

REMUNERATION AND WAGE POLICY OF PRACTIC S.A.

1. GENERAL ASPECTS

SC Practic SA (the Company) is a Romanian legal entity, currently with fully private capital, established under Law no. 15/1990 by Decision no. 1071 of November 9th, 1990 of Bucharest City-Hall, by the reorganization the former state economic unit ICL Alimentara Sector 6, the company being registered with the Trade Register Office attached to Bucharest Law Court under no. J40/611/1991, having the tax identification code RO 2774512.

SC Practic SA is a one-tier company, in compliance with the principles of good corporate governance, transparency and accountability to the shareholders thereof and other categories of stakeholders. The company was traded on the RASDAQ market from November 1996 until 2015, when it was transferred to the AeRO market of Bucharest Stock Exchange.

Starting with 2002, the main line of business has been represented by the lease and sublease of real estate owned by the company, the main scope of business maintained so far, namely NACE Code 6820 – Lease and sublease of own or leased real estate, the company becoming over the last decade and half one of the main operators of commercial and service premises in Bucharest.

The company currently has a number of 31 employees.

2. PURPOSE AND SCOPE

The purpose of the remuneration policy is that of describing in a transparent manner the remuneration practices of the company with respect to *the identified personnel of the company*, representing the categories of personnel, including the executives, the risk-taker, and any employee receiving a total remuneration placing them in the same remuneration category as the people in executive positions and the people undertaking the risks, whose professional activities have a significant impact on the risk profile of the Company.

3. REFERENCE DOCUMENTS

- Law 31/1990 on companies;

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Personal data operator registered no.35327

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- Law no. 24/2017 on issuers of financial instruments and market operations, as further amended and supplemented, especially those introduced by Law no. 158/2020;
- The Articles of Incorporation of the Company
- The corporate governance principles for the AeRO market;
- Any other legislative act regulating the activity of Practic SA.

4. INTERNAL ORGANIZATION OF THE COMPANY

The company is set up under the form of a joint-stock company and is managed in a unitary system, by a Board of Directors.

The shares of the company are listed on the alternative market of Bucharest Stock Exchange, the AeRO market. As a joint- stock company managed in a unitary system and a small number of staff, it is considered that the governance structure thereof/the internal organization of the company is not a complex one.

5. PRINCIPLES OF THE POLICY

General Principles

According to best practices, the remuneration structure is separately defined for directors, executives and the staff of Practic SA, is compatible with the sound and effective risk management and promotes this type of management, without encouraging risk-taking incompatible with the risk profile, with the internal rules or the Articles of Incorporation of the company.

The remuneration policy is based on the values and beliefs of the organization, is compatible with the business strategy, goals, values and interests of Practic SA, as well as with the interests of investors and includes measures to avoid conflicts of interest.

The Board of Directors, within the supervisory function, adopts and revises the general principles of the remuneration policy.

The application of the adopted policy is subject to an internal assessment once a year.

The principles on the remuneration structure for the *directors* are:

(i) providing a remuneration level, on the one hand, in reference to the level of the labour market and, on the other hand, to the level of dedication, qualification and responsibility required for these positions;

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(ii) providing a sufficiently motivating remuneration level, in a manner that ensuring the dedication of the directors to the interests of the company, but, at the same time, without representing an impediment to providing the independence thereof.

The remuneration structure principles regarding for the *executive managers* are the following:

(i) providing the correlation of the remuneration with the achievement of the strategic goals and the delivery of value to the shareholders, a significant part of the remuneration package being linked to the achievement of performance goals (short-term and long-term);

(ii) providing a competitive, fair and non-discriminatory level of the remuneration to attract and retain valuable management staff.

The factors taken into account in determining the remuneration level are the following:

External Factors

The remuneration structure and remuneration thresholds are set taking into account the best practices and benchmarks used at national and international level:

a. The remuneration system includes a fixed component and a variable, performance-based component in compliance with market practices; furthermore, it includes other non-financial benefits;

b. The reference values were established based on data on the remuneration of international companies of comparable size operating in the similar field in Romania, but, at the same time, comparisons with data from other industries, such as retail and in other EEA countries;

c. Remuneration packages at company level are designed and customized to align and reflect the philosophy of the company, corporate governance, ownership structure, autonomy level, the role and impact of the Board of Directors and Executive Managers.

