



APPENINN PLC.

REMUNERATION POLICY

ENTERS INTO FORCE:	
APPROVED:	

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1. SCOPE, LIABILITIES AND RESPONSIBILITIES

1.1 SCOPE OF THE REMUNERATION POLICY

This remuneration policy (hereinafter referred to as “**Remuneration Policy**”), as the target of the internal regulator of the Company, shall hereby ensure the implementation of the effective and successful remuneration policy of Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (In English: Appeninn Asset Management Holding Public Limited Company) (hereinafter referred to as “**Company**”), and within the framework of the hereof to define principles for clear, transparent and prudent operation in accordance with the business strategy, targets, values, long-term interests and sustainable business effectiveness of the Company. Furthermore, the aim of the Remuneration Policy is to ensure the implementation of the remuneration practice in accordance with the effective and successful risk management, and respectively, in consistent with the long-term plans of the Company, to regulate the remuneration system. The hereof Remuneration Policy shall contribute to the business strategy and to the sustainability of long-term interests of the Company. The Remuneration Policy and the benefits based on by encouraging the long-term growth of the company performance shall ensure to have the interest both of the employees and the Company met.

Within the framework of this Remuneration Policy of the Company, exact guidelines, incentive system and remuneration elements relevant to those persons who are under the scope of the Remuneration Rules are to be defined upon covering remuneration principles related to other employees of the Company, and the exact regulations in relation to the remuneration of the employees are included in the Remuneration Rules of the Company.

1.2 LIABILITIES AND RESPONSIBILITIES

It is the Chief Executive Officer of the Company who is responsible for implementation and enforcement of the regulations included in this Remuneration Policy.

1.3 DEFINITIONS

- Independent member of the Board of Directors: Independent members of the Board of Directors of the Company who are not under employment relationship with the Company
- Non-independent member of the Board of Directors: Non-independent members of the Board of Directors of the Company who, in addition to their membership in the Board of Directors, are also under employment relationship with the Company
- Honoraria: It is the remuneration fee with regard to the agency contract in relation to the Board of Directors of the Company



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1.4 GOVERNING LEGAL REGULATIONS

- Civil Code: Act V of 2013 on the Civil Code
- Htrsztv.: Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization
- Labor Code: Act I of 2012 on the Labor Code

1.5 SCOPE

1.5.1 Personal scope

Pursuant to Section 2 of Htrsztv., the persons of Director positions at the Company are subject to the personal scope of the Remuneration Policy as follows:

- members of the Board of Directors of the Company, and
- Chief Executive Officer (jointly hereinafter referred to as: **“Directors”**).

Pursuant to the governing rules of the Act on the Civil Code, and in line with the Articles of Association of the Company, and in accordance with the Organizational and Operational Rules, the management body of the Company – in place of the directorate and the supervisory board – is to be the Board of Directors, performing one-tier management system, consisting at a minimum of 5 (five) and at most 9 (nine) natural person members. The task performance of the members of the Board of Directors of the Company is subject to agency contract. In addition to the aforesaid, non-independent members of the Company shall be employees of the Company simultaneously, in which case, the hereof persons are subject to the relevant regulations of the Act on the Labor Code on executive employees and, respectively, entitled to receive remuneration in relation to the employment relationship in addition to their Board of Directors honoraria. The conditions of the two legal relationship shall be defined with regard to each other, with that, they shall be terminated independently, or – following the relevant legal act – may be amended.

Independent members of the Board of Directors only shall be entitled to receive remuneration as it is set forth in Point 3 of this Remuneration Policy, while regulations applicable to the non-independent members of the Board of Directors in relation to the hereof remuneration are pursuant to Point 4 of this Policy.

The Board of Directors of the Company may appoint a Chief Executive Officer for performing operative tasks related to the activities of the Company. The Chief Executive Officer of the Company shall hereby perform the tasks in question upon employment relationship. Simultaneously, the Chief Executive Officer shall be the member of the Board of Directors, in which case, the hereof person is to be considered to be a non-independent member of the Board of Directors. It is the Board of Directors who is entitled to practice employer’s rights over the Chief Executive Officer. Provisions on the remuneration of the Chief Executive Officer are set forth in Point 6 of this Policy.



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1.5.2 Term of validity

Following the Board of Directors' approval and opinion voting of the General Meeting of the Company, this Remuneration Policy shall enter into force without due delay as of the following day of announcement. The Remuneration Policy shall be applicable for a minimum of 4 years following the enter into force.

