Remuneration Policy
for Directors and Executive Managers

Societatea Energetică ELECTRICA S.A. ("Electrica", "ELSA" or "Company") is organized under a unitary system (one-tier), in accordance with the principles of good corporate governance, transparency and accountability towards shareholders and other stakeholders, with the scope to support and lead business development and efficient exchange of information relevant for the companies. The company is administered by a Board of Directors (BoD) composed of 7 non-executive members, appointed by the Ordinary General Meeting of Shareholders (OGMS). The executive managers are appointed through the decision of the Board of Directors and their attributions are established in the mandate agreements in accordance to which they conduct their activity within ELSA, as well as based on ELSA's internal organization and functioning regulation and on the applicable legal provisions.

Electrica is a strategic company in the energy sector. The company's vision for medium and long-term development aims to achieve excellence in traditional fields, combined with innovation and flexibility in new perspectives. In this regard, through the adopted strategic plan, the Company aims to ensure the balance between creating long-term value and maximizing profit for its shareholders, while maintaining its determination to become a regional player in the field of energy, within a culture of ethics, integrity and sustainability.

In order to ensure the implementation of the strategic plan, the Company has adopted the Human resources strategy which aims at providing the qualified human resources, necessary to support the initiatives for the future period, under an accentuated dynamic labour market.

At Company's level, priority is given to ensure necessary human resources in key business areas and training of the personnel and capitalization of its potential, expertise and skills, in order to increase productivity, individual and team performance. Electrica aims at modernizing the organization by implementing a culture based on personnel and business partners excellence and safety and on the implementation of a coherent performance management system and personnel evaluation.

In this context, the Remuneration Policy is seen as a necessary tool in attracting and retaining within the Company senior specialists and managers with extensive experience both at national and international level, in a wide range of activities, not limited to the energy sector, both within the structure of the Board of Directors and of the Executive Managers team and within each organizational unit.

The Human Resources Strategy defines strategic initiatives and projects that would increase the Company's capabilities, mainly through staff skills development, also based on the latest technological and management know-how. The effort to upgrade know-how is considerable, the planned programs confirming that human resource is the central resource of the Group.

The remuneration policy describes the main pillars of remuneration, as well as the financial and non-financial terms, conditions and benefits approved by the company's corporate bodies, in accordance with the relevant legal provisions and the BSE Corporate Governance Code.

1. Scope of Policy

The scope of this policy is to establish the remuneration principles and framework for Electrica's Directors and Executive Managers (with mandate agreement) to be followed while conducting their activity, but also to regulate the way their remuneration is granted.

The policy supports the Company business strategy, as well as business sustainability and long-term interests, by establishing principles and application norms of remuneration for the Directors and Executive Managers (The Leaders), that would attract and retain professionals and ensure their proper motivation to meet the strategic objectives, transposed into long-term and short-term performance objectives.

2. Objectives of the Policy

The objectives of this policy are:

i. To establish clear remuneration thresholds and guidelines and to maintain a well-defined dependence between performance and remuneration;
ii. To establish the remuneration structure;
iii. To ensure the correlation matrix between remuneration levels in ELSA.

3. Principles of the Policy

According to best practice, the remuneration structure is defined separately for Directors and Executive Managers.
The principles of the Directors' remuneration structure are the following:

- Ensuring a level of remuneration adapted both to the labour market level, and to the level of dedication, qualification and responsibility required by these positions;
- The level of remuneration should be sufficiently motivating, in a manner that would ensure the commitment of directors towards the interests of the company, while not representing an impediment in ensuring their independence.

The remuneration principles of the remuneration structure of Executive Managers are the following:

- Ensuring correlation of remuneration to the achievement of strategic objectives and delivery value to shareholders, a significant part of the remuneration package being related to achievement of performance objectives (on short and long term);

- Ensuring a competitive, fair, and non-discriminatory level of remuneration (irrespective of gender, race, ethnicity, religion, or sexual orientation), in order to attract and retain valuable management staff.