Internal Factors

a) The remuneration policy follows principles similar to those for employee remuneration and describes the various elements of fixed and variable remuneration, including other financial and non-financial benefits. In establishing these principles, internal equity is maintained, applying the principle of proportionality to the various categories of staff, the remuneration level = being established based on the market median for all hierarchical levels;

b) In the context in which a considerable part of the business is regulated, the remuneration policy induces certain particularities in determining the level of the gross monthly fixed remuneration and the structure of the remuneration package, as a whole;

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- c) The remuneration policy establishes clear, complete and varied criteria for granting variable remuneration, these being established according to the strategy and business goals of the Company.

Policy Elaboration and Implementation Process

The policy shall be periodically reviewed, at least once every 4 years, by the Board of Directors and submitted to the OGMS for approval;

The Board of Directors of Practic SA is responsible for the implementation of the policy.

General Considerations in the Implementation Process

The Board of Directors shall make sure that the process of approving, reviewing and implementing this policy is one based on objective criteria, ensuring the avoidance of conflicts of interest, in compliance with the provisions of the applicable law, contracts of mandate and the internal regulations.

The Directors and the Executive Managers act in good faith, for the best interest of the company, without promoting their own interests or those of any third party. In fulfilling the duties covered by this policy, they shall refrain from any situation which could give rise to a conflict of interests. In the case of the Executive Managers, the establishment of the remuneration and performance indicators is a process based on objective criteria, determined by the specific activity of each of them.

In determining the fixed remuneration, the positioning target was the median of the market, at the same time establishing that the variable remuneration does not exceed 100% of the fixed component of the total remuneration. This approach is aligned with the human resources strategy, respectively with the principles of remuneration and the terms of employment of the staff employed under an individual employment contract, so that, including via the remuneration system adopted at this level, the attraction and retention of the necessary specialists is supported, the development of their skills and the achievement of the performance established by the strategy of the Company.

In establishing performance indicators, as well as in the assessment process, the specific activity of each Executive Manager shall be taken into account - in order to combat conflicts of interest, as well as any issues that could cause reputational, financial, commercial or commercial damages or which could influence the image and profitability of the company, both short-term and long-term.

Any possible conflict of interest shall be duly declared in writing to the Board of Directors. In case of breach of the obligation, action shall be taken in compliance with the provisions of the applicable law and the contracts of mandate, as well as in

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accordance with the internal regulations. The compliance with the principles of conflict of interest is monitored by means of regular statements on potential conflicts of interest that the company Leaders may find themselves in.

Derogations

Derogations from the provisions of this Policy are not allowed in the implementation process.

6. Remuneration Policy applicable for the members of the Board of Directors

6.1. Contract of mandate of the Directors

The appointment and revocation of the members of the Board of Directors is made by the OGMS, which establishes both the remuneration level and other rights and obligations stipulated in the contract of mandate, according to the legal provisions. The Board is appointed for a period of 4 years, and the members thereof may hold an executive position in the Company. In case of a vacancy of a director position/of several director positions, the term for which the new director is elected by the OGMS in order to fill the vacancy shall be equal to the period remaining until the expiry of the term of office of the predecessor thereof.

6.2. Remuneration of the Directors

The members of the Board of Directors do not benefit from a variable remuneration, but from a fixed monthly remuneration that will be established on a yearly basis by the OGMS and it can also be differentiated between the Chairperson and the members of the Board of Directors.

6.3. Other financial and non-financial benefits granted to the Directors

- i. Reimbursement of the reasonable expenses related to the fulfillment of the mandate;
- ii. professional Directors & Officers liability (D&O) insurance policy, with an insured value of EUR 5 million/event. The policy shall also cover a period of maximum 5 (five) years of the term of office termination date, for events occurred as a result of the activity carried out by the Directors, during their term of office. The company shall bear and pay the cost of the premiums of this insurance;
- iii. The same package of medical services and/or medical insurance contracted by the Company for the employees;
- iv. Other legal expenses incurred by the Director in order to defend against a claim of a third party, directed against the Director, related to the fulfillment of the duties according to the contract of mandate, the Articles of Incorporation, the Board Regulations or the legal framework, shall be borne by the Company, to the extent to which they are not

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already covered by the Directors & Officers liability (D&O) insurance policy in force at the time;

v. Compensation in case of unjustified revocation, according to the management contract;

vi. Any other equipment/means, related to and necessary for the proper fulfillment of the duties and obligations stipulated by the Contract of Mandate (remote means of communication /equipment, travel etc.).

