

**JUMBO S.A.**  
**GROUP OF COMPANIES**

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[www.e-jumbo.gr](http://www.e-jumbo.gr)

**ANNUAL REGULAR GENERAL MEETING OF THE  
SHAREHOLDERS  
OF NOVEMBER 6<sup>TH</sup> 2019**

**Remuneration Policy**

As proposed for approval to the Regular General Meeting on 06.11.2019

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## **1. Introduction**

The company "JUMBO S.A." (hereinafter referred to as "the Company"), establishes, maintains and applies the basic remuneration principles and regulations for the members of the Board of Directors and senior management (hereinafter referred to as the "Remuneration Policy"), covering the entire remunerations.

The Remuneration Policy constitutes an integral part of the Company's corporate governance and is consistent with its overall operating policy, business strategy, objectives as well as the Company's long-term interests and long-term value creation for its shareholders. The actual financial position of the company as well as its general obligations, including payroll obligations and facilitating the necessary working conditions of company's personnel were taken into account under the preparation of the aforementioned Remuneration Policy.

The "Remuneration Policy" aims to maximize the value of the Company by rewarding the ongoing improvement, increase in productivity, responsibility, efficiency of its executives and the growth regarding the implementation of its business plan to achieve its objectives and the objectives, stated in its Articles of Association.

The Remuneration Policy promotes sound and effective risk management and is consistent with the objectives of the Company's business strategy and risk management strategy, corporate culture, values, long-term interests and measures taken to avoid conflicts of interest.

Consequently, operating standards and mechanisms that have been adopted ensure that the personnel fees are based on the Company's system of values, are directly associated with the intended business results and desired conducts.

The "Remuneration Policy" has been adopted and implemented in accordance with Articles 110 and 111 of Law 4548/2018, which incorporate Article 9a of Directive 2007/36 / EC, as introduced by Directive 2017/828 / EU.

The "Remuneration Policy" is valid for four (4) years from the date of its approval by the regular General Meeting of the Company's Shareholders.

The "Remuneration Policy" may be revised in the event of substantial changes in the conditions under which it was prepared. Any revision requires the approval of the Regular General Meeting of the Company's Shareholders, as defined by paragraph 2 of article 110, Law 4548/2018, as in force.

In exceptional circumstances, following the recommendation of the Board of Directors, a temporary deviation from the approved "Remuneration Policy" can be effective, given that such deviation is necessary to cover the long-term interests of the Company as a whole or to protect

its viability. In the event of a deviation, the remuneration shall burden the Company only after the special approval of the General Meeting of its shareholders.

The principles and requirements of the "Remuneration Policy" of the Company, harmonize similar remuneration policies of all its subsidiaries in Greece and abroad, forming the Group JUMBO ANONYMOUS TRADING COMPANY (hereinafter the "Group").

This "Remuneration Policy", succeeds, merges and supersedes any other remuneration policy that existed prior to its adoption.

The approved "Remuneration Policy" is subject to the publicity rules of Articles 12 and 13 of Law 4548/2018 and is posted on the Company's website, <http://www.e-jumbo.gr/>

## **1. Objective**

The objective of the "Remuneration Policy" is to enhance corporate value, by retaining and attracting the most capable and appropriate employees, those who achieve their objectives and best serve the interests of the Company.

The objective is to ensure that the amount of remuneration reflects the time that the members devote to attend the BoD meetings, fulfillment of all the duties and responsibilities assigned to them, corresponding to their abilities, skills, experiences and conduct of every member of the Board of Directors and their ability to adapt to the present economic conditions. Higher remuneration is provided for specialized roles that are of extreme significance or are cases requiring outstanding experience and performance, and / or when such duties require increased responsibilities, experience and occupation. This way, the company's long-term interests and viability are protected in line with an on-going attempt to maximize its value, providing incentives to increase the productivity of its operations, thus achieving its objective.

The Remuneration Policy is in line with the business strategy and supports a performance-based culture that aligns the Company's and the Group's objectives with those of its personnel, employees, management, shareholders - and encourages the people to go on acting in the best corporate interest.

In particular, the "Remuneration Policy" is based on the following principles:

- a. Fixed fees depending on position, experience, qualifications and performance.
- b. The rate of increase of remuneration is proportional to the average rate of increase of the

remuneration of the Company's full-time personnel.

- c. Increase of productivity
- d. Best possible performance
- e. Aligning remuneration and reward with profitability, risk, capital adequacy and sustainable growth
- f. Compliance with the applicable legal and regulatory framework
- g. Internal transparency
- h. Ensuring that remuneration is fair and competitive depending on the duties, responsibilities, position, performance, professional experience and qualifications of the relative persons.

### **3. Scope**

“Remuneration Policy” is effective in respect of the following categories:

- a. Non-executive Members of the Board of Directors
- b. Executive Members of the Board of Directors
- c. Key Executives (CEO, Executive Directors, General Managers)

### **4. Remuneration**

#### **4.1 Members of the Board of Directors**

##### 4.1.1 Non- Executive Members of the Board of Directors

Non-executive members of the Board of Directors may receive fees for their participation in BoD meetings and Committees, which the Regular General Meeting approves with a special decision. These fees are mandatory submitted in cash and are subject to statutory deductions under tax and insurance legislation.

