



REMUNERATION REPORT
of the Board of Directors for the fiscal year 2023

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1. Introduction

This Remuneration Report has been prepared in accordance with the provisions of Article 112 of Law 4548/2018 and provides a comprehensive overview of the total remuneration of the Members of the Board of Directors of the Company GR. SARANTIS S.A., hereinafter referred to as the "Company", for the fiscal year 2023. More specifically, it reflects how the Remuneration Policy was implemented as approved on 24.02.2021 and revised on 20.12.2023 by decision of the General Meeting of Shareholders.

2. Remuneration Policy Review- Results of the General Meeting as of 20.12.2023

In 2023 the Remuneration and Nominations Committee, hereinafter "RNC", approved the revised Remuneration Policy which was put to a vote at the Extraordinary General Meeting on 20.12.2023, receiving 91.57% positive votes. In addition, the adoption of a Long-Term Incentive Plan for the executive members of the Board of Directors was also approved at a rate of 93.87%.

3. Remuneration policy

The Company fully complies with the Remuneration Policy by rewarding the Board Members for their contribution to the achievement of its strategic objectives. The Remuneration Report analyses the remuneration of the Board Members based on the Remuneration Policy, as approved by the General Meeting of Shareholders on 24.02.2021, as this was the basis for the remuneration for 2023. In addition, remuneration components that are relevant to the revised policy, as of 20.12.2023, are reflected in detail in this Report.

3.1. Non-Executive members of the Board of Directors

Non-Executive Board Members are remunerated with a fixed remuneration ("Annual Fixed Remuneration"). The amount of the Annual Fixed Remuneration is determined on the basis of the time required to attend the meetings of the Board of Directors, its Committees, as well as the time of preparation of the members for their participation. The Annual Fixed Remuneration does not include any benefits granted in order to better serve the Company's operation, such as mileage compensation, travel expenses, etc. The Company defines the Annual Fixed Remuneration, based on the general level of remuneration for Non-Executive Members, using comparative reviews from the Greek and European markets.

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3.2. Executive Members of the Board of Directors

The key objective of the Remuneration Policy for the executive members is to attract and retain executives who lead the long-term and sustainable growth of the Company, by setting an equitable framework of remuneration, voluntary benefits and compensation.

The remuneration of the Executive members of the Board of Directors is the sum of the following fixed and variable components:

- I. The **Fixed Remuneration** includes, as the case may be, the regular salary paid usually through payroll. Fixed Remuneration may be adjusted on the basis of inflation and the individual performance of the officer following a relevant proposal of RNC.
- II. **Short-term Incentive Plan**, which aims to support annual business objectives, as well as rewarding executives for their performance. The Key Performance Indicators, hereinafter referred to as "KPIs" that determine performance are: Earnings Before Interest and Taxes, hereinafter referred to as "EBIT" of the Group, Net Sales and Inventories. Performance targets for each KPI are set at the beginning of the reporting period. The achievement of the KPIs are assessed when the results for the fiscal year are published. In addition, the performance of the Executive Members of the Board of Directors is evaluated in order to adjust the amount of the remuneration according to the percentage of achievement.
- III. **Long-term Incentive Plan- Performance Stock Awards) pursuant to Article 42 a of L. 4172/2013**, hereinafter "LTI", is a rolling program of free shares award (performance shares) which aims in achieving the long-term strategic objectives of the Company, its sustainability, as well as the reward, retention and recognition of the contribution of those employees that are subject to the Remuneration Policy.

The LTI consists of three separate independent cycles, each cycle comprising a three-year performance period, with the first evaluation date for the first cycle being on 31 December 2025. The LTI is implemented if the KPIs are achieved. The performance of the LTI for all three three-year cycle depends equally on two KPIs. The increase percentage of the EBITDA margin and the reduction of the Operating Working Capital ("OWC") as a percentage of net sales. The reward via the LTI shall take place through the award of free performance shares to the beneficiaries in the following year of completion of each cycle, after the results of the performance of the KPIs have been evaluated and approved by the Board of Directors.

- IV. **Other benefits & Pension Scheme** hereinafter referred to as "Other Benefits" are designed to enhance the overall remuneration package. Other benefits include a company car, mobile phone, health insurance, fuel card and a group pension scheme. Other benefits are taxed in accordance with the applicable tax legislation.