1.5.3 Material scope

With regards, material scope of this Remuneration Policy shall be applicable for the Directors in relation to any disbursement or benefit provided by the Company, to the extent that, the hereof is to be the off-setting for services provided by the Directors. Respectively, the provisions set forth in this Remuneration Policy shall be applied for any consideration provided for the Directors in relation to the existing employment relationship, agency contract or employment-related other relationship with the Company, in particular, wage, honoraria, premium, other benefits in cash or in kind, reimbursement of expenses or other benefits of concession and similar rights.

2. PRINCIPLES OF THE REMUNERATION POLICY

The principle of the remuneration system defined by the Remuneration Policy of the Company is to provide competitive remuneration for the Directors and employees of the Company in the interest of the implementation related to long-term strategy, with regard to the Company's view on the incentive effect of the remuneration upon realizing the set aims. Hence, upon setting the remuneration system, the Company pays special attention to reasonable benefits adjusted to the proportions of the liability and responsibility performed by the said position. In addition, as a basic condition, the Company is committed to long-term employment concerning the Company's employees upon providing competitive benefits driven by the continuous workforce of the market. In the course of determination of some element of the remuneration in question, the Company shall evaluate the efficiency, the accomplishment, the experience, and the years spent at the Company of the said person regarding each case. Upon the determination of the value of the remuneration, the Company is seeking to realize remuneration which is considered to be reasonable, rewarding real performance, promoting implementation of economic aims, and encouraging effective work.

3. REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS



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3.1 GENERAL RULES ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Members of the Board of Directors, subject to executive officers of the Company, shall perform their activity under agency contract for an indefinite period, and in accordance with the usual practice at the Company, be entitled for the fix amount of Honoraria, of which amount is approved by the General Meeting of the Company on a yearly basis included in a separate agency item. The members of the Board of Directors shall be entitled to receive equal amount of the said honoraria. The members of the Board of Directors shall not be entitled to receive any other benefit or premium in addition to the Honoraria, their remuneration shall not include any changing element as the Company shall hereby judge that the excessive short-term risk-taking shall encourage the consolidation intentions of the Company.

Upon the submission on the amount of the Honoraria, the Company shall hereby pay attention to, that it must be reasonably high in order to comply with the remuneration system of the Company, and, respectively, with the degree of liability, and, moreover, with the social recognition of the said position and the place and role accepted in the business sector. At the same time, upon defining the remuneration of the members of the Board of Directors, the Company shall hereby state a more modest but a proportional remuneration condition compared to the work, competencies and liability and responsibility of the employees of the Company typically.

The member of the Board of Directors shall be entitled for the said Honoraria as of the day of his or her assignment (appointment) up to the termination of the hereof, regardless of the reason of termination of the assignment.

Name of the remuneration component	Description of the remuneration component	Organization / person entitled to receive	Amount
Honoraria, as fixed remuneration component	The gross amount of the remuneration fee defined by the General Meeting upon the same time of the election of the member of the Board of Directors is the consideration for the tasks performed as a member of the Board of Directors. The members of the Board of Directors are not entitled to receive any remuneration from the subsidiary companies of the Company.	The honoraria of the Directors shall be defined by the annual general meeting until the day of the following ordinary general meeting for a one-year period.	200,000,- HUF per month
Changing fee components, premiums	The members of the Board of Directors shall not be entitled to	General Meeting	–



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	receive changing assigned benefits or premium.		
Reimbursement of expenses	The members of the Board of Directors shall not be entitled to receive reimbursement of expenses.	General Meeting	–
Other benefits	The members of the Board of Directors shall not be entitled to take part in pensioner or health care programs, or other benefits.	General Meeting	

3.2 SUBSTANTIAL CONTRACTUAL CONDITIONS IN RELATION TO THE POSITION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Contractual condition	Employed policy
Term of validity	The General Meeting shall hereby assign the members of the Board of Directors for an indefinite time.
Rules on supplementary pension, or early retirement pension	The Company shall not have a program in relation to the early retirement pension.
Notice period, and the conditions of termination of the contract	The agency contract of the member of the Board of Directors shall be terminated in cases as it is set forth in Section 3:25 of the Act on the Civil Code. The General Meeting shall be entitled to recall the aforesaid persons upon immediate effect. The members of the Board of Directors shall hereby resign at any time but, if so required by any vital interest of the Company, the resignation shall only take effect upon the delegation or election of a new executive officer, or in the absence of the aforesaid, on the sixtieth day following the announcement thereof.
Disbursements for termination of the contract	The members of the Board of Directors shall not be entitled to receive any financial compensation directly or indirectly related to the termination of assignment for the member of the Board of Directors position, in particular, the thereto persons are not entitled to receive severance pay, remuneration or other financial disbursement specifically related to the cessation of the assignment as of the membership in the Board of Directors.



