

Remuneration Report 2021 according to article 11 of L. 4548/2018

LAMDA DEVELOPMENT S.A.

According to article 112 of L. 4548/2018, companies whose shares are listed in a regulated market are required to draft a clear and understandable remuneration report, which includes a complete overview of the total remuneration regulated by the remuneration policy of article 110 of L. 4548/2018 regarding the last fiscal year.

This remuneration report outlines the implementation of the Lamda Development Group Remuneration Policy during the fiscal year 2021. The report shall be submitted for an advisory vote to the Ordinary General Meeting of the Shareholders (“AGM”) of June 22nd, 2022.

Overview of LAMDA DEVELOPMENT S.A. performance during 2021

2021 was a milestone year for LAMDA Development, since, starting from the acquisition of Hellinikon S.A., in mid 2021, the Company presented the landmark projects for The Ellinikon and delivered to the public a first part of the Park. The Shopping Centers are on a recovery trajectory towards pre-pandemic levels, following the gradual lift of measures designed to prevent the spread of the pandemic. Shopping Centers EBITDA was increased by 23% versus 2020. It is worth noting that, amidst the pandemic crisis, the Company negotiated new or proceeded to the renewal of commercial agreements for all its Shopping Centers, under similar financial terms that were in force before the pandemic crisis, thus preserving their value.

The acquisition of Hellinikon S.A. lead total Group EBITDA to 335m, versus a loss of 20m in 2020 and Net Profits at 191m, versus a net loss of €52m last year. Hellinikon S.A. acquisition had a positive impact on Group’s NAV as well, which increased by 24%, now standing at €1,4bn.

Remuneration Report details

This remuneration report includes:

- A. Total remuneration granted or paid to the Members of the Board of Directors, with a breakdown into the individual components, the relevant fixed and variable remuneration percentages, including the remuneration of paragraph 2 of article 109, and an explanation of the way of implementing the performance criteria and of way by which total remuneration complies with the approved Remuneration Policy.**

The annual gross fixed and variable remuneration, compensation and other benefits which were paid during the fiscal year 2021 (and 2020) to the CEO and the Members of the Board of Directors, are set out in detail in Tables 1 to 4 below.

It is clarified that Tables 1 to 4 show the gross remuneration, while net remuneration is determined taking into consideration the deductions and contributions burdening each beneficiary.

B. Annual change in the remuneration of the Members of the Board of Directors, the Company's performance and the average remuneration of the company's full-time employees, excluding executives, over the last five (5) financial years.

Table 3 sets out the annual change in the remuneration of the Members of the Board of Directors, indicators and figures concerning the performance and financial position of the Company, as well as the average of the gross annual remuneration, including benefits and variable remuneration, of the Company's average of employees, excluding the CEO, regarding the Company's 2021, 2020, 2019, 2018, and 2017 fiscal years.

It is clarified that Table 3 shows gross remuneration

2021 increase is due to the the introduction of the new BoD remuneration policy approved by the General Meeting of June 23rd 2021, according to which Lamda BoD remuneration was aligned to the market standards, as well as the maturity of the long-term incentive plan. The employees' average remuneration, has been calculated as the total gross remuneration, including benefits and bonus, of full-time employees divided by the average of full-time employees each year.

Finally, it is noted that the financial data are based on the audited and published Annual Financial Statements of the group in respect to the 2017-2021 fiscal years that are posted on the Company's website www.lamdadev.com

C. Any remuneration of any kind from any company belonging to the same group, as stated in article 32 of L. 4308/2014.

No remuneration by any Group Subsidiary has been granted or paid to members of the Company's Board of Directors, for the fiscal year 2021

D. Number of shares and options in respect of shares granted or offered to Members of the Board of Directors and the main conditions for exercising those rights, including the price and date of exercise, as well as any change.

The Extraordinary General Meeting of the Shareholders ("EGM") of December 22nd, 2020, approved the introduction of a stock incentive plan. Under this plan, stock options have been conditionally awarded to a selection of key employees, including the Company's CEO. No stock options have been awarded to other Members of the Board of Directors.

Table 2 presents the number of stock options awarded to the CEO during 2020 under the Company's Stock Options Incentive Plan, including the exercise price, possible vesting dates and the maximum number of options that might vest.

Before 2020, no shares or stock options have been granted to the CEO or to the Members of the Board of Directors.

E. Any options exercised on the part of the Board of Directors in the context of the Company's Stock Option Plans.

The stock options have been awarded on December 23rd, 2020 under the Company's Stock Options Plan, and the first (partial) vesting might occur on December 22nd, 2022. Before 2020, no shares or stock options have been granted to the CEO or to the Members of the Board of Directors.

As a result, no stock options have been exercised yet.

F. Information on making use of the possibility to recover variable remuneration.

No such case exists.