In determining the level of remuneration, the following factors are considered:

3.1 *External factors*

The remuneration structure and thresholds are set considering best practices and benchmarks both at national and international level:

3.1.1 The remuneration system includes a fixed component and a variable performance-based component, in line with market practices; in addition, it includes also other non-financial benefits;

3.1.2 The reference values were established considering both data regarding the remuneration practiced in international companies of comparable size active within the Romanian energy sector, but also based on data from other industries (e.g. petroleum industry) and other EEA countries;

3.1.3 The design and customization of the remuneration packages, at company level, are realized in order to align and reflect the company's corporate governance philosophy, ownership structure, level of autonomy, role and impact of the Board of Directors and Executive Managers.

3.2 Internal factors

3.2.1 The remuneration policy follows principles similar to those of the employee remuneration and describes the various elements of fixed and variable remuneration, including other financial and non-financial benefits. In establishing these principles, internal equity is maintained, by applying the principle of proportionality regarding the various categories of staff, the level of remuneration being set at the market median for all hierarchical levels;

3.2.2 While carrying out a considerable part of the business in a regulated environment, the remuneration policy induces certain particularities in determining the level of the monthly gross fixed remuneration and of the structure of the remuneration package, as a whole;

3.2.3 The remuneration policy establishes clear, complete, and varied criteria of granting variable remuneration, these being established according to the Company’s strategy and business objectives.

4. The process of elaborating and implementing the Policy

The policy is reviewed periodically, but at least every 4 years, by the BoD with the support of the Nomination and Remuneration Committee (NRC) and submitted to the approval of OGMS.

4.1 The role of the Nomination and Remuneration Committee

According to the legislation and regulations in force, Articles of Association and the Charter of the Nomination and Remuneration Committee, among the main responsibilities of the Committee regarding remuneration, are included:

(i) advising the Board in relation to the remuneration, incentive and severance compensation policies of the Company;
(ii) advising the Board regarding the periodic review of the Remuneration Policy for the Directors and Executive Managers;
(iii) advising the Board in relation to the remuneration of the General Manager and other executive managers, including the main remuneration components, the annual key performance indicators and long-term objectives, as well as the appraisal methodology;
(iv) monitoring compensation trends within industries relevant to the Group;

4.2 General considerations in the implementation process

NRC and BoD ensure that the approval, review, and implementation process of this policy is based on objective criteria, which ensures avoidance of conflicts of interest, in accordance with applicable legislation, mandate agreements and internal regulations. The existence of any agreement, understanding or family relationship between the directors of the company and another person who has contributed to their appointment as directors is not permitted.

The Directors and the Executive Managers act in good faith, for the Company's interest, without promoting their personal interests or those of any third party. When fulfilling the tasks provisioned by this policy, they shall not let be influenced by the personal interests of the spouse or the interests of relatives up to the fourth degree and shall refrain from any conflict of interest.

In the case of Executive Managers, the establishment of remuneration and Key Performance Indicators (KPI) (annual and long-term) represents a process based on objective criteria, determined by the specific of their activity, excluding any other intervention.

In determining the fixed remuneration, the target was the market median while being set that the variable remuneration does not exceed 100% of the fixed component of the total remuneration. This approach is aligned to the Human resources strategy, respectively to the remuneration principles and employment conditions under the individual employment contract, so that, attracting and retaining the required specialists, developing their competencies and the achievement of the performance established by the Company's strategy to be supported, including through the remuneration system adopted at this level.

When establishing the KPI's, as well as during the evaluation process, the specificity of the activity of each Leader is considered, in order to avoid conflict of interests, as well as any aspects that could bring reputational, financial, commercial damage or influence the prestige and profitability of the company, both on short and long term.

Any possible conflict of interest will be declared on time and in writing to the Board of Directors. In case of a breach of this obligation, action will be taken in accordance with the applicable legislation, provisions of the mandate agreements and internal regulations. The observance of the principles regarding the conflict of interests is monitored by periodic statements of the potential conflicts of interests in which the Leaders may be.

4.3 Waivers

No waivers from the provisions of this Policy are permitted in the implementation process.