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4. REMUNERATION OF THE NON- INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

4.1 BENEFITS PROVIDED IN RELATION TO THE MEMBERSHIP IN THE BOARD OF DIRECTORS

The regulations set forth in Point 3 of the Remuneration Policy shall be applicable for the benefits allocated for the non-independent members of the Board of Directors.

4.2 BENEFITS IN ACCORDANCE WITH THE EMPLOYMENT CONTRACT CONCLUDED WITH THE COMPANY

In line with the Act on the Labor Code, the not-independent members of the Board of Directors are considered to be those executive employees who, in addition to their Honoraria, in accordance with the provisions of this Remuneration Policy, shall be entitled to receive benefits set forth in the employment contract concluded between and by the Company and the employee. Determination of the benefits for those members of the Board of Directors who are in employment relationship with the Company is referred to the competence of the chief executive officer.

By means of the Remuneration Policy, the Company shall hereby ensure comparable competitive benefits to the position as of the Hungarian workforce for the non-independent members of the Board of Directors in order to encourage them for achieving the targets included in the business plan, and for realizing long-term strategical aims.

Non-independent members of the Board of Directors shall be or maybe entitled to receive, in particular, the hereinunder fix or changing remuneration components

Name of the remuneration component	Description of the remuneration component	Organization / person entitled to receive
Basic salary and other possible wage supplements as set forth in the Act on the Labor Code, remunerations.	A guaranteed benefit performed via wire transfer for the non-independent member of the Board of Directors, of which amount is stated in the employment contract upon reflecting the complexity, role and importance of the identical position in the organisation, with that, the individual performance, skill and ability, and competency shall be	Chief Executive Officer



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	taken into account upon determination or amendment of the thereto.	
Benefits prescribed by legal regulations and by the Company	Reimbursement of costs arisen in relation to commuting.	-
Cafeteria (benefits in kind)	With regard to the employee, the Company shall hereby provide components in the form of supplementary payment chosen by the non-independent members of the Board of Directors.	The Board of Directors of the Company
Premium as changing benefit component	Non-independent members of the Board of Directors under the scope of the Remuneration Policy shall be entitled to receive Premium on a yearly basis, once, on the basis of their performance as of the previous year. Provisions on Premium disbursement are set forth in Point 7 of this Policy.	Chief Executive Officer
Company car use, petrol costs	As it is set forth in the law on taxes, the non-independent members of the Board of Directors are entitled to use company car both for the personal purposes and office activities.	Chief Executive Officer
Reimbursement of expenses	Non-independent members of the Board of Directors shall account only reimbursement of expenses related to their work, and in the amount set forth in the annual plans.	Chief Executive Officer
Other benefits	The Company shall not employ pension benefit.	



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4.3 ESSENTIAL CONDITIONS OF THE EMPLOYMENT CONTRACTS CONCLUDED BETWEEN AND BY THE NON-INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY

Contractual condition	Employed policy
Term of validity	The employment contract of Directors shall be effective for an indefinite time irrespective of that whether only employed or not only employed upon employment relationship.
Rules on supplementary pension, or early retirement pension	The Company shall not have a program in relation to the early retirement pension.
Notice period, and the conditions of termination of the contract	With regard to the member of the Board of Directors employed upon employment relationship, the employment contract shall be terminated in line with the provisions on executive employees set forth in the Act on the Labor Code applicable for both non-independent member of the Board of Directors and Company.
Disbursement for termination of the contract	With regard to the members of the Board of Directors only employed or not only employed upon employment contract, the Company shall not employ pension benefit, severance pay (derogating from the labor provisions), or any other benefit related to the cessation of the employment relationship, excluding the amount paid on the basis of an agreement for the loss of place of work upon the inclusion of that, the employee is not allowed to be employed at an institution of the activity as of same nature for a specified period. The Company shall hereby retain the right to have the Director granted exemption from work performance for the whole notice period.