7. Remuneration Policy applicable for the Executive Managers

7.1. Contract of Mandate

The company concludes with the Executive Managers appointed by the Board of Directors, contracts of mandate based on the legal provisions. The contracts of mandate are concluded for a period of up to 4 years. The Company (Board of Directors) appoints from among the Executive Manager a General Manager, to whom it delegates the responsibility of coordinating the operational activities carried out by all members of the Management Team. The contract of mandate stipulates the type and amount of the remuneration and benefits granted to the Executive Manager and the terms of rescission/termination, in compliance with the duties thereby delegated and established in accordance with the limits provided for in the following sections of this Policy.

7.2. Remuneration of the Managers with a contract of mandate

The components of remuneration for the executive managers are the following:

i. a fixed monthly remuneration – aiming at attracting and retaining specialists with the experience and skills necessary for good management of the activity of the company, providing the implementation of the vision and strategy, contributing to the sustainability and financial and non-financial performance of the Company.

ii. a variable, annual remuneration, aiming at encouraging performance and rewarding it in relation to the annual financial and non-financial goals. It is granted for the collective and individual contribution of the executive managers to the achievement of the goals of the company, based on the key performance indicators. The indicators are established in compliance with the strategy of the company and aligned with the interests of the shareholders and are approved on a yearly basis by the Board of Directors, upon the recommendation of the shareholders. The key performance indicators (KPIs) taken into account when determining the annual variable remuneration are divided into three categories, as follows:

- financial performance indicators (representing 50-60% of the total variable remuneration);

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- performance indicators specific to the duties of each executive manager, correlated with the strategic goals of such line of business (representing 30-40% of the total variable remuneration);

- individual performance indicators (representing 10% of the total variable remuneration), following up the performance and behavior of the executive manager based on general management skills and personal capabilities. The share allocated to these groups of indicators may differ depending on the role and responsibilities of each Executive Manager. Summed up, the weights assigned to each group of indicators represent 100%.

The amount of the annual variable remuneration is calculated following the assessment by the Board of the degree of achievement of the key performance indicators, according to the assessment methodology thereof and granted pro-rata.

Thus, the result of the annual assessment shall be calculated as a weighted average between the degree of achievement of the financial performance indicators, the degree of achievement of the specific performance indicators and the degree of achievement of the individual performance indicators and shall take into account the following principles:

- in case a specific indicator has been inapplicable over a year, the share thereof shall be redistributed pro rata to the other specific indicators;

- performance above expectations for one or more indicators within a group shall not be additionally remunerated, but shall compensate for at most half of the cumulative failure to meet performance indicators below expectations in the same group, provided that, in the case of the indicators where there is a minimum accepted level, it is attained.

For the indicators where the extrapolation rule applies¹, the extrapolation shall be applied pro rata also in case of exceeding the maximum degree of achievement – in keeping with the aforementioned compensation rule. The compensation mechanism is defined in the methodology for the assessment of the degree of achievement of the aforementioned performance indicators.

In determining variable remunerations, clear criteria are taken into account, developed based on the good practices, whereby a business goal is defined as specific; measurable; accessible; realistic and reasonable in terms of timeframe. Achievement of the performance targets is regularly monitored by specific data measurement and visualization tools. The performance indicators are developed taking into account the strategic, tactical and operational context of the Company and can be structured into four types, thus:

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- **financial indicators:** market share, turnover; cost optimization; profitability increase;
- **indicators concerning the relationship with the customers:** the quality of the provided services;

¹ Extrapolation represents the degree of achievement of a short-term performance indicator for which there is a minimum level to be achieved and a maximum, the achievement of the indicator in a percentage comprised in this interval being established in full observance of the principle of direct proportionality, where the minimum level is 0 % and the maximum one is 100 %.
- **marketing and promotion;**
- **indicators on internal processes:** digitization and security; operational risk mitigation; going concern;
- **indicators on people and learning:** education and training; benefits and rewards; development of the organizational culture; occupational health and safety.

Taking into account the elements presented herein above, it can be concluded that the variable remuneration is directly correlated with the performance indicators, which, in their turn, are set as follows:

- the performance indicators motivate both the achievement of sustainable financial results in the regulated context in which PRACTIC operates (e.g. EBITDA, investment plan), and a non-financial performance recognized by the stakeholders;
- the specific short-term (annual) performance indicators are linked to projects and initiatives with an annual implementation period, which should ensure the achievement of the medium- and long-term strategic goals (e.g. implementation of transformation/modernization projects of the assets at PRACTIC SA, etc., being allocated to each manager according to their own contribution, based on the areas of responsibility managed by the contract of mandate;
- Long-term performance indicators are intended to achieve medium- and long-term strategic goals, as set out in the strategy of the company, including, for example, business development in the area of residential and office real estate development.

