



**TTS**  
**TRANSPORT TRADE SERVICES S.A.**  
**BUCUREȘTI – ROMÂNIA**

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## Remuneration Policy

TTS (Transport Trade Services) S.A.



## Contents

I.	GENERAL FRAMEWORK.....	3
I.1	GENERAL PROVISIONS.....	3
I.2	POLICY STATEMENT .....	3
I.3	OBJECTIVES .....	4
I.4	RESPONSIBILITIES .....	4
II.	GENERAL PRINCIPLES.....	4
III.	REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF DIRECTORS.....	5
III.1	REMUNERATION STRUCTURE.....	5
III.2	GRANTED BENEFITS.....	5
III.3	PROVISIONS APPLICABLE TO EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS.....	6
IV.	REMUNERATION OF EXECUTIVE DIRECTORS .....	6
IV.1	REMUNERATION STRUCTURE.....	6
IV.2	PRINCIPLES APPLICABLE TO THE ANNUAL VARIABLE COMPONENT OF REMUNERATION .....	7
IV.3	GENERAL LIMITS OF REMUNERATION FOR EXECUTIVE DIRECTORS .....	8
IV.4	BENEFITS GRANTED TO EXECUTIVE DIRECTORS .....	8
V.	POLICY REVIEW.....	9
VI.	TRANSPARENCY AND REPORTING .....	9



## I. General Framework

### I.1 General Provisions

The Remuneration Policy ("Policy") of Transport Trade Services SA ("TTS" or the "Company") is a document that defines the framework, principles, and criteria, as well as the minimum and maximum limits to be used by the Remuneration and Nomination Committee ("the Committee" or "RNC") in formulating recommendations regarding the remuneration of the members of the Board of Directors ("the Board" or "BoD") and the Executive Directors of the Company.

Within the meaning of this Policy, "Executive Director" refers to a member of the Company's management to whom the Board has delegated managerial authority through a mandate agreement, pursuant to the provisions of Article 26 of the TTS Articles of Association.

The terms "Executive Director," "Director," and "Member of the management team" shall have the same meaning and shall be used interchangeably throughout this Policy.

The terms "Director," "Member of the Board," and "BoD Member" shall also have the same meaning and shall be used interchangeably in this Policy.

For the avoidance of doubt, the remuneration levels recommended by the Committee for Board Members and Executive Directors do not affect the shareholders' rights to determine such remunerations.

This Policy must be read in conjunction with the Company's other corporate governance documents.

### I.2 Policy Statement

TTS believes that a fair, transparent, and predictable remuneration system is essential for attracting and retaining members of the Board of Directors and an executive team capable of delivering high performance, aligned with shareholder interests and the Company's strategic objectives, and in accordance with international corporate governance standards. It also fosters an organizational culture based on responsibility, fairness, and integrity.

The Remuneration Policy reflects TTS's commitment to sound corporate governance and a balanced approach between performance incentives and risk management. It aims to reward both individual and collective contributions while encouraging ethical behavior, sustainability, and the achievement of long-term results.



### 1.3 Objectives

1. To establish a unified and clear framework regarding the structure and limits of remuneration for Board Members and Executive Directors.
2. To align the remuneration policy with the Company's business strategy, its long-term objectives, and the interests of shareholders.
3. To promote sustainable performance through reward mechanisms based on measurable results and objective criteria that reflect both financial achievements and strategic and operational contributions to the Company's development.
4. To ensure transparency and compliance with applicable legislation and the BVB Corporate Governance Code.
5. To promote an organizational culture based on integrity, accountability, and managerial efficiency.

### 1.4 Responsibilities

**The Board of Directors** is responsible for approving the Remuneration Policy, assessing its implementation, and overseeing its application at the executive management level

**The Remuneration and Nomination Committee (RNC)** is responsible for proposing the remuneration structure, criteria, and amounts, periodically evaluating the Policy's effectiveness, and issuing recommendations to the Board.