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5. SUBSTANTIAL CONDITIONS OF THE EMPLOYMENT CONTRACT CONCLUDED BETWEEN AND BY THE CHIEF EXECUTIVE OFFICER AND THE COMPANY, AND REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

5.1 PERSONAL BASIC SALARY OF THE CHIEF EXECUTIVE OFFICER

It is the Chief Executive Officer who is the first responsible manager of the Company. The Chief Executive Officer shall hereby perform tasks in question upon employment relationship. The Board of Directors, as the body exercising employer's rights, shall define the governing amount of the personal basic salary of the Chief Executive Officer upon taking the financial status, the number of full-time employees employed and realization of the plans drafted in the Company strategy into account.

To the extend that the chief executive officer of the Company is, at the same time, the member of the Board of Directors of the Company, then, irrespective of the basic salary related to the said chief executive officer position, the relevant provision set forth in Point 3 of this Remuneration Policy shall be applicable in respect of the benefits for the hereof chief executive officer.

5.2 PREMIUM OF THE CHIEF EXECUTIVE OFFICER

With regard to the Chief Executive Officer, the Company shall hereby enforce a premium system promoting the business policy and economical targets of successful efficiency, and encouraging an effective and cost-effective operation in compliance with the Remuneration Policy of the Company in relation to the year in question.

The Chief Executive Officer shall be entitled to receive premium for performing the targets and set tasks. The conditions of premium are to be defined upon the adoption of the business plan, but not later than within two months following the adoption of the herein business plan. The hereof target shall include the maximum amount of the premium, the task to be performed, and the date of evaluation. The Board of Directors shall be entitled to announce the premium of the Chief Executive Officer and to evaluate the hereof.

Evaluation of the tasks and accounting shall be performed as of the day of the approval of the balance sheet closing the business year but not later than within two months following the hereof.



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To the extent that the tasks defined in advance, or the targets are not performed in 100%, the Board of Directors shall hereby make decision on the proportionate payment of the premium.

The maximum amount of the premium may be measured to 60% of the annual basic salary of the Chief Executive Officer on a yearly basis.

5.3 REIMBURSEMENT OF THE CHIEF EXECUTIVE OFFICER AND OTHER BENEFITS

The regulations set forth in Point 4.2 of this Remuneration Policy shall be applicable for the benefits allocated for the Chief Executive Officer.

5.4 SUBSTANTIAL CONDITIONS RELATED TO THE CONTRACT ON WORK PERFORMANNCE

The regulations set forth in Point 4.3 of this Remuneration Policy shall be applicable for the Chief Executive Officer's employment contract.

6. REGULATIONS ON THE WAGES OF THE EMPLOYEES

The Company shall define the wage (basic salary) of the non-executive officers on market base and upon taking competitiveness into account, with that, what is appropriate for workforce acquisition and retain while enforcing the principles of both liability and responsibility, and fairness.

With regard to the employees, the Company shall hereby apply fix and changing components of the benefits as set forth in the relevant rules of the Company. Regarding the changing component related to the remuneration, the Company shall, in particular, set premium, upon fulfilling the defined conditions, and bonus, on the basis of individual assessment, and respectively shall provide the herein for the employees. The Company shall hereby revise the benefits, and as of the components provided for the employees following the current year as of 31 January, and to the extent that the Company introduces some changes, such changes – unless otherwise provided – are to be effective as of the day of 31 January. The introduced changes are to be affected by the wage data of companies of similar importance classified as premium category by BSE, and by the general wage policy employed by the Company, and respectively, by the quality of work performed upon widening or narrowing the level of responsibility and liability. Upon stating the amount of the remuneration, the Company shall take the principles of equal treatment, transparency, proportionality and non-discrimination.

With regard to the term of the contract, the applicable notice period, supplementary pension or early retirement pension systems, or in respect of the conditions of the termination of the contract and disbursements for termination are subject to the regulations set forth in the Act on the Labor



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Code, and in other relevant regulations and rules, with that, the final conditions of the employment contract are to be defined by the Company on the basis of the conditions regarding the actual workforce and in accordance with the agreement with the employee.

7. CRITERIA OF THE CHANGING BENEFIT COMPONENTS AWARDED, CLAWBACK, DEFERRAL PERIOD

7.1 CRITERIA OF THE CHANGING BENEFIT COMPONENTS AWARDED (PREMIUM)

The premium, as a changing benefit component, is related to the individual performance of the non-independent member of the Board of Directors. Non-independent members of the Board of Directors under the scope of the Remuneration Policy shall be entitled to receive Premium on a yearly basis, once, on the basis of their performance as of the previous year. Regarding the performance remuneration, the amount available for premium is included in the business plan for the relevant current year. Targets attached to the premium and the possible amount of the Premium are to be defined by the person practising employer's rights, namely by the Chief Executive Officer.

