



## Remuneration Policy for Administrators and Executive Managers

### Preamble

The proposals submitted for the endorsement of the Board of Directors (BoD) and for the approval of the General Meeting of Shareholders (GMS) were based on the best practices and reference values used at national and international level. Also, the observance of the equity principle will be pursued, taking into account the business strategy, culture and values of the organization, the long-term interests of the company and shareholders.

The remuneration policy is considered appropriate to the size and organization of the Company, as well as the nature, specificity and complexity of the business activities or the risk profile of the Company.

In accordance with the Corporate Governance Code of Chimcomplex, the Nomination and Remuneration Committee (NRC) set up within the Board of Directors has the following responsibilities in terms of remuneration:

1. Address recommendations to the Board of Directors regarding the Company's policies concerning remuneration, incentives and compensation payments;
2. Advises the BoD on the structure of the remuneration system for administrators, Executive Managers and other categories of staff;
3. Formulates recommendations to the Board of Directors in connection with the application of the remuneration system for the General Manager and the Executive Managers (the main components of remuneration and their limits, objectives and performance indicators, evaluation methodology, etc.);
4. Formulates recommendations to the Board of Directors for the application of the remuneration system for the members of the Board of Directors of the company (general remuneration limits, non-financial remunerative activities, etc.)

**CHIMCOMPLEX S.A. BORZEȘTI**  
3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322  
Registered Capital 304907851 RON  
Bank Account EURO-RO53BUCU1111215962133  
USD-RO50BUCU1111215962134  
ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



5. Monitors remuneration trends in industries relevant to the Group.

## 1. Purpose and Subject matter

The purpose of this "Remuneration Policy for Administrators and Executive Managers" is to define the principles and system of remuneration of Administrators and Managers of Chimcomplex, to be applied during the selection, recruitment and conduct of CHIMCOMPLEX's activity.

## 2. Objectives of the Policy

The objectives of this policy are as follows:

1. setting clear remuneration thresholds and guidelines;
2. establishing the remuneration structure;
3. configuration of the correlation matrix between remuneration levels.

## 3. Principles of the Policy

The principles governing this policy are as follows:

3.1. The remuneration structure shall be defined separately for the Board of Directors and the Executive management.

3.2. The remuneration structure and the remuneration thresholds have been established taking into account best practices and benchmarks used at national and international level, respectively, a fixed remuneration and a variable remuneration, as follows:

3.2.1 Fixed remuneration for Executive Managers includes a fixed monthly allowance (salary) based on performance, in accordance with market practices and benchmarks; in addition, non-

### CHIMCOMPLEX S.A. BORZEȘTI

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



financial benefits could also be provided. The practice of most companies is to choose the interval between the middle and upper quartile, for the sake of being attractive on the competitive market, which, however, does not position itself towards the upper limit;

3.2.2. Variable remuneration for Executive managers shall include:

- in the short term, one year, a variable allowance representing a compensation for the collective and individual contribution of the Executive Managers to the achievement of the company's objectives, established for each year, based on the performance criteria and the objectives of MB and MBA;
- in the long term, the granting of a motivational package of shares (SOP);

3.2.3. For the members of the Board of Directors of Chimcomplex, taking into account the international norms and the fact that the company is listed on the Bucharest Stock Exchange (AERO), the fixed remuneration represents the monthly allowance and the participation allowance of the members in the BoD meetings and in the BoD committees, and the variable remuneration representing:

- compensation for the completion of financial/commercial transactions for the benefit of the company, as well as compensation for the achievement of non-financial objectives;
- a motivational package of shares (SOP);

The remuneration may also include other types of bonuses, such as healthcare packages, tuition fees, etc.

3.3. Recommended levels of remuneration (both fixed and variable component):

3.3.1. The lower quartile for the level of fixed remuneration of the CEO and the upper quartile for variable remuneration;

**CHIMCOMPLEX S.A. BORZEȘTI**  
3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322  
Registered Capital 304907851 RON  
Bank Account EURO-RO53BUCU1111215962133  
USD-RO50BUCU1111215962134  
ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



3.3.2. Lower quartile for the level of fixed remuneration of administrators (BoD members) - by aligning to the best international practices regarding the mechanism and level of the Romanian market; an increase of a maximum of 8 times in the fixed remuneration and in the allowance for participation in meetings for the Chairman of the Board of Directors and a 3-fold increase in the participation allowance for the Chairpersons of the various Committees of the Board of Directors (e.g. Audit Committee, etc.). The reference value range for the participation allowance is between EUR 750 and EUR 2000;