The amount of the total variable remuneration is calculated so as to be directly related to the achieved performance level, established by the undertaken performance indicators, as well as the financial performance of the company and the overall results of the group that the Company belongs to, the possibility of non-payment of the variable component also existing in case of unsatisfactory performance. Thus, in the event the

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minimum accepted level of achievement of a performance indicator is not attained, the Manager shall not be entitled to the payment of the variable remuneration related thereto. The value of the variable remuneration (both annual and long-term) shall be limited to a maximum of 100% of the total degree of achievement of the related performance indicators.

iii. other benefits such as: company car or in company use; specific equipment (mobile phone, laptop); reimbursement of the reasonable expenses related to the fulfillment of the mandate; the "directors & officers liability" policy of liability insurance borne by the Company; package of medical services at the level provided for the employees of the company; compensation in case of revocation without cause.

The general limits of the remunerations of the executive managers are approved by Resolution of the General Meeting of the Shareholders of PRACTIC.

7.3. General Remuneration Limits for the Executive Managers

A. General Manager

The General Manager's remuneration shall be made up of: (a) a fixed monthly remuneration; and (b) an annual variable remuneration or a variable remuneration or compensation item depending on the fulfillment of the performance indicators, as follows:

- a. The fixed monthly remuneration of the General Manager shall be decided by the Board of Directors within the limits approved by the GMS;
- b. The variable annual remuneration of the General Manager shall be between 30% and 50% of the fixed annual remuneration. The final percentage shall be decided by the Board of Directors within the limits approved by the GMS. The value of the variable annual remuneration shall be determined according to the degree of achievement of the performance indicators established for such year;

B. Executive Managers (other than the General Manager)

The remuneration of the Executive Managers shall be made up of: (a) a fixed monthly remuneration and (b) a variable annual remuneration depending on the fulfillment of the performance indicators, as follows:

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a. The fixed monthly remuneration of an executive manager shall be decided by the Board of Directors;

b. The variable annual remuneration of an executive manager shall be between 15% and 40% of the fixed annual remuneration. The final percentage shall be decided by the Board of Directors within the limits approved by the GMS. The value of the variable annual remuneration shall be determined according to the degree of achievement of the performance indicators established for such year.

C. Relative proportion of the fixed monthly remunerations, of the limits of the annual short-term variable remuneration (ST) for the General Manager and the Executive Managers (other than the General Manager)

For the gross annual variable remuneration, the degree of achievement of the annual performance indicators considered between 90 and 100% shall be taken into account.

7.4. Limits of the Benefits granted to the Executive Managers

i. The managers shall benefit from a D&O type professional liability insurance policy, with an insured value of EUR 5 million/event. The police shall also cover a period of maximum 5 (five) years of the term of office termination date, for events occurred as a result of the activity carried out by the Managers, during their term of office. The company shall bear and pay the cost of the premiums of this insurance;

ii. The company provides the specific equipment, as well as other types of support necessary, for the fulfillment of the responsibilities, in an appropriate and safe manner, including a company car or in use of the company, mobile phone, laptop, equipment that the Manager shall return upon the termination of the contract of mandate;

iii. Reimbursement of the reasonable expenses related to the mandate fulfillment, based on the supporting documents;

iv. The same package of medical services and/or medical insurance contracted by the Company for the employees;

vi. Maximum 30 business days of vacation per year.

7.5. Mandate Termination Terms

The contract of mandate may be terminated, including by rescission, in the following situations and terms:

a. Upon the revocation of the mandate, without a just cause, by the Company via the relevant bodies thereof, on the date stipulated in the decision approved by the Company and communicated in due time to the Manager;

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- b. Upon the revocation of the mandate with a just cause, by the Company, with immediate effect as of the date on which the Company communicates the termination to the Manager;
- c. Upon the Manager's resignation, with 3-month prior notice that the Company may waive of and may accept the early termination of the Contract;
- d. In case of proven occurrence of an event representing a final impossibility to fulfill the mandate;
- e. Upon the expiry of the contract;
- f. In case of termination of the contract by the Manager, in case the Company fails to fulfill, in full and in due time, any and all obligations thereof towards the Manager, under the contract, the Memorandum, other internal regulations/decisions or according to the Applicable Law, if the Company fails to remedy this breach within 15 days of the date on which the Board of Directors was notified in writing by the Manager of the breach. Nevertheless, the termination does not apply in cases where the Manager was directly responsible for the fulfillment of these unfulfilled obligations;
- g. In case of change of control within the Company, in case of annulment based on a final court decision of the Board of Directors appointing the Manager or in case of dissolution of the Company voluntarily or for reasons beyond the Manager's responsibility;
- h. In case of death;
- i. by the agreement of the Parties.

