



**Remuneration policy of Cris-Tim Family Holding S.A.**

**09.03.2026**

## 1. Philosophy and governance

This policy describes the formal approach used by Cris-Tim Family Holding S.A., a joint stock company registered with the Prahova Trade Register under no. J2000000991296, EUID ROONRC. J2000000991296, Unique Registration Code 13533870, having its registered office located at str. Gării no. 661, Filipeștii de Pădure, Filipeștii de Pădure Commune, Prahova County, Romania (hereinafter referred to as the "Company") to establish the remuneration of the members of the Board of Directors and relevant members of the management team, to be approved by the Ordinary General Meeting of Shareholders Resolution no. 1 of 09.03.2026 ("Remuneration Policy"). The Remuneration Policy will be submitted to the shareholders for approval at the Ordinary General Meeting of Shareholders ("OGMS") at least once every four (4) years.

The purpose of this policy is to provide a transparent overview of the principles and compensation methods used by the Company to ensure the recruitment, retention and motivation of relevant persons who belong to the administrative or management bodies of the Company or who have been entrusted with the performance of such functions or responsibilities by the Company. The Company believes that its remuneration policy is designed to ensure a continuous balance between the need to motivate management aimed at the long-term development and success of the Company and their performance.

With regard to the remuneration of directors and executive management, the Company believes that its remuneration policy adequately reflects its long-term strategy and objectives, as well as their responsibilities and their commitment in exercising their specific duties.

The main objectives pursued by the Remuneration Policy concern, without being limited to:

- the existence of a defined relationship between the importance of duties and remuneration;
- individual contribution to the Company's performance, by respecting and implementing the business strategy, corporate culture and values, and the long-term interests of the Company;
- measures taken to avoid conflicts of interest and other practices that may affect business prospects, reputation and shareholder interests.

The Remuneration Policy takes into account the nature, size and complexity of the Company's economic activity, the strategies and investments necessary to achieve the results approved by the shareholders. At the same time, the Remuneration Policy takes into account the Company's available resources, the adequate management of the risks assumed by its managers, the avoidance and resolution of potential conflicts of interest, loyalty, as well as the priority of protecting the interests of the Company's shareholders.

The guiding principles underlying this remuneration policy are:

### ***Sustainability***

- The remuneration granted to the members of the Board of Directors and the individuals in the executive management must stimulate medium and long-term motivation, as opposed to focusing too much on obtaining unsustainable short-term gains that are not in line with the Company's long-term strategy. At the same time, the compensation must motivate the beneficiaries to dedicate sufficient time and apply their skills and experience in the interest of the Company and its shareholders;
- Performance – remuneration must be aligned with role-specific performance and reward achievements that generate sustained value;

### ***Echitate internă și competitivitate externă***

- Remuneration must be aligned with the qualifications, dedication and responsibility of administrators and executive management.
- To take into account the evolution of national and international standards, best practices, recommendations and trends in the remuneration of administrators and executive management of companies with a similar activity.

### ***Balancing professional and career responsibility.***

- The company will only offer extraordinary compensation when results justify it.
- The company will appropriately remunerate the professional value, experience, dedication and responsibility of each administrator and member of the executive management.
- In granting remuneration, the Company will ensure that there is no discrimination based on gender, race, ethnic origin, religion or sexual orientation.
- The Remuneration Policy aims to establish a level of transparency in remuneration that is in accordance with the best corporate governance practices, aligned with the long-term interests of the Company and with the Company's strategy, with the aim of strengthening the trust of shareholders and investors in the activity of administrators and executive management.

## **2. Scope of the remuneration policy**

This Remuneration Policy is applicable to the following positions within the Company:

- (a) any member of the Board of Directors, as well as
- (b) the general manager and any other persons entrusted with the performance of management functions or responsibilities by the Company.

(hereinafter collectively, the "Company Managers" and/or individually, the "members of the Board of Directors" and/or the "directors")

### **3. Remuneration structure**

The remuneration structure of the members of the Board of Directors and the Company's directors is composed of fixed remuneration, variable remuneration, including all bonuses and other benefits in any form, which may be granted to the Company's Directors. While the fixed remuneration is based on the competitive market level for positions with similar skills and responsibilities in the industry, the variable remuneration is established according to individual and team performance in the context of the macro-economic environment existing in the respective period and is granted following procedures directly related to the Company's economic and financial performance, the requirements for continuity and sustainability of the Company's activity, as well as the Company's resources at that time.