A detailed explanation of the above is reflected in the new Remuneration Policy, which is available on the company's website:

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<https://sarantigroup.com/media/cdn15eq/remuneration-policy-2023-greek-20-12-23.pdf>

4. Total remuneration of the Board of Directors for the fiscal year 1.1.2023- 31.12.2023

Based on the Remuneration Policy in force from 24.02.2021 to 19.12.2023, the remuneration paid to the Executive Board Members for the period 1.1.2023 to 31.12.2023 was as follows:

Table 1

Name and Position	Year	Fixed Remuneration €	Ratio %	Short-term Incentive Plan €	Ratio %	Other Benefits €	Ratio %	Total remuneration €
Grigoris Sarantis Chairman of the Board of Directors Executive member	2023	319,830	98%	0	0%	8,030	2%	327,860
Kyriakos Sarantis CEO Executive member	2023	426,440	96%	0	0%	18,441	4%	444,881
Ioannis Bouras Deputy CEO Executive member	2023	343,536	77%	41,071	9%	60,000	13%	444,607
Christos Varsos Group Chief Financial Officer Executive member as of 30/6	2023	174,372	86%	0	0%	27,445	14%	201,817
Evangelos Siarlis Group Chief Human Resources Officer Executive member	2023	188,551	80%	17,500	7%	30,000	13%	236,051
Konstantinos Rozakeas Vice Chairman of the Board of Directors of the Group Non-Executive member	2023	849,740	99%	0	0%	6,082	1%	855,822
Angeliki Samara Independent Non-Executive Member as of 20/12	2023	5,779	100%	0	0%	0	0%	5,779
Eirini Nikiforaki Independent Non-Executive Member	2023	6,000	100%	0	0%	0	0%	6,000
Michalis Imellos Independent Non-Executive Member as of 20/12	2023	0	0%	0	0%	0	0%	0,000
Maria-Ioanna Politopoulou Independent Non-Executive Member as of 20/12	2023	0	0%	0	0%	0	0%	0,000
Kostas Stamatiou Executive member until 30/6	2023	93,200	97%	0	0%	2,936	3%	96,136
Katerina Saranti Non-Executive Member until 20/12	2023	0	0%	0	0%	1,105	100%	1,105
Dimitrios Reppas Independent Non-Executive Member until 20/12	2023	11,392	100%	0	0%	0	0%	11,392

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Table 2

Gross earnings	Change 2019-2018	Change 2020-2019	Change 2021-2020	Change 2022-2021	Change 2023-2022
Total annual gross earnings of Board members.	123%	-44% ¹	159%	-6%	30%
Average annual gross remuneration of staff	5.3%	2.3%	1.0%	4.4%	7.7%
Financial data for the fiscal years	Change 2019-2018	Change 2020-2019	Change 2021-2020	Change 2022-2021	Change 2023-2022
GR. SARANTIS S.A.					
Sales	10.6%	9.3%	2.4%	8.8%	4.3%
Profit after tax	1765.9% ²	-76.7%	47.3%	158.5%	-72.9%
SARANTIS GROUP					
Sales	7.6%	6.3%	3.8%	9.4%	8,0%
Profit after tax attributable to shareholders of the Company	16.8%	1.8%	4.1%	12.7%	-13.4%

4.1 Fixed Remuneration

The fixed Board remuneration observed in **Table 1** reflects the management changes the Group made in June 2023. In particular, Mr. Giannis Bouras was appointed as Deputy CEO. At the same time, Mr. Christos Varsos was appointed as the Group Chief Financial Officer, replacing Mr. Konstantinos Rozakeas, who remained as a non-executive member of the Board. Finally, in December 2023 a new Board of Directors was elected with the addition of Ms. Maria-Ioanna Politopoulou, Mrs. Angeliki Samara and Mr. Michalis Imellos as independent non-executive members.

4.2 Short-term Incentive Plan

The Short-Term Incentive Plan for the Executive Directors reflects the achievement of the KPIs set in 2022. The final evaluation of KPI performance and remuneration award was carried out in the first half of 2023. The table below shows the performance by KPI and year against the target:

¹ The decrease in Board members' remuneration in 2020 compared to 2019 results arises from the fact that the then Vice Chairman & CEO voluntarily waived his remuneration for the year 2020.

² The 1766% increase in the Company's Profit after tax is due to dividends received from subsidiaries of GR SARANTIS CYPRUS which was absorbed by the parent company on 30/12/2019.