3.3.3. Median quartile for the fixed remuneration of Executive Managers and directors, so as to ensure alignment with average market levels;

3.4.4. Given the importance of Chimcomplex, which is a strategic company in the field of chemistry, having the potential to become a regional player and the need to attract and retain senior specialists and managers with extensive experience in a wide spectrum of activities at national and international level, the variable remuneration for the executive managers of Chimcomplex is conditioned by the achievement of the key performance objectives, cascading from the CEO to each level of management; the level of objectives and key performance indicators will be approved by the Board of Directors at the beginning of each year, and at the end of the year, the BoD will analyze the fulfillment by the Executive Managers of the objectives and key performance indicators for the respective year and will decide on the granting of variable remuneration, in compliance with the provisions of this procedure.

## 4. Chimcomplex Policy

### 4.1. The Management Board

The remuneration of BoD members has as main pillars a fixed monthly remuneration/allowance and a fixed allowance for participation in meetings and a variable part of performance:

#### CHIMCOMPLEX S.A. BORZEȘTI

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



- a) The fixed monthly remuneration will be kept within the parameters of the lower quartile, slightly increased, differentiated between the Chairman and the members of the BoD, respectively EUR 2,000 net for the members of the BoD and EUR 19,000 net for the Chairman;
- b) The fixed allowance for participation in the meetings of the BoD and BoD committees, differentiated, respectively EUR 750 net for the members of the BoD/committees and up to EUR 5,000 net for the chairmen of the committees. The annual number of meetings for which the allowance is to be granted is in principle limited to 12 in the case of the BoD and to 12 in the case of meetings for each committee. Additional meetings of the Board and committees may be held in exceptional circumstances, in accordance with the decision of the Chairpersons who are responsible for the effective organisation of the agenda and work with the approval of the Chairman of the BoD.
- c) Reimbursement of each reasonable expenses incurred in connection with the fulfillment of the mandate, including, but not limited to: transport, daily allowance, accommodation expenses, both in the country and abroad, medical insurance.
- d) A liability insurance policy of the type "Managers & officers' liability", borne by the company, the insured value being 3 million euros, according to the terms in the market;
- e) Other types of benefits (monetary and non-monetary incentives) such as: subscription of medical services to a specialized provider, telephone subscription, car - for members of the Board of Directors; subscription of medical services to a specialized provider, medical expenses of any kind (including dental and therapeutical treatments), fees for specialization courses (in areas of interest to the Company, such as risk management, public speaking, etc.); tuition fees for minor children, car - for the Chairman of the Board of Directors; the concrete benefits granted to each administrator will be set out and detailed in the management contracts;

**CHIMCOMPLEX S.A. BORZEȘTI**

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



f) Other legal expenses incurred by a member of the BoD to defend themselves against a claim of a third party against that member of the Board of Directors in relation to the performance of their duties as a member, in accordance with the Articles of Incorporation, BoD regulation or legal framework will be borne by the Company, to the extent that they are not already covered by the insurance policy of the type "Managers & officers' liability" in force at the time.

(g) A variable remuneration consisting of:

- Remuneration for the activity and involvement in the completion, for the benefit of the company, of financial / commercial transactions (eg acquisitions, mergers, financing, refinancing, investments, etc.) provided for in the Constitutive Act and the Regulation of Organization and Functioning of the Board as being managed by the Board of Directors; the amount of this remuneration is in the amount of 2.5% of the value of these types of transactions; the concrete amount granted to each administrator will be approved by the Chairman of the Board of Directors, in accordance with the recommendation of the Nomination and Remuneration Committee, based on the relationship with the responsibilities and involvement of the administrators in the completion of these transactions. For a remuneration of more than 2.5% of the value of the transactions, the OGMS will be convened, any additional values to be due only after the approval of the OGMS.
- Remuneration for achieving non-financial objectives, including: quality of internal and external reporting, elaboration of procedures, regulations, identification of risks, proposals for improvements in the organization, management, production and work in society, implementation of methodologies, etc. The amount of this variable remuneration shall not exceed 25 % of the fixed annual remuneration; the concrete amount granted to each administrator will be proposed by the

**CHIMCOMPLEX S.A. BORZEȘTI**

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061



Nomination and Remuneration Committee on the basis of the activity report submitted by the administrators and will be approved by the Chairman of the Board of Directors.

h) Administrators will receive a motivational package of shares (SOP). This package will be granted to the administrators appointed for a 4-year term of office or to those who have already cumulated 4 years on the Board of Directors, on the date of granting the 4-year package.

