



# Remuneration & Nomination Committee Charter

July 2021

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## **Preamble**

The purpose of the Remuneration & Nomination Committee of MOTOR OIL (HELLAS) CORINTH REFINERIES S.A. (hereinafter the Company) is to act in consultation with the Board of Directors of the Company in accordance with the authorizations granted to it by the latter and within the regulatory framework that govern the behavior of companies with shares or other securities listed in a regulatory market and in particular:

- the Law 4548/2018 and the Law 4706/2020,
- the relevant decisions of the Hellenic Capital Market Commission, and
- the recommendations of the Hellenic Corporate Governance Code

The Committee Charter is reviewed whenever deemed necessary and, in any case, when required by the Regulatory and Institutional framework.

## **Tenure**

The appointment of the members of the Committee is made by the Company Board of Directors after the organization of the latter as a Body Corporate, following its election by the Annual Ordinary General Assembly, for an one year tenure which can be extended until the expiration of the deadline within which the next Annual Ordinary General Assembly has to take place. The term of office of the members of the Committee may be shorter than one year in cases when the Board of Directors is reorganized as a Body Corporate or when a new Board is elected after a General Assembly is convened specifically for this purpose.

## **Composition & Decision-making process**

The Remuneration & Nomination Committee of the Company is comprised of at least three (3) non-Executive members of the Board the majority of whom are independent. An Independent non-Executive member of the Board is appointed as Chair of the Committee. The Committee may perform duties as provided by the Law as well as tasks assigned to it by the Board and make decisions subject to the condition being at quorum. The formation of a quorum for the meetings of the Committee presupposes the presence of all its members and any decision on its part requires the positive vote of the majority of the members being present.

In cases of resignation, death or any other way of losing the Committee membership identity, the Company Board appoints a new member taking into consideration the respective suitability criteria of the new member.

The Committee meets as many times as deemed necessary, following an invitation by the Chair, and, in any case, at least four (4) times per calendar year.



The Chair sets the daily agenda for each meeting of the Committee. The items on the agenda as well as the supporting documentation is sent to the members of the Committee at least three working days before the scheduled date of the meeting.

The meetings are held either with the physical presence of the members at the headquarters of the Company or remotely with the use of technology – teleconferencing technology which renders the discussion feasible.

The Committee is assisted by a Secretary who is appointed by decision of the Committee and (s)he is an employee or Executive of the Company with the required knowledge and who, among other things, keeps the minutes of the meetings of the Committee. The Chair ensures that the minutes of the meetings are duly kept by the Secretary.

The minutes of each meeting are approved by the Committee and then the Chair and the members sign them. The minutes may be signed in turn by the members of the Committee. Moreover, the Committee, if deemed necessary by its members, is assisted by an executive of the legal department of the Company who is knowledgeable of the matters of the regulatory framework of Corporate Governance, as well as the legal issues of operation and compliance of Société Anonyme companies, particularly those with listed securities in a regulated market.

Only the members of the Committee participate in its meetings, but at its discretion, the Committee may invite other Company Executives who are involved in Corporate Governance or in matters of personnel management and remuneration and who may attend individual meetings or individual agenda items.

Pursuant to article 10 of the Law 4706/2020, the Committee shall use any internal and external resources it deems necessary to fulfill its purpose. To this end, the Committee may hire external consultants to provide advisory or support services in the context of the most effective exercise of its duties. The scope of the work and the remuneration of the external consultants are determined and approved by decision of the Company Board of Directors, following a proposal of the Committee.

### **Objective & Responsibilities**

The responsibilities of the Remuneration Committee and the Nomination Committee, according to article 10 of the Law 4706/2020, have been assigned by the Company Board to a joint Committee (hereinafter the “Remuneration & Nomination Committee”).

The Committee is fulfilling its objective as a single body. It deals with issues of nominating individuals suitable to become members of the Company’s Board according to the factors and criteria determined by the Company in accordance with the Directors’ Suitability Policy approved by the General Assembly, as well as with matters related to the Remuneration Policy submitted to the General Assembly for approval. Moreover, the Committee submits to the Company Board proposals regarding the amount and the individual components of the total remuneration of the persons that fall within the scope of the Remuneration Policy, according to article 110 of the Law 4548/2018, and of the Company executives, and in particular of the head of the Internal Audit Unit.

The Remuneration & Nomination Committee has main responsibilities, **with regards to remuneration matters**, as follows:



- The review of the general Salary Policy of the Company, based on the guidelines it has received from the Board of Directors, which makes the final decisions.
  