5. The applicable remuneration policy for Directors

5.1. Directors' mandate agreement

The appointment and revocation of the Board members is done by the OGMS, which establishes both the remuneration level and other rights and obligations stipulated in the mandate agreement, according to the legal provisions. The Board is appointed for a period of 4 years and its members cannot hold an executive position in the Company. In the event of vacancy of director position(s), the term for which the new director is elected by the OGMS to fill the vacancy shall be equal to the period remaining until the expiry of the term of office of his predecessor.

5.2. Directors' remuneration

The remuneration of the BoD members has as main pillars a monthly fixed remuneration and an attendance fee for participation in meetings (of the Board of Directors and its Committees), as follows:

i. The monthly fixed remuneration is differentiated between the Chairman and the BoD members, respectively EUR 4985 gross for the Chairman and EUR 3630 gross for the members of the Board;
ii. Attendance fee for participation at the BoD's and consultative committees' meetings, differentiated for the members of the BoD / Committees and for the Chairmen of the Committees, respectively EUR 1200 gross for the members of the Board/ Committees and EUR 1445 gross for the Chairmen of the Committees. The annual number of meetings to be remunerated is limited to 12 for BoD and to 6 meetings of each committee.
Additional committee meetings can be organized only in exceptional situations, upon the Chairs' decision, who are responsible to efficiently organize the agenda and activity. However, only one such additional meeting shall be remunerated, for each committee. The meeting attendance fee has the specific role to recognize the additional effort required for the contribution made and the support provided during the meetings;
iii. Directors do not receive a variable remuneration.

5.3. Other financial and non-financial benefits granted to Directors:

i. Reimbursement of the reasonable expenses related to the execution of the mandate;
ii. "Directors & officers liability" (D&O) insurance policy, with an insured value of EUR 10 million / person/ event, according to the market terms, up to a limit of EUR 40 million / company. The policy will also cover a period of maximum 5 (five) years from the date of termination of the Mandate Agreement, for events that occurred as a result of the activity carried out by the Directors, during their term of office. The company will borne and pay the cost of the premiums of this insurance;
iii. Same package of medical services and / or medical insurance contracted by the Company for the employees;

iv. Other legal expenses incurred by the Director in defending against a third-party claim made against the Director in relation to the performance of the duties according to the mandate agreement, the Articles of Association, the BoD Charter or the Legal Framework, shall be borne by the Company, to the extent these are not already covered by the "Directors & Officers liability" (D&O) insurance policy in force at the time;
v. A compensation in case of unjustified revocation, detailed at point 5.4;
vi. Any other equipment / resources, in connection with and necessary for the proper execution of the attributions and obligations provided by the Mandate Agreement (equipment / resources of long-distance communication, travel expenses etc.).

5.4 Conditions for termination of the mandate

In accordance with Chapter 5, Art. 18 par. 10 of the Articles of Association of the Company, a Director's mandate will cease:

i. by revocation of the general meeting of shareholders;
ii. by the death of the director;
iii. by resignation, based on a written notification, sent to the Chairman of the BoD, at the Company's registered office;
iv. if the person is no longer a director, as a result of any provision of the Articles of Association or if there are any legal impediments prohibiting the director from holding this position (any circumstance that creates an unavailability for a period of more than 90 consecutive calendar days, depriving the director of the possibility to perform his duties, personally or by representation, including, but not limited to, pre-trial detention, imprisonment as a result of a court decision, annulment of the resolution of the general meeting of shareholders for appointing the director);
v. in case the director is a legal entity, if it goes bankrupt or carries out extra-judicial proceedings or concludes a restructuring, rescheduling agreement or to obtain an exemption from the execution of obligations with its creditors (including by carrying out a preventive settlement procedure or ad-hoc mandate);
vi. if he/she is absent and does not empower another director at the meeting, for more than 3 (three) Board's meetings during a financial year, or if he/she is absent (regardless of whether he/she mandates another director at the meeting) for more than 6 (six) meetings of the Board during a financial year.

Also, according to the Mandate Agreement approved by the GMS, in case that the mandate agreement ceases because the director is renouncing at the mandate, he/she must send prior notification to the Company, by one month before the date from which the termination operates.