7.6. Limits of the compensations granted upon the rescission/termination of the contract of mandate

In the situations provided for in let. b, c, d above, the Manager shall not be entitled to any compensation from the Company, but only to the amounts owed by the Company for the period prior to the termination of the mandate and, as applicable, to the non-compete compensation, amounting to maximum 3 gross monthly fixed Remunerations (if the Company exercises the Non-Competition option thereof).

In any of the situations provided for in let. a, f, g and i above, the Manager is entitled to the payment of the amounts owed by the Company for the period prior to the termination of the mandate and to the payment of compensation amounting to maximum 6 gross fixed monthly remunerations for the General Manager, respectively a maximum of 2 fixed monthly remunerations in the case of the other Executive Manager, plus the non-compete compensation, as applicable (if the Company exercises the Non-Competition option thereof).

8. REMUNERATION OF THE EMPLOYEES OF PRACTIC SA

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8.1. STRUCTURE OF THE REMUNERATIONS

Any remuneration can be divided into:

- fixed remuneration (payments or allowances without taking into account performance criteria);
- variable remuneration (performance-based payments or additional allowances or, in certain cases, other contractual criteria).

In cases where the people covered by these policies also hold shares issued by the Company, the payment of their rights derived from the shareholder status are not considered remuneration and are not subject to the remuneration rules of the identified personnel.

8.2. RULES ON REMUNERATION GRANTING

The remuneration policy of the staff of Practic SA is approved by the Board of Directors of the company, subject to the approval of the shareholders of the company and corresponds to the professional strategy, goals, values and interests of the company.

The remuneration policy complies with the provisions of the labor law and those agreed upon by the internal Regulations applicable at company level.

Practic SA may propose and grant to the company staff a remuneration including both a fixed component and a variable component (bonuses), based on performance or which may be based on the conventional criteria agreed upon by the internal Regulations applicable at Company level.

As a general rule, the company establishes the total remuneration package of the identified staff in a way that the fixed remuneration remains sufficiently high as compared to the variable component, in order to remunerate the provided professional services, according to the level of training, the level of expertise and the necessary skills. If the remuneration includes a variable component or a bonus, the remuneration package shall be structured in such a way that there is an appropriate balance between the fixed and the variable components. The right balance may vary depending on the staff members, market conditions and the specific context in which the company operates. An absolute separation between the fixed and variable components is permanently maintained with no leakage between these two components.

Fixed component: The Board of Directors has the competence to establish the salary grid (for fixed remunerations) within Practic SA, applicable at the level of the individual employment contracts concluded by the company with the employees thereof.

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Each position within the organizational structure of the company has clearly established, via the job descriptions and the Internal Regulations, duties and responsibilities as well as a set of competencies and skills necessary in order to occupy such position.

The salary entitlements of the employees are established by the individual employment contracts, as well as by the Internal Regulations of the company.

The level of basic fixed remuneration of the employees can be revised based on the results of the analysis and assessment of the performance and market conditions (e.g. inflation, the wage level in the line of business).

Variable component: The Board of Directors has the power to establish the general criteria for granting the variable component. The remuneration of the employees, from the perspective of the variable remuneration, is based on the annual assessment of the individual performances, related to the fulfillment of the undertaken annual goals.

The payment of the variable remuneration is not a guaranteed component of remuneration, but is exceptional in nature and aims to reward performance.

Performance-based remuneration is not guaranteed and no employee shall have a contractual right to such payment. The company adopts a discretionary approach to the performance-based remuneration.

Performance-based remuneration depends on the decision of the board of directors to allocate funds for the payment of such remuneration, provided for in the annual income and expense budget approved by the shareholders. The amounts allocated for the payment of the performance-based remuneration may vary over time and depend on:

- the net profit of the company in absolute terms, as well as compared to the budget realized over such fiscal year;
- the budgetary limits approved by the general meeting of the shareholders;
- the multi-annual development plan of the company;
- the specific internal risks that may affect the company;
- the special conditions of the relevant market for the activity of the company.