- The submission of proposals to the Company Board regarding:
  - The content of the Remuneration Policy, according to article 110 of the Law 4548/2018, which is submitted to the General Assembly of the Company Shareholders for approval. In this context, the Committee evaluates periodically the need to update the Remuneration Policy of the Company, taking into account the market conditions, the best practices, the corporate strategy and the current employment legislative framework. Furthermore, the Committee takes into consideration that the level and the components of the aggregate remuneration (fixed, variable, fringe benefits) are intended to attract and retain with the Company those Executive Board Members and top management Executives who contribute to the maximization of shareholder value in the long-run with their skills, knowledge and experience. The process for the development, review and finalization of the adopted Remuneration Policy is characterized by objectivity and transparency.
  - The level of the aggregate remuneration of the persons who fall within the scope of the Remuneration Policy of article 110 of the Law 4548/2018 as well as the top management executives, and in particular the head of the Internal Audit Unit, in order to be rewarded in a manner consistent with the Company Salary Policy, the size of the Company, the complexity of the Company's field of activity, the corporate strategy, the competition, the current employment legislative framework and to secure alignment with the interests of the shareholders. For this purpose, and regarding the executive Board members and the top management executives:
    - The Committee takes into account both the scope of duties and responsibilities as well as the individual and the Company performance in terms of key strategic, financial and operational objectives. The Committee also examines the possibility of linking the remuneration of the Board members and of the top management Executives with ESG objectives that could add value to the Company in the long run. In this case, the Company Board of Directors and the Sustainability Committee cooperate with the Remuneration & Nomination Committee regarding the ESG strategy and objectives that are relevant and credible for the promotion of sustainable development.
    - Moreover, the Committee examines the financial performance of the Company and, in case certain conditions are met, recommends to the Board to include in the daily agenda of the Annual Ordinary General Assembly, as a separate item, the distribution of part of the Net Income of the fiscal year to the Company Personnel and to members of the Board.
    - Furthermore, the Committee monitors the development of the aggregate payroll expense of the Company Personnel and other related benefits in relation to the progress of the Company operations and recommends to the Board corrective measures



whenever these are deemed necessary as a means to protect the long-term interests of the Company stakeholders.

- The review of the aggregate compensation of the Non-Executive members of the Company Board, in order to secure that their remuneration reflects the time they devote and the scope of their responsibilities. Additional fringe benefits for the members of the Board of Directors who participate in Committees, for informational and transparency reasons, are presented in the Directors' Remuneration Report provided by article 112 of the Law 4548/2018 and are approved by the General Assembly as a separate item of the daily agenda. Likewise, the fixed and variable remuneration components related to the performance of the Executive Board Members are also presented separately in the Directors' Remuneration Report provided by article 112 of the Law 4548/2018.
- The examination of the information included in the Directors' Remuneration Report, provided by article 112 of the Law 4548/2018, making proposals to the Board prior to the submission of the Report to the Annual Ordinary General Assembly for discussion.

The Company Remuneration & Nomination Committee has main responsibilities, **with regards the nomination of the members of the Board of Directors for election by the General Assembly**, as follows:

- To identify and recommend to the Company Board suitable candidates to become Directors, as well as to propose candidates to fill vacancies on the Board or its Committees or the Audit Committee as the case may be. During the selection process, the Committee takes into account the factors and criteria of individual and collective suitability determined by the Company, in accordance with the Directors' Suitability Policy approved by the General Assembly.
- To evaluate periodically the membership headcount and the composition of the Company Board and its Committees and to submit proposals to the Board regarding any action to strengthen its composition or its Committees.
- To review periodically and at least once every calendar year the Directors' Suitability Policy and to cooperate with the legal department of the Company, especially when there are significant regulatory and institutional changes, in order to propose any additions or amendments to the current Suitability Policy, which is approved each time regarding its revisions by the Board of Directors and in cases of material amendments it is submitted by the latter to the General Assembly of Shareholders for approval in accordance with the provisions of article 3 of the Law 4706/2020.
- To periodically examine in cooperation with the legal department of the Company and the head of the Compliance Unit, that the non-executive independent Board members meet the independence criteria stated in article 9 of the Law 4706/2020, and in occasions of appointment of a new Board member replacing an Independent Director who has resigned or passed away, as well as in particular circumstances whenever



needed, and to submit proposals to the Company's Board regarding the appropriate actions.

The present Charter has been compiled by the Remuneration & Nomination Committee and entered into force on the date of its approval by the Company Board. The Charter is updated whenever deemed necessary based on changes in the institutional and regulatory framework.

Maroussi, July 2021

Chair of the Committee

The members of the Committee

Rania Ekaterinari

Niki Stoufi    Dimitrios-Antonios Anyfantakis