In case of revocation without just cause, the Director will receive a compensation equal to the fixed monthly remuneration for 12 months, if the revocation occurs at any time before the beginning of the last year of the Mandate Agreement. If the revocation occurs in the last year of the Mandate Agreement, the compensation will be paid according to the number of months remaining until the expiration of the mandate, with a minimum equal to the fixed monthly remuneration for 6 months. Payment of this compensation is made within 30 (thirty) working days from the date of termination of the Mandate Agreement. This compensation is the only compensation that the Director is entitled of, in case of revocation without just cause.

6. The applicable remuneration policy for the Executive Managers

6.1 The Mandate Agreement

In accordance with the legal provisions, the company concludes mandate agreements with the Executive Managers appointed by the Board of Directors. The mandate agreements are concluded for a period up to 4 years.

The Company appoints the Chief Executive Officer (CEO) from the Executive Managers, to whom it delegates the responsibility of coordinating the operational activities carried out by all members of the Management Team.

The mandate agreement stipulates the type and amount of remunerations and benefits granted to the Executive Managers and the rescission / termination conditions, in accordance with the attributions delegated through it and established within the limits further provided by the sections of this Policy.

6.2 The remuneration of the executive managers with mandate agreement

The components of the executive mangers' remuneration are as follows:

i. a monthly fixed remuneration - which aims to attract and retain specialists with experience and necessary skills for a good management of the company's activity, ensuring the implementation of the vision and the strategy, contributing to Company's sustainability and financial and non-financial performance.
ii. a variable remuneration, with two components:
    a. the annual variable remuneration, which aims to encourage and reward performance, in relation to annual financial and non-financial objectives. It is granted for the collective and individual contribution of the executive managers to the achievement of the company's objectives, based on KPIs. The KPIs are established in accordance with the Group's strategy and aligned to the interests of shareholders and are annually approved by the Board of Directors, at the recommendation of the Nomination and Remuneration Committee.

The KPIs considered in determining the annual variable remuneration are divided into three categories, as follows:

- financial KPIs (representing 30-40% of the total variable remuneration);
- specific KPIs, considering the attributions of each executive manager, correlated with the strategic objectives of the respective area of activity (representing 50-60% of the total variable remuneration);
- individual KPIs (representing 10% of the total variable remuneration), for the performance and behaviour of the executive manager, based on general management skills and personal capabilities.

The weights allocated to these groups of KPIs may differ, depending on the role and responsibilities of each executive manager. Together, the weights allocated to each group of KPIs represent 100%.

The amount of the annual variable remuneration is calculated following the Board's evaluation of the KPIs' achievement degree, in accordance with the established evaluation methodology and granted pro-rata, in accordance with the period actually worked in the respective year. Thus, the result of the annual evaluation will be calculated as a weighted average between the degree of achievement of the financial performance indicators, of the specific performance indicators and of the individual performance indicators and will consider the following principles:

- if a specific indicator was not applicable during a year, its weight will be redistributed pro-rata to the other specific indicators;
- the performance beyond expectations for one or more indicators within a group is not additionally remunerated, but it compensates at most half of the cumulated non-achievement of the KPIs within the same group that were at a "below expectations" level, only provided that, in case those KPIs have a minimum accepted level, this is achieved.

For the KPIs where the extrapolation[1] rule applies, the extrapolation will be applied proportionally also in case of exceeding the maximum degree of achievement - while maintain the compensation rule stipulated above. The compensation mechanism is defined in the methodology for evaluating the KPIs' achievement degree as it was previously mentioned.

b. the long-term variable remuneration - a package of virtual stock options (OAVT) - granted to executive managers (except for interim or short-term nominees) at the beginning of their mandate, which value will be cashed only at the end of the mandate. This component aims to stimulate long-term sustainable performance and alignment with shareholders' interests.

The OAVT package consists of a number of virtual shares of the Company which, given their weighted average trading price on BSE (Bucharest Stock Exchange) in the last 3 months prior to granting, has a total value equal to a percentage of the fixed annual remuneration, within the limits approved by the GMS, according to chapter 6.3.