In accordance with the proposal of the Chief Executive Officer, the Company shall define those who are entitled for the performance-based wage, and the ratio of remuneration aligned to the performance, with that, upon doing so, added value of the different positions and specializations are taken into account. Remuneration aligned to the performance, on one hand, is bound to the performance of the company aims, and on the other hand, achieving targets of the persons involved.

Upon the settlement of the company aims the profit and loss before taxation, while upon setting individual aims, the said person's actual aims are to be recorded. Cost and profit and loss effects of in-year, not-planned extraordinary projects are taken into consideration on an individual basis. The realization of each aim is to be checked on a yearly basis. The Premium disbursement shall be performed following the aforesaid evaluations. The hereof evaluation is to be practiced by the person exercising employer's rights on the basis of the half year stock exchange reports, annual financial statement, and, moreover, of the supervision of the realization of targets set by each person.

The Chief Executive Officer shall report on the performance of the plan targets of the Company on a half yearly basis for the Board of Directors.



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Upon the performance evaluation, the appropriate portion of the requirements on quantity and quality is to be defined in the view of the evaluated Employee's activity and liability and responsibility. The principles applied for the proportion of the requirements on quantity and quality are to be documented by the Company and shall be defined in respect of each employee.

The Premium disbursement shall be paid in cash. The non-independent member of the Board of Directors shall be entitled to receive Premium, or shall be exclusively paid for, to the extent that the hereof disbursement does not jeopardize the financial and liquidity situation of the Company.

Due instalments of the performance-based remuneration are accounted for not later than as of 30 June following the evaluated period of the year.

The indicators of incentive system of remuneration policy are the indicators, on one hand, in relation to the main numbers measured in the annual business plan, and, on the other hand, to the social responsibility included in the business plan. Regarding the activity, the Company pays attention to the sustainability, support provided for underprivileged groups, ethical conduct, value creation, which are approached by the incentive system as well. The person exercising employer's rights, upon defining targets underlying the changing remuneration aligned to the performance of the Company shall determine indicators in relation to social responsibility.

Disbursement upon incentive system set forth in Remuneration Policy is to be paid in one amount. Following the current year after the evaluation of the annual indicators, accounting is performed upon taking the maximum total appropriation into account, not later than as of the last day of the sixth month following the current year.

7.2 CLAWBACK

Disbursement of premium paid legally on the basis of fulfilled criteria shall not be claimed back.

Clawback shall be established in case of infringement, in particular, as follows:

- disbursement was performed on the basis of a substantial defect included in the reports of the Company; or
- the Director introduced the aim defined as a condition or the result for disbursement in a deceive and misleading way, or the person entitled for decision making was mistaken for other reasons;
- the Director by himself, or by a third party was disbursed by means of infringement.

Claim against the Director in relation to clawback shall be initiated by the Company within the limitation period set forth in the act on labor code.



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8. RESTRICTION ON COMPETITION

The Company shall conclude a non-competitive agreement with each Director, irrespective of that whether they are only or not only employed upon employment relationship. The term of non-competitive obligations is at a minimum of three (3) months but not more than (twelve) 12 months as of the day of the termination of the legal relationship. The Company shall maintain the right for itself to have the stated non-competitive term shortened unilaterally upon the conclusion of the legal relationship, or – reasonably required – to withdraw the non-competitive agreement unilaterally. In the interest of keeping the commitments undertaken in the non-competitive agreement, the Company shall define remuneration for the Director at a minimum of one third of the agreed remuneration received in relation to his or her employment relationship compared to the same period upon regarding the qualification, experience and the extent of how non-competitive requirements may obstruct the herof director in his or her later career.

9. PROCEDURE ON ADOPTION, AMENDMENT, REMUNERATION POLICY REVIEW, IMPLEMENTATION

9.1 DRAFTING, ADOPTION AND AMENDMENT OF THE REMUNERATION POLICY

The Board of Directors shall draft and approve the Remuneration Policy – as it is set forth in its agenda item –, and respectively make decision on the necessary amendments, and submit the hereof policy for the General Meeting for opinion voting. By virtue of the aforesaid, the Remuneration Policy is applicable even regarding the case of the possible refusal.

With regard to the refusal of the Remuneration Policy by the General Meeting, the Company shall submit the re-drafted remuneration policy for the General Meeting for a rehearsed opinion voting upon the following General Meeting held. In addition, the members of the Board of Directors and the members of the Audit Committee of the Company shall initiate amendments as it is set forth in Point 9.3 of this Remuneration Policy. Regarding the Remuneration Policy, the amendments of the hereof shall exclusively be done in writing and in accordance with the decision of the Board of Directors.

