior to the effective date of this Policy. Details of such remuneration will be listed in the Remuneration Report as they arise.

#### **4.4 Publicity**

The Remuneration Policy 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](http://www.quest.gr)) at least throughout its Period of Validity.

### **5 Implementation Control**

The implementation control of the Policy shall be carried out at the care of the Remuneration Committee and / or the Board of Directors.

The competent Company executives shall provide all necessary information for substantiating the implementation control of this Policy.

## 6 Amendments

Version	Date	Description
1	25/06/2019	Initial version of the policy
2	18/06/2021	Amendment
3	15/06/2022	Amendment