The final value of the OAVT package at the time of cashing will be adjusted by (1) the average price of the Company's shares on BSE in the last month of cashing-in the package and (2) the degree of achievement of the Long-Term performance objectives (mandate's performance objectives). The executive manager is entitled to cash the value of the OAVT package upon the expiration of the Duration of the Mandate Agreement or in the last 6 months remaining until its expiration, in case the mandate agreement terminates during this period, excepting for the resignation or revocation of mandate agreement with just cause.

While establishing the variable remunerations, clear criteria are considered, elaborated based on best practices, through which a business objective is defined as: specific; measurable; accessible; realistic and reasonable in terms of time frame. Achieving performance goals is pursued through specific data measurement and visualization tools.

[1] Extrapolation represents the degree of achievement of a short-term KPI for which a minimum level and a maximum one to be achieved were established, the achievement of that KPI within a percentage of this interval being established by respecting the principle of the direct proportionality, where the minimum level is 0% and the maximum one is 100%.

KPIs are elaborated considering the Company's strategic, tactical and operational context and are structured on four types, as follows:

- financial KPIs: market share; turnover; cost optimization; increasing profitability;
- KPIs on customer relations: quality of the offered services; marketing and promotion;
- KPIs regarding internal processes: digitization and security; operational risk mitigation; business continuity;
- KPIs regarding people & learning: education and training; benefits and rewards; development of organizational culture; health and safety.

Considering the above presented elements, it can be concluded that variable remuneration is directly correlated with the KPIs, which are set as follows:

- KPIs encourage both achievements of sustainable financial results in the regulated context in which Electrica Group operates (e.g. EBITDA, investment plan) and of non-financial performance recognized by stakeholders (e.g. zero tolerance for accidents at work, increasing work safety etc.).
- Specific short-term (annual) KPIs are linked to projects and initiatives with an annual implementation period, which ensure the achievement of medium and long-term strategic objectives (e.g.: implementation of transformation / modernization projects of the Group's entities, modernization of the distribution network, digitization and modernization projects of IT&C infrastructure), being allocated to each executive manager depending on his own contribution, based on the areas of responsibility established by the mandate agreement;
- long-term KPIs aim to achieve medium and long-term strategic objectives, as set out in the Company's strategy, including, for example, business development in the green energy area;

The quantum of the total variable remuneration is calculated so as to be in direct connection with the level of achieved performance, established by the assumed KPIs, as well as with the Company's financial performance and global results of the Group, existing also the possibility of non-payment of the variable component in case of unsatisfactory performance. Thus, if the minimum accepted level of the KPIs is not reached, the executive manager will not be entitled to the payment of the variable remuneration related to that KPI. The value of the variable remuneration (both annual and on long-term) will be limited to maximum of 100% of the total achievement degree of the related KPI's.

iii. other benefits such as: working days as holidays; maternity leave; car of the company or in the company's use; specific equipment (mobile phone, laptop); reimbursement of reasonable expenses related to the fulfilment of the mandate; the "directors & officers liability" insurance policy borne by the Company; package of medical services at the level of the one contracted for the Company's employees; mobility package (only in case of relocation, in accordance with the granting principles presented below); compensation in case of unjustified revocation. Other benefits are detailed in section 6.4 below.

The general limits of the remunerations of the executive managers are approved by Resolution of Electrica's General Meeting of Shareholders.

6.3 General remuneration limits for executive managers

A. CEO

The CEO's remuneration will consist of: (a) a monthly fixed remuneration, (b) an annual variable remuneration or a variable remuneration/compensation element, based on the achievement of the KPIs and (c) a package of virtual stock options (hereinafter "OAVT"), as follows:

a. The monthly fixed remuneration of the CEO shall be between EUR 9,000 and EUR 13,050 gross. The final amount shall be decided by the BoD within the limits approved by the GMS;
b. The annual variable remuneration of the CEO shall be between 30% and 50% of the fixed annual remuneration. The final percentage shall be decided by the BoD within the limits approved by the GMS. The value of the annual variable remuneration shall be determined depending on the degree of achievement of the KPIs, established for the respective year;
c. The OAVT package, granted at the beginning of the mandate, will have a value between 150% and 200% of the annual fixed remuneration (calculated as monthly gross fixed remuneration at the time of signing the mandate agreement x 12), in compliance with the provisions of art. 6.2. (ii) letter b of this Policy.