The reduction or removal of the performance-based remuneration may be considered appropriate in case of improper fulfillment of the duties and responsibilities by the personnel of the company.

In order to diversify the staff stimulation methods, the variable component of the remuneration, for all categories of staff identified, may take the following forms:

- cash in the form of bonuses (supplements to the base salary determined by performance assessment), bonuses (rewards for outstanding performance) or incentives (rewards granted based on the achievement of previously set targets, designed to encourage staff to reach increasing levels of high performance)

9. PERFORMANCE ASSESSMENT

Remuneration and Wage Policy within SC PRACTIC SA July 7th, 2021



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21st-23rd & 23rdA, Biserica Amzei Street,
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Personal data operator registered no.35327

N.T.R.O. No.: J40/611/19.02.1991
TaxRegNo: RO2774512 | CAEN Code: 6820
Subscribed and paid-in share capital:40.983.171lei
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IBAN Code: RO74 BRMA 0500 0508 1340 0000

The assessment of the professional performance takes into account a combination of quantitative (financial) and qualitative (non-financial) approaches, in correlation with:

- the goals / overall performance of the company;
- the performance of the operational department that the person is part of;
- the performance assessment criteria and indicators are clearly defined and properly reflect the risks posed by the of the actions staff.

The assessment of the individual performance of the staff is made based on a written internal procedure, which is transparently accessible to all staff involved. The procedure contains explicit provisions on the principles for setting individual performance targets, as well as the criteria for assessing the achievement of these targets.

All employees of the company have a job description, have a description of the place of employment, ensuring that they are responsible and understand the responsibilities and role that they have within the company.

10. REMUNERATION OF THE EMPLOYEES

The remuneration of the employees of the company is established following negotiations between the company, as employer and the staff, upon the conclusion of the individual employment contracts and, possibly, during the performance thereof, according to the salary grid approved by the Board of Directors.

For the work performed, each employee is entitled to receive a base salary established by mutual agreement with the employer and reflects 40 hours of work per week. The individual base salary is set for full-time employment.

Upon employment, a gross monthly base salary is negotiated, which is granted in RON and is paid on a monthly basis.

The form of time-based pay system is applied within the company, respectively the salary after the worked time.

Gross base salaries are negotiated according to the salary grid, enclosed to the salary and reward procedure.

The salary grid comprises the gross base salaries for all employment categories, the positions existing in the organizational structure of the company distinguishing between skilled and unskilled workers and administrative staff with executive and management positions. The differentiation of salaries per employment categories is made by means of rate coefficients.

The revision of the salary levels, of the salary grid is made according to the salary and reward procedure and is approved by the Board of Directors, taking into account:

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- Business priorities and criteria of the financial environment;
- The size of the job in terms of the necessary technical knowledge, responsibilities and complexity;
- Salaries paid in other companies for similar positions.

The goals of the salary and reward procedure of the employees of the company are oriented towards:

- Recruitment of staff corresponding numerically and qualitatively to the strategic goals of the company
- Obtaining a maximum level of performance by the employees
- Maintaining a desirable degree of employee satisfaction
- Keeping and retaining employees
- Prevention of unwanted and expensive phenomena of absenteeism and employee fluctuation and avoidance of labour disputes

In addition to the monthly salary payment, the organization recognizes and rewards outstanding performance and results. The variable payment is specifically correlated with the performance assessment, and with the overall results of the organization.

11. Final Provisions

After voting on the remuneration policy within the general meeting of the shareholders, the remuneration policy shall be published without delay on the website of the issuer and shall remain available to the public, free of charge, for at least as long as applicable.

The remuneration policy shall be subject to the approval within the OGMS on the occasion of each significant amendment and, in any case, at least once every 4 years, in compliance with the provisions of art. 92^{^1} let. (7) of Law no. 24/2017 on issuers of financial instruments and market operations.

In case of policy review, a description and explanation of all significant changes and how it takes into account the votes and views of the shareholders on the remuneration policy shall be included.

If the Ordinary General Meeting of the Shareholders fails to approve the proposed form of a new policy, the Company pays the remuneration of the Managers in compliance

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with the OGMS decision and presents a revised policy for approval, within the next OGMS.

This salary and remuneration policy has been approved within the Ordinary General Meeting of the Shareholders held on July 7th, 2021.

BOARD OF DIRECTORS PRACTIC S.A.

Remuneration and Wage Policy within SC PRACTIC SA July 7th, 2021



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