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Table 3

Key Performance Indicators (Variables)	Performance against the 2022 target	Performance against the 2023 target
Earnings before Interest and Taxes (EBIT)	85%	110%
Net Sales	100%	100%
Inventories	83%	104%

The Board of Directors of the Company recognizing the efforts of its executive directors, awarded partial variable remuneration for 2022, as reflected in **Table 1**. The performance of the variable remuneration in relation to the 2023 results will take place in the first half of 2024 and will be presented in the next Remuneration Report.

4.3 Long-term Incentive Plan

Following the decision of the General Meeting on 20.12.2023, the Group introduced a Long-Term Incentive Plan. The 1st cycle provides for the award of free shares to the final beneficiaries within 2026, on the basis of achieving KPI performance objectives during the period from 1.1.2023 to 31.12.2025.

The KPIs are divided equally by 50% and are as follows:

- | | |
|-------------------------------------|--------|
| 1. EBITDA margin (%) | 12.5% |
| 2. Working capital on net sales (%) | 17.7%. |

In 2023 the amount of € 256,237.90 was accounted for and concerns the 1st year of the 1st cycle.

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5. Remuneration provision for Board members according to the new Policy for 2024

In order to ensure transparency and to keep investors informed, the following analysis shows the provision on the remuneration of the Board members in accordance with the new Remuneration Policy for 2024.

Table 4

Name and Position	Year	Fixed Remuneration €	Short-term Incentive Plan as a % of Fixed Remuneration	Long-term Incentive Plan 2023 - 2025 as a % of Fixed Remuneration	Long-term Incentive Plan 2024 - 2026 as a % of Fixed Remuneration
Grigoris Sarantis Chairman of the Board of Directors Executive Member	2024	300,000	0	0	0
Kyriakos Sarantis CEO Executive Member	2024	300,000	0	0	0

Mr. Grigoris Sarantis-Chairman of the Board of Directors and Mr. Kyriakos Sarantis-CEO does not participate in the Short- and Long-Term Incentive Plan being major shareholders.

Table 5

Name and Position	Year	Fixed Remuneration €	Short-term Incentive Plan as a % of Fixed Remuneration	Long-term Incentive Plan 2023 - 2025 as a % of Fixed Remuneration	Long-term Incentive Plan 2024 - 2026 as a % of Fixed Remuneration	Other Benefits €
Ioannis Bouras Deputy CEO Executive Member	2024	535,100	50%	50%	50%	60,000
Christos Varsos Group Chief Financial Officer Executive Member	2024	302,946	40%	40%	40%	44,500
Evangelos Siarlis Group Chief Human Resources Officer Executive Member	2024	249,400	40%	40%	40%	30,000

Table 5 shows a provision on the total remuneration of the Executive Directors for the year 2024. More specifically:

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- The fixed remuneration for the period 1.1.2024 to 31.12.2024.
- The percentage of the 2024 Short-term Incentive Plan on fixed remuneration in the event of 100% achievement of the KPIs.
- The percentage of the Long-Term Incentive Plan for the periods 2023-2025 and 2024-2026 on the fixed remuneration in case 100% of the KPIs are achieved. In particular, the KPIs for the period 2024-2026 are as follows:
 1. EBITDA margin (%) 14.5%
 2. Working capital on net sales (%) 16.7%

The distribution under the LTI, including details of actual performance and relevant achievement, will be documented in a subsequent Report as it is maturing.

- Other benefits include a company car, mobile phone, health insurance, fuel card and a group pension plan. Other benefits are taxed in accordance with the applicable tax legislation.

Table 6

Name and Position	Year	Remuneration of Board Member	Audit Committee Remuneration	Remuneration of the Nominations & Remuneration Committee	Total Remuneration
Konstantinos Rozakeas Vice Chairman of the Board of Directors Non-executive member	2024	60,000	15,000	6,000	81,000
Angeliki Samara Independent Non-Executive Member	2024	30,000	15,000	6,000	51,000
Eirini Nikiforaki Independent Non-Executive Member	2024	30,000	0	0	30,000
Michalis Imellos Independent Non-Executive Member	2024	30,000	30,000	0	60,000
Maria-Ioanna Politopoulou Independent Non-Executive Member	2024	30,000	0	12,000	42,000

Table 6 shows the remuneration of the Non-Executive Members based on their capacity and the committees they serve on.