B. Executive Managers, other than the CEO

The remuneration of the executive managers will consist of: (a) a monthly fixed remuneration, (b) an annual variable remuneration based on the achievement of the KPIs and (c) a package of virtual stock options (hereinafter "OAVT"), as follows:

a. the monthly fixed remuneration of an executive manager shall be between EUR 6,980 EUR and EUR 11,700 gross. The final amount shall be decided by the Board of Directors within the limits approved by the GMS;
b. the annual variable remuneration of an executive manager shall be between 15% and 40% of the annual fixed remuneration. The final percentage shall be decided by the Board of Directors within the limits approved by the GMS. The value of the annual variable remuneration shall be determined depending on the degree of achievement of the KPIs, established for the respective year;
c. the OAVT package, granted at the beginning of the mandate, will have a value between 60% and 160% of the annual fixed remuneration (calculated as monthly gross fixed remuneration at the time of signing the mandate agreement x 12), in compliance with the provisions of art. 6.2. (ii) letter b of this Policy;

C. The relative proportion of monthly fixed remuneration, of the annual variable remuneration on short-term (ST) and of the long-term variable remuneration (OAVT package), for CEO and Executive Managers (other than CEO)

While a considerable part of the business is carried out in a regulated environment, a competitive remuneration level is established through the remuneration policy, in order to attract and retain top specialists who hold the necessary skills and competencies to achieve the objectives assumed by the mandate agreement.

The table below presents the remuneration's relative weights, determined by way of example, under the following hypothesis:

- for the annual gross variable remuneration – the degree of achievement of the annual KPI's is considered to be 100%;
- for establishing the value of the OAVT package – the degree of achievement of the long-term KPI's is considered to be 100%, and the share price is considered constant from the signing of the mandate agreement until the payment of the long-term bonus. Any positive or negative change of the share price leads to an increase or a decrease of the OAVT package value.

The remunerations' relative weights	**CEO**		**Executive Managers (other than CEO)**	
	Related to the lower general limits	Related to the upper general limits	Related to the lower general limits	Related to the upper general limits
Relative weight Gross annual fixed remuneration	60%	50%	77%	56%
Relative weight Gross annual variable remuneration	18%	25%	11.5%	22%
Relative weight OAVT package	22%	25%	11.5%	22%

Any deviation from the above-mentioned hypothesis automatically changes the value of the relative weights.

6.4 The limits of the benefits granted to the Executive Managers

i. The Executive Managers will benefit from a D&O professional insurance policy, having an insured value amounting to EUR 10 million / person / event, according to market terms, within the limit of EUR 40 million / Company. The policy will cover a period of maximum 5 (five) years from the date of termination of the Mandate Agreement, for events that occurred as a result of the activity carried out by the executive managers, during their term of office. The company will borne and pay the cost of premiums of this insurance;
ii. The Company provides the specific equipment, as well as other types of necessary support, in order for the executive manger to fulfil the responsibilities, in an adequate and safety manner, including a company car or a car in company's use, mobile phone, laptop, equipment that will be returned by the executive managers at termination of the mandate agreement;
iii. Reimbursement of the reasonable expenses related to the execution of the mandate, based on the supporting documents;
iv. Same medical services and/or medical insurance package contracted by the Company for the employees;
v. Mobility package up to the value of EUR 1,000 gross / month, amount that will be within the limits of monthly fixed remuneration and which is granted for a maximum period of 12 months from the signing date of the addendum to the mandate agreement, only if the executive manager resides at a distance of more than 100 km from the Company's headquarters and does not have or did not have resided in the city of the workplace in the last 12 months from

the signing date of the addendum to the mandate agreement. For successive mandates, relocation to the same city will be paid only once;

vi. Maternity leave paid for a maximum period of 6 months during the mandate agreement;
vii. Maximum 30 working days of holidays per year;