**The Executive Directors** implement the provisions of the Policy in their day-to-day activity, in alignment with the objectives set by the Board, and contribute to defining individual and collective performance indicators, in correlation with the strategic objectives approved by the Board of Directors

## II. General Principles

1. **Transparency:** The process of setting and reviewing remuneration is clear, documented, and communicated to shareholders through the publication of criteria and amounts in the annual reports.
2. **Fairness and Non-discrimination:** The Policy applies equally to all beneficiaries, without discrimination based on gender, age, ethnicity, or any other criterion.
3. **Performance Linkage:** The variable component of remuneration is directly tied to the achievement of individual and organizational objectives and aligned with the Company's strategic goals, ensuring objective and periodic evaluation.



4. **Proportionality:** The level of remuneration reflects the complexity of responsibilities, workload, and degree of accountability associated with each role.

5. **Sustainability:** Remuneration is structured to encourage the achievement of long-term objectives, not just immediate results.

6. **Fiscal and Social Responsibility:** The Policy takes into account the Company's economic and financial context, as well as principles of good governance.

7. **Periodic Review:** The structure and levels of remuneration are reviewed periodically to maintain competitiveness and alignment with market conditions.

### III. Remuneration Policy for the Members of the Board of Directors

#### III.1 Remuneration Structure

The remuneration of the members of the Board of Directors consists of a fixed gross monthly component, equal in value for all Board members, to which benefits approved by the Ordinary General Meeting of Shareholders (OGMS) are added.

In the event of dismissal without just cause, as determined by law, the Director may receive compensation from the Company not exceeding the equivalent of two gross monthly salaries, even if the amount that would have been due for the remaining term of office is higher.

#### III.2 Granted Benefits

The benefits granted to TTS Directors include the following:

a. Coverage of the costs related to the issuance and maintenance of a professional liability insurance policy of the "Directors & Officers liability" (D&O) type, covering damages caused by Directors in the exercise of their duties within the Company, as well as direct damages caused in the exercise of duties with direct implications for subsidiaries in which the Company holds a majority stake. The insured value is EUR 2,000,000 per person per event and EUR 2,000,000 for the entire insurance period. The Company shall bear and pay the premium costs of this insurance policy;

b. Provision of a package of medical services and/or "Executive"-type medical insurance with a reputable medical service provider;



### III.3 Provisions Applicable to Executive Members of the Board of Directors

The remuneration of executive members of the Board of Directors consists of the fixed gross monthly remuneration due as Board members, combined with the fixed remuneration in their capacity as Executive Directors, to which the annual variable component due to Executive Directors is added.

## IV. Remuneration of Executive Directors

### IV.1 Remuneration Structure

The remuneration structure for Executive Directors consists of:

- a. A fixed monthly component – intended to attract and retain professionals with the experience and competencies necessary to effectively manage the Company's operations, ensuring the implementation of its vision and strategy and contributing to the Company's financial and non-financial performance and sustainability. The fixed remuneration will be calculated in reference to the average gross salary of the Company's employees;
- b. An annual variable component, intended to incentivize and reward performance in relation to annual financial and non-financial objectives. It is granted based on the Executive Directors' individual and collective contributions to achieving the Company's objectives, assessed through key performance indicators (KPIs). These indicators are set in accordance with the Company's strategy and aligned with shareholders' interests, and are approved annually by the Board of Directors, upon recommendation of the Remuneration and Nomination Committee;
- c. Benefits

In the event of sudden dismissal without just cause, as determined by law, the Executive Director may receive compensation from the Company not exceeding the equivalent of two fixed monthly remuneration components, regardless of the remaining unexecuted mandate period.

The total remuneration of Executive Directors must reflect the complexity of the role, assumed responsibilities, the level of both individual and collective performance, as well as the sustainability of results achieved. The structure is designed to attract, motivate, and retain high-level professionals in alignment with the long-term interests of the Company and its shareholders.



## IV.2 Principles Applicable to the Annual Variable Component of Remuneration

The annual variable component is intended to motivate the achievement of sustainable financial results and a high level of non-financial performance. It is based on a set of key performance indicators (KPIs), structured as follows:

- Financial performance indicators (revenue and return on equity), whose achievement accounts for 60% of the total variable remuneration;
- Non-financial performance indicators, aligned with the strategic objectives of the operational area, which assess the Executive Director's performance and behavior based on general management competencies and personal capabilities. Their achievement accounts for 40% of the total variable remuneration.

