

**REMUNERATION POLICY**  
**SAFETECH INNOVATIONS S.A.****preamble**

- This remuneration policy of the Directors (hereinafter referred to as "Policy") establishes the terms and conditions of remuneration of the members of the management bodies of SAFETECH INNOVATIONS S.A., a joint stock company based in Bucharest, Sector 2, str. Frunzei no. 12-14, Floor 1 and 2, registered at the Trade Register Office attached to the Bucharest Tribunal under number: J40 / 3550/2011, with the unique registration code 28239696 (hereinafter referred to as "Company" / "Safetech").
- According to art. 106 of Law no. 24/2017 regarding the issuers of financial instruments and operations on the market, with the subsequent completions and modifications; listed companies must submit to the shareholders' vote a Remuneration Policy for the Company's directors (defined as members of the Board of Directors or Directors of the Company, within the meaning of Law 31/1990 on Companies), on the occasion of any significant change.
- According to art. 94, letter (b) of Law no. 24/2017 regarding the issuers of financial instruments and operations on the market, with the subsequent completions and modifications, the manager means "any member of the board of directors, as well as any director, in the case of the unitary management system, respectively any member of the supervisory board. and of the directorate, in the case of the dualist administration system, according to Law no. 31/1990, republished, with the subsequent modifications and completions, including in all the cases in which he was appointed, the general director and, if this position exists, the deputy general director "
- According to the latest version of the Articles of Incorporation of the Company, adopted by the Decision of the Extraordinary General Meeting of Shareholders dated 19 / 20.04.2022, the company is governed by a Board of Directors, consisting of 3 members, most without executive powers and a general manager, to be appointed by the Board of Directors
- The provisions of article 106 of Law no. 24/2017 on issuers of financial instruments and market operations, the recommendations issued by the A.S.F. in the matter, as well as the corporate governance code of BVB.
- The company will pay the remunerations of the members of the Board of Directors only in accordance with a Policy subject to the vote of the shareholders during a GMS meeting.
- Derogations from the Policy are possible, but the circumstances in which they occurred must be explained in detail (these deviations from the policy must be related to the achievement of long-term objectives) and / or actions aimed at protecting the interests of the company and / or shareholders. .)
- The Remuneration Policy for Directors will be periodically reviewed and submitted to the shareholders' vote at the ordinary general meeting of shareholders, on the occasion of each significant change and, in any case, at least once every 4 years, to ensure the Policy's contribution to business strategy. of the Company, as well as its sustainability and long-term interests, including the necessary explanations in this regard.

**I. Objectives of the policy**

The remuneration policy has been designed to contribute to the issuer's business and operational strategy, as well as to its economic stability and long-term interests, and to include the necessary explanations in this regard.

The objectives of the policy are based on the objectives set by the company's management. Thus, the objective of management is to maximize the value of the company ("value to shareholders") and is measured by the capitalization of the company.

Given that, the Issuer intends to maintain the current Dividend Remuneration Policy, which can be summarized by "introducing a hybrid model, in which part of the profits will be capitalized and shareholders will receive free

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shares of the company, while another part will be granted through cash dividends, thus achieving a fair balance between allowing the company to grow, but also rewarding shareholders.”, the capitalization of the company remains one of the best measures of the value brought to the shareholders by the management and administration.

Mainly, we aim to align the interests of shareholders with those of management, so that all parties involved obtain equal value as a result of the company's achievements.

Therefore, the remuneration policy ensures both the sustainable growth of the Company, but also ensures the long-term alignment of the interests of the members of the organization.

**II. The principles that govern this policy are as follows:**

- The remuneration structure is defined separately for the members of the Board of Directors and for the company's employees, taking into account mainly the existence of individual responsibilities, but also the contractual differences (mandate contract vs. employment contract).
- The remuneration system includes only a fixed component.
- The reference values were established on the basis of data on the remuneration of companies of comparable size in the cyber sector in Romania, being made at the same time comparisons with data from other industries (eg IT), as well as from other countries within the European Union or outside it.

**II. Terms of contracts, notices, termination conditions**

The standard terms of the mandate contracts signed with the company's leaders are 2 years. The notice period will be at least 60 days. The members of the Board of Directors will have the right to compensatory payments in case of termination of the contracts by the Company, without just cause.