## 4.2. Executive management

### 4.2.1. General remuneration limits for the CEO of Chimcomplex

The CEO remuneration of Chimcomplex will consist of (a) a fixed monthly remuneration, (b) an annual variable remuneration according to the achievement of the performance indicators and the objectives of ms and mbo and (c) a motivational package of actions as follows:

1. The fixed monthly remuneration of the CEO will be between EUR 9,000 and EUR 12,000 net. The final amount will be decided by the Board of Directors within the limits approved by the GMS.

The concrete level of fixed remuneration will be established by the Board of Directors in the CEO's management contract, taking into account relevant professional experience and organizational responsibility.

2. The variable annual remuneration of the CEO will be composed of:

- a maximum of 33% of the fixed annual ALLOWANCE CEO; the final percentage will be decided by the Board of Directors, within the limits approved by the GMS, depending on the achievement of the performance indicators and the MS and MBO objectives.

#### **CHIMCOMPLEX S.A. BORZEȘTI**

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061





- a motivational package of shares (SOP); the motivational package will only be given to Executive Managers under the condition that the indicators and performance targets are met; the amount of this package and the conditions of granting will be established by the Board of Directors, in conditions of opportunity for the company, and by reference to similar practices in the market; this motivational package is granted during the mandate, but can be capitalized only at the expiration of a 4-year mandate.

#### 4.2.2. General remuneration limits for the Executive Managers of Chimcomplex (appointed by the BoD on a mandate contract basis)

The remuneration of the Executive Managers of Chimcomplex appointed by the BoD on the basis of mandate contract will consist of: (i) fixed monthly remuneration, (ii) variable annual remuneration according to the realization of the KPIs and (iii) a motivational package of shares, as follows:

1. The fixed monthly remuneration of an Executive Director will be between EUR 3,500 and EUR 10,000 net.

The concrete level of fixed remuneration will be determined by the Management Board through the management contracts, taking into account the relevant professional experience and organisational responsibility of each Executive Director.

2. The variable annual remuneration of an Executive Director will be composed of:
  - a maximum of 33 % of the fixed annual allowance of the Executive Managers; the final percentage for each Executive Director will be proposed by the General Manager and approved by the Chairman of the Board of Directors, depending on how to achieve the performance indicators and objectives.
  - a motivational package of shares (SOP); the motivational package will only be given to Executive Managers under the condition that the indicators and performance targets are

**CHIMCOMPLEX S.A. BORZEȘTI**  
3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322  
Registered Capital 304907851 RON  
Bank Account EURO-RO53BUCU1111215962133  
USD-RO50BUCU1111215962134  
ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061





met; the amount of this package and the conditions of granting will be established by the Board of Directors, in conditions of opportunity for the company, and by reference to similar practices in the market; this motivational package is granted during the mandate, but can be capitalized only at the expiration of a 4-year mandate.

3. The Executive Managers who have a mandate contract and who benefit from the full remuneration package above are the CEO, COO, CTO, CFO, CCO.
4. With the Deputy Executive Managers having a mandate contract, the remuneration package will be negotiated individually by the Board of Directors, but will not include the rights in points 2 and 3; for exceptional achievements they can receive bonuses at the proposal of the CEO.

4.3. The granting of the motivational package will be established on the basis of a procedure approved by the Board of Directors, based on the recommendations of the specialist consultants.

The duration of the mandate contracts with the Managers is, in principle, 2 years, with a notice of termination from the Company of 3 months (in the case of the CEO, the Board of Directors may agree a maximum of 6 months' notice). In case of revocation of the mandate by the Company due to reasons not attributable to the Managers, the management contracts will provide for a compensation of maximum 3 monthly incomes for the Executive Managers and a maximum of 6 monthly incomes for the general manager.

The mandate contracts will provide for a notice if the Managers intend to give up the mandate (between 3 and 6 months).

**CHIMCOMPLEX S.A. BORZEȘTI**

3 Industriilor Street, Onești, Bacău County, România  
Phone +40 234/302.250; Fax +40 234/302.102  
E-mail: [office@chimcomplex.com](mailto:office@chimcomplex.com)  
Web: [www.chimcomplex.com](http://www.chimcomplex.com)

Romanian Trade Register J04/493/1991, VAT No 960322

Registered Capital 304907851 RON

Bank Account EURO-RO53BUCU1111215962133

USD-RO50BUCU1111215962134

ALPHA BANK BUCUREȘTI



RO2021.055.061Q RO2021.055.061E RO2018.055.061