With regard re-drafting the Remuneration Policy, the new Remuneration Policy submitted for the General Meeting shall include the description and explanation of each and all substantial amendment done in relation to the Remuneration Policy as of the day of the last General Meeting voting, and, respectively, the introduction of how the opinion and votes of the shareholders concerning the Remuneration Policy and the reports is to be contained.



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In line with Point 13 of this Remuneration Policy, the consolidated version of the amended version of the Remuneration Policy shall be disclosed on the website of the Company. Regarding the case of a material change but at a minimum, in every four year, the Remuneration Policy is to be included in the agenda item of the General Meeting.

9.2 IMPLEMENTATION OF THE REMUNERATION POLICY

The Chief Executive Officer of the Company shall be responsible for the implementation of the Remuneration Policy. If it is required, the Chief Executive Officer shall inform the Board of Directors on the implementation of the Remuneration Policy.

9.3 REVIEW OF THE REMUNERATION POLICY

The Audit Committee of the Company shall hereby perform an independent internal review on the appropriate implementation of the Remuneration Policy on a yearly basis at least upon monitoring whether the implementation of the Remuneration Policy complies with the approved principles set forth by the Board of Directors. In the course of the hereof review, the Audit Committee, in the the knowledge of the necessary amendments, shall make proposal on the thereto for the Board of Directors.

10. DEROGATION FROM THE REMUNERATION POLICY

Derogation from the Remuneration Policy shall be done upon exceptional cases and for temporary period. With regard to the possible derogation intention, the Chief Executive Officer shall draft a submission including the provision of the Remuneration Policy under derogation (upon indicating the period), and the reasons for derogation shall be made available. The Board of Directors shall be entitled to make decision – derogation from the provision of the Remuneration Policy submitted –, if the derogation

- is necessary for ensuring long-term interests and sustainable operation or viability in respect of the Company, in particular but not exclusively, upon market, legal regulation or taxation environment change, the derogation may be proved by the fairness for the person involved,
- shall cover the benefit, in particular the basic salaries and wage supplements, and the bonus, exclusively provided for non-independent members of the Company upon employment relationship.

Upon the decision on the derogation from the Remuneration Policy, the member of the Board of Directors who is entitled to receive remuneration or obliged to perform commitment in accordance with the hereof decision shall not vote.



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11. CONTROL

The instrument of the control related to the implementation of the Remuneration Policy is the remuneration report compiled by the Company annually. The draft remuneration report shall be prepared by the the Chief Executive Officer of the Company upon submission for the Board of Directors.

The Company is obliged to submit the remuneration report for comments for the General Meeting. The remuneration report shall provide a full overview on the remuneration of the Directors upon enhancing the transparency and accountability of the Company, thereby the investors shall gain an overall picture on the remuneration of each Director. It is essential to have each component and amount disclosed.

12. REMUNERATION COMMITTEE

On account of the established practice at the Company, namely, that the members of the Board of Directors shall perform their position upon an agenda item approved by the General Meeting for an amount defined in advance, a remuneration committee shall not operate.

13. PUBLICITY OF THE REMUNERATION POLICY AND THE REMUNERATION REPORT

The Company, upon indicating both the date and result, shall disclose without undue delay the General Meeting voting on the Remuneration Policy – in the event of rejection, the repeated voting – on the website of the Company for free during the validity of the thereof.

Following the General Meeting resolution, the Remuneration Report shall be disclosed on the website of the Company for free for a period of ten (10) years, at a minimum.

14. INCOMPATIBILITY

Regarding the principle of ensuring exclusion of incompatibility, the member of the Board of Directors shall not vote on the decision making in relation to the person whose remuneration is involved. The herein is to be performed upon the procedure rules as follows:

In line with the Articles of Association, the General Meeting shall be competent to elect and define the remuneration of the members of the Board of Directors. The General Meeting shall make resolution in accordance with the submission drafted by the Board of Directors, and thereby, on one hand, the new member of the Board of Directors elected by the General Meeting shall not participate and on the other hand shall not make decision in relation to the remuneration. To the extent that the General Meeting shall make the decision on remuneration in relation to the



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members of the reigning Board of Directors, the Director shall not vote on the Board of Directors resolution establishing the General Meeting proposal upon the inclusion of the person of the Director, and the thereof person shall be disregarded in the course of settlement of the quorum in respect of the respective resolution.