#### **REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS**

In the case of members of the Board of Directors, the basic principles for remuneration aim at:

- the strategic component, as proposed to the shareholders by them;
- the supervision/control component and continuous monitoring of the management decision-making process and the achievement of annual and strategic objectives in the Company's current activity by the executive management;
- fair remuneration component, corresponding to the volume and importance of duties and responsibilities;
- the component of compliance with ethical and legal norms.

The members of the Board of Directors are elected for a maximum period of four (4) years, except in the case where a director is appointed following a vacancy in the Board of Directors, in which case the director in question is appointed only for the remaining period, from the moment of his appointment to the vacant position until the end of the term of office of his predecessor. The mandate contracts of the members of the Board of Directors provide for a notice period of up to three (3) months.

The members of the Board of Directors, including the Chairman, benefit from a fixed remuneration that reflects the time and effort required to perform their duties. Also, the members of the Board of Directors who are part of various committees of the Board of Directors benefit from an additional remuneration for this activity. The members of the Board of Directors, who do not also hold the position of directors, do not benefit from variable remuneration. The fixed remuneration will be established at market levels, pursuant to the decision of the OGMS, upon the recommendation of the Nomination and Remuneration Committee of the Company.

The members of the Board of Directors benefit from professional liability insurance, in accordance with the legal provisions in force.

## REMUNERATION OF COMPANY DIRECTORS

Within the meaning of the law, as well as in this Remuneration Policy, a director of the Company is that person to whom management duties of the Company have been delegated, under the conditions of art. 143 paragraph 1 of Law no. 31/1990 on companies, republished, as amended and supplemented.

Mandate contracts are concluded by the Company with the directors for a period of up to 4 (four) years.

Mandate contracts may terminate in one of the following ways:

- by unilateral termination of the mandate contract by the director, by sending a written notification to the Company, provided that a notice period of 3 (three) months is observed;prin ajungere la termen;
- by express agreement of the parties, establishing the effective date of termination;
- as a result of termination at the Company's initiative ("termination for cause") and with immediate effect;
- as a result of the unilateral termination emanating from the Company, with compensation representing the net equivalent of the monthly remuneration for a maximum of 3 (three) calendar months;
- in any other cases provided for by law.

In the case of directors' remuneration, the basic criterion aims at the continuity and profitability of the Company's business by meeting the annual objectives approved by the shareholders within the income and expense budget and the long-term strategic objectives, developed under the guidance of the Board of Directors, at the proposal of the executive management and approved by the shareholders at certain intervals.

Responsibility, integrity, loyalty and diligence towards the Company, its core values and its employees and collaborators are an essential element in determining individual performance.

The remuneration of the directors consists of a fixed monthly remuneration and a variable remuneration, based on the fulfillment of the performance criteria established by the Nomination and Remuneration Committee, as mentioned below.

The fixed remuneration of directors is established through direct negotiation upon conclusion of mandate contracts.

Variable remuneration aims to encourage directors to focus on creating long-term value for the Company, in accordance with its strategy and aligning the directors' interest with the interests of the Company and shareholders.

In order to establish variable remuneration, both financial and non-financial performance criteria

are taken into account.

Financial criteria play an essential role in establishing the variable remuneration of the Company's management, being directly linked to its financial performance. By establishing them, it is ensured, among others, (i) the alignment of the interests of the Company's management with those of the shareholders, (ii) the motivation of the management to achieve and exceed the established financial objectives or (iii) transparency in the performance evaluation process, financial criteria being also easily measurable indicators that provide an objective basis for evaluation.

Non-financial criteria reflect essential aspects of performance that are not captured by traditional financial indicators. By establishing them, it is ensured, among other things, (i) encouraging management to adopt responsible and sustainable business practices or (ii) evaluating management based on the success of strategic projects in order to ensure the efficient use of resources and the completion of projects on time and within budget.

The financial and non-financial performance criteria for variable cash remuneration are as follows:

**FINANCIAL CRITERIA:**

- Company EBITDA
- GROSS PROFIT of the Company
- Company's TURNOVER

The weight of all financial criteria is 90% of the maximum value of the variable remuneration provided for the respective year, and the relative weight of each criterion is equal and represents 25%.