Short-term (annual) performance indicators are related to projects and initiatives with an annual implementation deadline, being assigned to each Director according to their own contribution, based on the areas of responsibility managed through the mandate agreement, while long-term performance indicators target the achievement of the Company's medium- and long-term strategic objectives.

The weighting of these indicator categories is indicative and may vary depending on each Executive Director's role and responsibilities.

The amount of the annual variable remuneration is calculated following the Committee's assessment of the degree of KPI achievement, based on the approved evaluation methodology, and shall be awarded pro-rata, proportional to the actual time worked in the respective year.

The result of the annual evaluation will be calculated as the weighted average between the degree of achievement of the financial performance indicators and the degree of achievement of the non-financial performance indicators.

In setting the variable remuneration, clear criteria are taken into account, developed based on best practices, whereby a business objective is defined as specific; measurable; achievable; realistic; and time-bound. The achievement of performance objectives is monitored periodically through specific tools for measuring and visualizing data. Performance indicators are developed considering the strategic, tactical, and operational context of the Company.

The amount of the total variable remuneration is calculated so that it is directly linked to the level of performance achieved, as set by the assumed performance indicators, as well as to the financial performance of the Company and the overall results of the Company, with the possibility of non-payment of the variable component in the event of unsatisfactory performance. Thus, if the minimum accepted level of achievement of a performance indicator is not reached, the Executive Director shall not be entitled to the payment of the corresponding variable remuneration.

The value of the variable remuneration will be limited to a maximum of 100% of the annualized fixed component of the Executive Director's remuneration.



In justified situations, the Board of Directors may grant annual bonuses even in cases where KPIs do not include parameters reflecting the achieved performance, without exceeding the maximum value of the variable component.

The variable remuneration is paid during the financial year in which it is approved and takes the form of bonuses and/or awards.

The fixed remuneration is paid monthly.

### IV.3 General limits of remuneration for Executive Directors

The remuneration limits of Executive Directors shall be approved by the OGMS and are set based on the value of the Reference Salary at Company level, equal to the value of the average gross salary at Company level recorded in the last closed fiscal year.

The total annual gross remuneration value shall not exceed 2 times the value of the gross annual fixed remuneration.

The range of gross monthly fixed remunerations of Executive Directors is between 2.5 and 5 Reference Salaries.

The exact level of individual remuneration is determined by the Board of Directors, at the proposal of the RNC, based on a periodic analysis of the relevant reference market and the strategic context of the Company.

### IV.4 Benefits granted to Executive Directors

Executive Directors shall benefit from the following advantages:

- A professional liability insurance policy of the D&O type, covering the damages caused by Executive Directors in the exercise of their duties within the Company, as well as the direct damages caused by them in the exercise of duties with direct implications in subsidiaries where the Company holds a majority stake, with an insured value of EUR 2,000,000 per person/event, respectively EUR 2,000,000 for the entire insurance period. The Company will bear and pay the cost of the insurance premiums;
- A package of medical services under the same conditions as for Directors;
- Paid maternity leave for a maximum period of 6 months during the mandate contract;

A maximum of 30 working days of vacation per year.



## V. Policy Review

This Policy is designed to provide a set of flexible guidelines to enable the efficient operation of the Company. The Committee initiates the review of the Policy in the event that the Company's needs and circumstances evolve or when changes in the applicable legislative framework, BVB standards, recommendations, or best practices require its update.

Any significant amendment to the Policy shall be subject to approval by the Ordinary General Meeting of Shareholders, in accordance with applicable legislation. An updated version of the Policy will be published on the Company's website.

## VI. Transparency and Reporting

The Company is committed to ensuring transparency regarding the remuneration of its management, in accordance with legal provisions and the standards of the Bucharest Stock Exchange. An annual report on the implementation of the Remuneration Policy will be published together with the annual report and will include information on the structure, amount, and criteria for granting remuneration, in accordance with the reporting requirements for listed companies.

This is an unofficial English translation of the Nomination Policy. It is provided solely for the convenience of interested parties. In case of any inconsistencies or divergences between this translation and the original document in Romanian, the Romanian version shall prevail. The Romanian version constitutes the sole legally binding instrument.