**III. Possibility to derogate from the policy during one year**

In order to achieve the objective of protecting the interests of shareholders and the value of their shares, this Policy recognizes that it is essential that the Issuer be able to operate in a state of continuity and alignment with market practices and situations. The policy must not constitute a blockage or a brake in attracting qualified persons within the Company. Thus, in exceptional cases, during a year, the Issuer may derogate from the remuneration policy, in case of finding any ambiguities, inconsistencies or difficulties of application, or non-correlation with the market conditions. The policy may be subject to derogations if it is found that it could prevent the company from carrying out its activity in conditions of continuity or performance. In this case, the remuneration report for the respective fiscal year will include a detailed explanation of the applied derogations, and will be submitted to the approval of the shareholders at the first general meeting after the end of the fiscal year in which the derogation from the Policy took place.

**IV. Remuneration, other bonuses and benefits of the Board of Directors**

**The remuneration of the CA members starting with April 2022 is:**

- I. 5,000 LEI / gross month for each member of the Board of Directors, except for the chairman;**
- II. 6,000 LEI / gross month for the chairman of the Board of Directors;**

The payment of the remuneration provided in points i and ii above is made monthly by electronic transfer to the bank account indicated by the members of the Board of Directors, in lei.

**Benefits allowed to members of the Board of Directors, by way of example:**

- i. The members of the Board of Directors are entitled to an annual paid leave of 28 working days.
- ii. The members of the Board of Directors have at their disposal a laptop and a mobile phone to cover all the related expenses.



- iii. Safetech will cover the value of the health care insurance policy and the professional liability policy during the term of office of the administrators, in accordance with the regulations in force.
- iv. The Company will pay directly or reimburse to the members of the Board of Directors all expenses reasonably incurred in connection with transportation, per diem, telephone calls or similar expenses incurred in fulfilling the mandate granted, within the limits of the expenses provided by the annual budget of the Company or other specific decisions of the General Meeting of Shareholders.
- v. Settlement by the Company of other legal expenses incurred by the members of the Board of Directors to defend against a claim of a third party directed against them in connection with the performance of duties under the Mandate Agreement and the Articles of Incorporation, insofar as they are not already covered of the insurance policy in force at that time

#### **V. Remuneration, other bonuses and benefits of the Managers**

In case the General Manager and / or the other Directors will be appointed from among the members of the Board of Directors, **the Company will pay an additional, fixed remuneration, to the one specified in point 5 above, up to the maximum amount of 21,000 lei.**

In case the General Manager and / or the other directors do not cumulate the position of member / chairman of the Board of Directors, their remuneration will be established by the Board of Directors, in accordance with the provisions of art. 18.3 lit. c) of the Articles of Incorporation of the Company.

#### **Benefits allowed to managers, by way of example:**

- i. The payment of the remuneration provided above is made monthly by electronic transfer to the bank account indicated by the directors, in lei.
  - ii. Directors are entitled to 28 years' paid annual leave.
  - iii. The directors have at their disposal a laptop and a mobile phone to cover all the related expenses.
  - iv. Safetech will cover the value of the health care insurance policy and the professional liability policy during the term of office of the directors, in accordance with the regulations in force.
  - v. The Company shall pay directly or reimburse to the Directors all expenses reasonably incurred in connection with transportation, per diem, telephone calls or similar expenses incurred in connection with the performance of the mandate granted, within the limits of the expenses provided by the annual budget of the Company or other decisions. specifics of the General Meeting of Shareholders.
  - you. Settlement by the Company of other legal expenses incurred by the directors in order to defend against a claim of a third party directed against them in connection with the fulfillment of the attributions according to the Mandate Agreement and the Articles of Incorporation, insofar as they are not already covered by the insurance policy. effective at that time.
- are you coming. The person who will hold the position of General Manager / Director of the Company, will also benefit from the reimbursement of expenses related to the company's representation in accordance with the Company's representation duties, regardless of whether or not he holds the position of member / chairman of the Board. with that of General Manager / Director of the Company, respectively will benefit from:
- Access to a car provided by the Company and settlement of all related expenses.
  - D&O Liability insurance policy paid by the company.

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