The target values of the financial performance criteria are established each year by the Board of Directors and are approved by the shareholders through the approval of the annual budget.

**NON-FINANCIAL CRITERIA:**

- the social impact and sustainability of the Company's operations - e.g. environment, safety and employee involvement;
- strategic project management: business development projects, turnaround management and increasing the Company's profitability, significant process improvement, new markets and products, etc.

The weight of all non-financial criteria is 10% of the maximum value of the variable remuneration provided for the respective year, and their degree of fulfillment is established by the Nomination and Remuneration Committee through an individual evaluation procedure there are no target values for these criteria, but a score is given on a scale of 1 to 10 following the evaluation.

## **OTHER ASPECTS REGARDING VARIABLE REMUNERATION**

The variable remuneration of directors will in no case exceed double the value of their fixed annual remuneration.

The variable remuneration is granted until May 31 of the current year for the previous year, subject to the cumulative fulfillment of the following elements: (i) approval of the annual financial statements and (ii) fulfillment of the conditions for granting. The level of variable remuneration due to each director is approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee after assessing the fulfillment of all performance criteria established for the performance period evaluated.

At the same time, the Company has the right to withdraw all or part of the variable remuneration granted to a director and/or to request the full or partial reimbursement of payments that have already been made and correspond to the following events/facts:

- in the event of a regulated criminal or contravention sanction if the respective director is directly responsible for the acts that were likely to attract the Company's liability;
- in the case of proven fraud in which that director was directly involved, in connection with the activity carried out within the Company;
- if the performance evaluation of the respective leader is based on information that later proves to be significantly erroneous.

In addition to the two components of remuneration above, the directors also benefit from company car, daily allowance for travel abroad and in the country, mobile phone with an assigned plan, medical insurance and professional liability insurance, laptop/desktop, as applicable. The limit amounts for each of these benefits will be established by the Board of Directors and will be updated whenever necessary, to be published in the next remuneration report.

#### **4. Temporary derogations, in exceptional circumstances, from the provisions of the Remuneration Policy, within the competence of approval of the Board of Directors.**

- Granting variable remuneration without applying financial and non-financial criteria;

If exceptional circumstances were recorded in the reference year (e.g. economic crisis, cases of force majeure, significant legislative changes, etc.), which make the application of financial and non-financial criteria impossible in conditions of reduced predictability of economic evolution and, consequently, variations in the approved income and expenditure budget, the Board of Directors may decide to grant variable remuneration up to 50% of the maximum level, the decision being motivated by a detailed description of the circumstances that do not allow the application of financial and non-financial criteria, as well as an argument demonstrating that the granting of variable remuneration does not endanger the viability and sustainability of the Company's activity in conditions of lack of predictability of the economic environment.

- Postponement of the payment of variable remuneration regardless of the fulfillment of the criteria;

If, although the financial and non-financial criteria have been met, the Company does not have sufficient resources to continue its activity in good conditions, respectively to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability, the Board of Directors may postpone the payment of the variable remuneration for the respective year, but only with the motivation of the decision and by clearly indicating the reasons that led to the postponement of its payment. The deferred variable remuneration will be paid during the following financial years until the expiry of the mandate contract(s) of the director(s) and based on the financial resources available for its granting.

- Remuneration and compensation granted to certain categories of persons

The Board of Directors may approve remuneration levels above the market, as well as, where appropriate, the granting of compensation in the form of cash [or shares], in the following cases: (i) in the case of hiring individuals coming from other companies, in order to compensate for the loss of incentives/bonuses upon leaving the previous employer or (ii) certain individuals who are considered indispensable for the implementation of the Company's strategy, the decision of the Board of Directors being motivated in all cases by detailing the circumstances taken into account in granting the remuneration and/or, where appropriate, the compensation.

For any other situations, the Board of Directors may not deviate from the remuneration policy except with the express approval of the Ordinary General Meeting of Shareholders.

## **5. Pensions**

No contributions to pension plans (other than those mandatory under applicable law) will be paid for members of the Board of Directors and/or members of the Company's executive management.

