Remuneration policy provisions

The purpose of the remuneration policy is to ensure the competitiveness of the organisation and its alignment with contemporary trends in the remuneration market, through the central application of standardised processes and principles. The aim is to design the remuneration components in such a way that the Company:

- Attracts, motivates and retains highly qualified employees.
- Encourages employee development.
- Respects the principle of in-house equity in rewarding performance and employee effort.
- Continuously improves the employee environment to increase their productivity.
- Contributes to the efficient management of personnel costs.
- Motivates employees by providing them with a fringe benefits package.

In order to achieve these objectives, the Company has mapped all current jobs and has established unified principles of remuneration review covering the following key elements:

- Job evaluation based on an internationally accepted job evaluation methodology.
- Comparison of in-house remuneration data with market information.
- Annual assessment of employee performance that includes all the Company employees.

These steps ensure transparency in decisions regarding remuneration and changes in remuneration, while at the same time establishing a remuneration system clear to all employees and linked to each employee’s performance.

The key remuneration components are the base salary, variable remuneration and fringe benefits.

The base salary depends on the value created by the job, which is determined according to a methodology that is recognized and widely used in international practice. Base salaries may be subject to two main review methods: annual review of annual performance results or review as a result of career changes.

The variable remuneration includes an annual incentive for the achievement of the Company’s performance targets and the individual performance of the employee. It also includes a monthly or other variable remuneration for a period shorter than one year, aimed to achieve short-term objectives, which may be applied to employees directly linked to the achievement of operational performance indicators.