6.5 Conditions for termination of the mandate agreement

Mandate agreements may be terminated, including by rescission, under the following situations and conditions:

a. Upon revocation of the mandate, without just cause, by the Company through its competent bodies, at the date stipulated in the decision approved by the Company and communicated in due time to the executive manager;
b. Upon the revocation of the mandate with just cause, by the Company, with immediate effect from the date when the Company will communicate the termination to the executive manager;
c. By resignation of the executive manager, with a 3-months prior written notice, which the Company may waive and accept the early termination of the mandate;
d. In case of proven occurrence of an event representing a final impossibility of performing the mandate;
e. Upon elapse of the duration of the mandate;
f. In case of rescission of the agreement by the executive manager, if the Company does not fulfil, in full and in due time, any and all its obligations to the executive manager under the agreement, the Statute, other internal regulations / decisions or according to the applicable law, if the Company does not remedy this non-compliance within 15 days from the date on which the Board of Directors is notified in writing by the executive manager regarding the breach. However, termination shall not apply in cases where the executive manager has been directly responsible for the performance of these unfulfilled obligations;
g. In case of Modification of Control, in case of annulment by a final court decision of a Board of Directors decision appointing the executive manager, or in case of voluntarily dissolution of the Company or for reasons beyond the executive manager's responsibility;
h. In case of death;
i. By agreement of the Parties.

6.6 Compensations limits granted upon rescission / termination of the mandate agreement

In accordance with the situations provided in let. b, c, d above, the executive manager will not be entitled to any compensation from the Company, but only to the amounts due by the Company for the period prior to the termination of the mandate and, if the case, to the non-compete compensation, amounting to a maximum of 12 Monthly Gross Fixed Remuneration (if the Company exercises its Non-Compete Option).

In any of the situations provided in let. a, f, g and i above, the executive manager is entitled to the payment of the amounts due by the Company for the period prior to the termination of the mandate and to the payment of a compensation of maximum 24 Monthly Gross Fixed Remunerations for the CEO, respectively of maximum 12 Monthly Gross Fixed Remunerations in the case of the other Executive Managers, to which the non-compete compensation (if the company exercises this option) can be added.

Upon the mandate revocation without just cause, if the remaining period until the expiration of the mandate is less than 6 (six) months, the executive manager will be paid a termination compensation representing the Monthly Gross Fixed Remuneration multiplied by the number of months remaining until expiration, plus the non-compete compensation (if the Company exercises its non-compete option) and the executive manager will be entitled to receive the full value of the OAVT package.

Considering the situation provided in let. e, the executive manager will be paid the amounts due by the Company for the period prior to the termination of the mandate, respectively the Monthly Gross Fixed Remuneration, the Annual Gross Variable Remuneration and the equivalent value of the OAVT package to which is added (as appropriate) the non-compete compensation, up to a maximum of 12 Monthly Gross Fixed Remuneration.

Currently, the Remuneration Policy / Mandate Agreements concluded with the Executive Managers do not provide clauses regarding:
a. benefits related to supplementary pension or early retirement schemes;
b. periods of postponement or recovery of variable remuneration.

7. Final provisions

Following the vote of the remuneration policy in the general meeting of shareholders, the remuneration policy, along with the date and results of the vote, shall be published without delay on the issuer's website and shall remain available to the public, free of charge, for at least as long as applicable.

The remuneration policy will be subject to approval within the OGMS on the occasion of each significant change and, in any case, at least once every 4 years, in accordance with the provisions of art. 92 ^ 1 lit. (7) of Law 24/2017 on the issuers of financial instruments and market operations.

In the case of the policy review, a description and explanation of all significant changes and the way it considers the votes and views of shareholders on the remuneration policy are included.

If the Ordinary General Meeting of Shareholders does not approve the proposed form of the new policy, the Company pays the remuneration of the Leaders in accordance with the existing approved policy and presents a revised policy for approval, within the next OGMS.