G. Information on any derogations from implementing the remuneration policy, pursuant to paragraph 7 of article 110 of L. 4548/2018.

The Company complies with the Remuneration Policy fully, except from the total remuneration granted to the Board of Directors (BoD) for their participation to the BoD meetings. The amount exceeds by €9.714 the respective remuneration for fiscal year 2021 approved by the Annual General Meeting of shareholders, held on June 23th, 2021, mainly due to the calculation of the company car provided to the Chairman of the Board. The excess amount was due to the replacement of 2 members and the addition of 1 during the year.

H. Information on the way the result of the voting on the Remuneration Report of the financial year 2020 was taken into consideration by the BoD.

During the General Meeting of the Company's Shareholders dated 23/06/2021, the Remuneration Report of the financial year 2020 was submitted for discussion and voting according to par. 3 of art. 112 of L.4548/2018. The Board of Directors informs in accordance with the above provision that the advisory vote of the shareholders on the Remuneration Report was positive by a percentage of 95.23%.

Remuneration of Executive Directors

The remuneration package of the CEO was set by the Board of Directors following relevant recommendations of the Remuneration & Nomination Committee and consists of a fixed salary and variable remuneration.

The table below presents each of the remuneration elements granted or paid out to the CEO in respect of Fiscal year 2021 (and 2020).

Table 1 - Total CEO remuneration 2021 (and 2020)

Name	Title	Year	Annual fixed remuneration	Annual variable remuneration	Long-term incentive *	Other compensation **	Other benefits ***	Total	% fixed ****	% variable ****
Odiseas Athanasiou	CEO	2021	€ 650.000	€ 650.000	€ 1.654.897	-	€104.201	€ 3.059.098	24,7%	75,3%
		2020	€ 650.000	€ 650.000	€ 45.969	€ 10.000	€ 60.563	€ 1.416.532	50,9%	49,1%

* Long-term incentive amounts represent the part of the value (accounting cost) allocated to fiscal years 2020 and 2021 in relation to the 2020 stock incentive award

** "Other compensation" refers to remuneration as Member of the Board of Directors

*** "Other benefits" refers, inter alia, to car allowance and to a pension and medical scheme

**** Fixed elements include "annual fixed remuneration", "other compensation" and "other benefits", whereas variable elements include "annual variable remuneration" and "long-term incentive"

Annual variable remuneration

The annual variable remuneration (bonus) depends primarily on The Ellinikon Project milestones and also the company's financial performance which is driven by the Shopping Centers. The Ellinikon Project milestones were achieved and relate mainly to the preparation of architectural and construction studies, the progress of commercial agreements, the significant increase of reservations in the form of customer deposits received for residences-apartments the preparation for obtaining the required construction permits as well as the attainment of financing agreements.

Shopping Centers performance significantly improved vs. 2020, acknowledging however that 2020 financial results could not be a standard benchmark for comparison due to the severe impact of the pandemic.

Long-term incentive

During the Extraordinary General Meeting of the Shareholders ("EGM") of December 22nd, 2020, the Company's Stock Incentive Plan, was adopted. Under this plan, stock options have been conditionally awarded to a selection of key employees, including the Company's CEO.

This long-term incentive plan has been introduced to drive the Company forward with speed and focus, and to realize the ambitious goals for the Company's performance over the next two to six years. Naturally, these are closely linked to successfully developing and commercializing the Ellinikon Project.

The plan consists of an Initial Award of stock options that will vest in equal parts after two and after three years from the award date. Next to that, an Additional Award – equal to (at maximum) 50% of the initially awarded number of stock options – will become available if the weighted average share price amounts to or exceeds a pre-determined share price after three or four years from the award date.

The vested stock options could be exercised until December 22nd, 2026, after which unvested stock options will lapse. The exercise price of the stock options is €6.70, which equals the share price of the 2019 rights issue.

Table 2 – Overview of shares and options awarded to the CEO

Name	Title	Instrument	Award date	Number of stock options	Exercise price	Share price at grant date	Vesting date	Expiry date
Odiseas Athanasiou	CEO	Stock options – Initial Award	23/12/2020	637.500	€ 6,70	€ 7,11	22/12/2022	23/12/2026
			23/12/2020	637.500	€ 6,70	€ 7,11	22/12/2023	23/12/2026
		Stock options – Additional Award*	23/12/2020	*	€ 6,70	€ 7,11	22/12/2023 – 22/12/2025	23/12/2026

* Timing and amount of vesting of the Additional Award is based on achievement of pre-defined weighted average share price after three or four years from the award date

Five-year overview

The table below presents the development of the actual total remuneration package of the CEO and of the other Members of the Board of Directors over a five-year period, compared to the financial performance (in terms of EBITDA) and to the development of the total remuneration package of the average employee population.