## **6. Development, endorsement and approval of the Remuneration Policy**

The Remuneration Policy is developed by the Company's Nomination and Remuneration Committee, in accordance with the relevant legal requirements, which is submitted, as a recommendation, for debate to the Board of Directors, with the final form being submitted for approval by the OGMS. Once approved by the OGMS, the Remuneration Policy becomes applicable and binding. In the event that the OGMS does not approve the remuneration policy, the Board of Directors will continue to apply the current policy, and the Board of Directors will be obliged to propose another form of it, which will be subject to approval in the next OGMS. Shareholders are encouraged to submit written proposals to the Company, in order to harmonize them with the remuneration policy subsequently proposed for approval.

The company will submit the remuneration policy to a vote at the OGMS on the occasion of each significant change and, in any case, at least once every 4 years.

## **Nomination and Remuneration Committee**

The Company's Nomination and Remuneration Committee has the following responsibilities in relation to the Remuneration Policy:

- annually evaluates the Remuneration Policy and, where appropriate, proposes its revision whenever necessary, with the obligation to include a description and explanation of all significant changes to the policy and the way in which the votes and views of shareholders are taken into account within it;
- recommends to the Board of Directors remuneration levels for the Company's administrators and directors;
- supervises the implementation of the remuneration policy within the Company.

The Nomination and Remuneration Committee is composed of 3 (three) members appointed from among the members of the Board of Directors by vote, the mandate of the committee members being valid for the period in which they are members of the Company's Board of Directors.

## **Board of Directors**

The Board of Directors has the following responsibilities related to remuneration:

- approves and, further, recommends the remuneration policy to be submitted for approval at the Ordinary General Meeting of Shareholders and reviews and/or updates it, if and whenever necessary, in compliance with the regulations in force, based on the recommendations of the Nomination and Remuneration Committee, to ensure its coherence with the principles of corporate governance and legal requirements;
- proposes to the Annual Ordinary General Meeting of Shareholders the level of fixed and additional remuneration of the members of the Board of Directors;
- decides the level of fixed and variable remuneration of the Company's directors and establishes performance criteria, based on the recommendation of the Nomination and Remuneration Committee.

## **7. Remuneration report**

The Company prepares an annual remuneration report that provides an overview of remuneration, including all benefits, regardless of form, granted or due during the last financial year to individual directors and members of the Board of Directors, including newly recruited and former managers in accordance with the Remuneration Policy.

The remuneration report will contain, as appropriate, the following information regarding the remuneration of each director and/or member of the Board of Directors:

- the total remuneration broken down by components, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the

adopted remuneration policy, including how it contributes to the long-term performance of the Company, and information on how the performance criteria were applied;

- the annual change in remuneration, Company performance and average remuneration based on the full-time equivalent of the Company's employees who are not managers over at least the last 5 financial years, presented together in a manner that allows comparison;
- the number of shares and stock options granted or offered, as well as the main conditions for exercising the related rights, including the exercise price and date, together with any changes thereto;
- information on the use of the possibility of recovering variable remuneration;
- information on any deviation from the procedure for implementing the remuneration policy, including explanations on the nature of the exceptional circumstances and indication of the specific elements from which the derogation was made.

The remuneration report for the most recent financial year is subject to a vote at the Ordinary General Meeting of Shareholders, the shareholders' opinion resulting from the vote having an advisory character. The Company will explain in the next remuneration report how the shareholders' vote was taken into account.

The Company makes the remuneration report available to the public on its website, free of charge, for a period of 10 years and may, at its discretion, keep it available for a longer period, provided that it no longer contains the personal data of the directors. The Directors of the Company, acting within the limits of their area of competence conferred by the applicable rules, have the collective responsibility to ensure that the remuneration report is drawn up and published in accordance with the requirements of Law 24/2017, republished. The Company's directors are liable for any breach of the responsibilities that fall to the company, taking the above into consideration.

## **8. Review and update of the Remuneration Policy**

This Remuneration Policy will be subject to a review and update process whenever the Company's situation or external circumstances require it, as well as in other indicated situations and/or in accordance with the applicable legal framework.

In order to ensure the sustainability of the Company's Remuneration Policy, the limit of all the company's costs for the payment of fixed and variable annual remunerations of the managers is no more than 1 (one) % of the turnover recorded in the respective year. If, following a cyclical decrease due to exceptional conditions, the percentage of sales represents an amount lower than the nominal limit of the Company's costs for the payment of remunerations, then the payment of variable remunerations may be temporarily postponed by decision of the Board of Directors.

This remuneration policy enters into force and takes full effect from the date of approval by the OGMS.