The amount payable takes into account the time commitment and participation of the member in the meetings of the Board of Directors and the Committees.

Non-Executive Members are not eligible for any pensions, allowances or long-term incentives and are not entitled to additional bonuses, stock options or performance-related allowances.

##### 4.1.2 Executive Members of the Board of Directors

The executive members of the Board of Directors are paid fixed fees that include:

- a) fees for their participation in BoD meetings
- b) fees paid under a subordinate employment contract or service provision contract and / or annual remuneration arising from the company's net operating profit
- c) benefits in kind, such as the use of a corporate vehicle, a mobile phone, a laptop, a corporate

credit or debit card, representation expenses, travel, meal and subsistence expenses.

During the preparation of the current "Remuneration Policy", the Company has contracts with two executive members of the Board of Directors. The basic data, according to case g, Article 111, Law 4548/2018, are the following:

<b>Member of BoD</b>	<b>Duration</b>	<b>Deadline for warning</b>	<b>Retirement</b>	<b>Terms of contract termination</b>	<b>Payment of termination contract</b>
<b>CEO , Executive Member</b>	Indefinite	In accordance with applicable labor law.	In accordance with applicable labor law.	In accordance with applicable labor law.	The Company is obliged to pay compensation in accordance with applicable labor law.
<b>Executive Member</b>	Indefinite	In accordance with applicable labor law.	In accordance with applicable labor law.	In accordance with applicable labor law.	The Company is obliged to pay compensation in accordance with applicable labor law.

Up to date, the Company has not implemented any variable remuneration plans, retirement benefits, supplementary pension plans, other than statutory social security contributions, and has not implemented any stock option plans.

Potential future changes to the remuneration can be made, following the decision of the Board of Directors, making reference to the mandatory information defined in article 111 par.1 of Law 4548/2018 regarding such fees.. The decision of the Board of Directors is approved by the following Regular General Meeting of Shareholders, in compliance with provisions of article 110 par 2 of Law 4548/2018, as effective. .

## **4.2 Key Executives**

Remuneration is an important factor in attracting and maintaining a high level of people within the Company and the Group.

Under the preparation of the remuneration policy, particular emphasis is placed on principles, that take into account both the knowledge and performance of the human resources as well as the promotion of the Company's and the Group's long-term business objectives.

The Company and the Group apply a remuneration framework that varies according to the hierarchical level, responsibility and risk management.

The "Remuneration Policy" of key executives includes the forms of fixed remuneration in cash and discretionary benefits. The current "Remuneration Policy", does not include stock options plan and optional pension benefits.

#### 4.2.1. Fixed Benefits

Fixed benefits shall be competitive in order to be able to attract and retain individuals who have the appropriate skills, experience and attitudes required by the Company and the Group.

Maintaining competitiveness is ensured by monitoring the levels of remuneration in the business segment of the Company and / or Group at domestic and / or European level.

In order to determine the level of fixed remuneration, the academic background, knowledge, previous experience and seniority of the employee are taken into account along with the importance of the position.

The objective is to ensure that fixed benefits fluctuate around the average market level. The Company provides higher fees for specialized roles that are critical to the operation and the development of the Company and / or the Group or in cases of outstanding experience and performance.

Fixed benefits constitutes the most significant proportion of the total remuneration for the persons within the scope of the "Remuneration Policy" application.

Fixed benefits are paid in cash and are subject to tax and insurance deductions.

#### 4.2.2. Variable benefits

The current "Remuneration Policy makes no provisions for variable benefits of any kind.

Variable benefits may be provided in the future following a decision of the Board of Directors, , which must refer to the mandatory items under article 111 par 1 of Law 4548/2018. The Regular General Meeting of Shareholders approves the decision of the Board of Directors according to the provision of the article 110 par. 2, Law 4548/2018, as effective.

#### 4.2.3 Fringe Benefits

- a. Corporate car
- b. Travelling-representation expenses
- c. Mobile telephony

#### 4.2.4. Termination of Contractual agreement

In the event of termination of an employment contractual agreement, the Company provides the respective legal compensation. The Company may pay additional compensation in recognition of past service. The Company's Board of Directors approves any further compensation in the case of premature termination of employment or retirement.

## **5. Implementation of "Remuneration Policy"**

The Company's Board of Directors is responsible for the implementation of this "Remuneration Policy" and any revision thereof.

The "Remuneration Policy" is reviewed every four years, taking into account labor market trends and effective legislation.

If there are reasons to accelerate the revision, this may occur following a documented recommendation of the Board of Directors and the approval of the Annual General Meeting of Shareholders, in accordance with the provision of article 110 paragraph 2 of Law. 4548/2018, as effective.

In exceptional circumstances, temporary deviation from the approved "Remuneration Policy" may be provisionally granted, provided that this deviation is necessary and serves the long-term interests of the Company as a whole or ensures the Company's viability.

The Company's Board of Directors supervises the current "Remuneration Policy".

The current "Remuneration Policy" is also subject to central and independent internal control by the Group's Internal Audit Department at least once a year.

## **6. Duration of "Remuneration Policy"**

This "Remuneration Policy" shall enter into force after its approval by the Regular General Meeting on 6.11.2019 and shall be valid for four (4) years, unless the General Meeting decides to amend it earlier.