Table 3 – Five-year overview

	2017	2018	2019	2020	2021
Remuneration / Annual change					
Odiseas Athanasiou CEO (appointed in May 2009)	€ 846.559	€ 863.362 + 2%	€ 1.067.814 + 24%	€ 1.416.532 +33%	€ 3.059.098** +116%
BoD Members' remuneration	€ 241.700	€ 289.500 + 20%	€ 310.000 + 7%	€ 329.183 +6%	€ 592.714 +78%
Total Remuneration	€ 1.088.259	€ 1.152.862 + 6%	€ 1.377.814 + 20%	€ 1.745.715 +27%	€ 3.651.812 +109%
Company performance***					
Key Performance Indicators (KPIs) defining variable remuneration (in mln €)					
Net Asset Value (NAV)	€ 395,1	€ 438,9 11%	€ 1.155 163%	€1.102* -5%	€1.362 24%
EBITDA before valuations	€ 41,4	€ 46,8 + 13%	€ 50,5 + 8%	€ 24 -52%	€ 39,9 +66%
Average remuneration on a full-time equivalent basis of employees					
Average employee remuneration	€ 72.893	€ 72.052 - 1,2%	€ 91.606 + 27%	€ 83.356 -9,0%	€ 93.373 +12%
Average number of employees	77	82	72	139	214

*Τα μεγέθη για το έτος 2020 έχουν αναθεωρηθεί από την αλλαγή που επέφερε η μεταβολή της λογιστικής πολιτικής του ΔΛΠ 19

***Η αύξηση των αμοιβών του Διευθύνοντος Συμβούλου οφείλεται στην ωρίμανση του Μακροπρόθεσμου σχήματος κινήτρων.*

**** Οι Κύριοι Δείκτες Επιδόσεων βάσει των οποίων ορίζονται οι μεταβλητές αμοιβές βασίζονται στην απόδοση του Ομίλου.*

The average annual increase in the CEO's base salary over the five-year period was 10.3%

Average employee remuneration

The main driver for the variation in average pay levels during the five-year period is on one hand the variation in the annual variable remuneration element (bonus) and on the other the remarkable increase in headcount over the years 2019 through to 2021 due to the needs of the Ellinikon Project.

More specifically, during 2019, relatively higher bonuses were paid to the Company's personnel. At the same time, in order to cover the needs of the Ellinikon Project, the Company hired Directors at Top Management level and highly specialized, and consequently highly remunerated people. In 2020, the Company's headcount doubled, for the needs of the implementation for The Ellinikon Project. However, people hired in 2020 were lower in the hierarchy and consequently with pay levels lower than the respective ones of 2019. In 2021 the average employee remuneration increased as a result of salary increases given to personnel and of the annual stock options valuation.

During the five (5) year period there was no salary decrease to any of the Company's employees.

Outlook 2022

Despite the economic implications of the current geopolitical crisis, the Company is optimistic about the course of our Shopping Centers and is steadily moving forward with the implementation for The Ellinikon Project.

I. Remuneration of Non-Executive Directors

The gross amounts that were paid to Non-Executive Directors in 2021 (and 2020) are as follows:

Table 4- **Total remuneration of Non-Executive Directors in 2021 (and 2020)**

Names	2020	2021	Start Date	End Date
Giannitsis Anastasios	190.008	227.627	26.03.2015	
Chronis Evangelos	10.000	25.000	17.12.1999	
Antonatos Fotis		25.000	16.06.2004	

Dimitrios Afentoulis	5.834		22.03.2018	
Vassilakis Eftichios	20.000	25.000	30.05.2017	
Gerardos George	20.000	2.083	24.05.2007	28.01.2021
Ioannis Karagiannis	5.000		22.03.2018	24.06.2020
Kyriazis (Harry) Chariton	40.008	83.004	14.06.2018	
Kyriacopoulos Ulysses	10.000	25.000	17.03.2010	
Paizi Evgenia	10.000	35.000	26.03.2015	
Zafeiriou Ioannis	10.000	45.000	24.06.2020	
Katsos Vasileios	5.000	25.000	24.06.2020	
Serbetis Aris	3.333	25.000	07.09.2020	
Nomikos Calypso Maria		25.000	22.10.2020	
Papadopoulou Ioanna		25.000	22.10.2020	
Total	329.183	592.574		

According to the Remuneration Policy approved by the General Meeting of Shareholders of June 23, 2021, a company car is provided to the Chairman of the Board. Also according to the same Policy some members of the Board receive remuneration for their participation in company committees.

Non-Executive Directors do not receive variable compensation linked to Company results or other performance criteria. More specifically, non-Executive Directors are not entitled to annual bonuses, share awards or stock options, or to any supplemental pension scheme.