

Remuneration Policy

LAMDA DEVELOPMENT S.A.

1. Introduction

This Remuneration Policy (hereinafter referred to as “Policy”) sets out the framework for the operation of the company under the corporate name “LAMDA Development Holding and Real Estate Development Société Anonyme” (hereinafter the “Company”) regarding the remuneration of the Members of its Board of Directors (hereinafter the “BoD”).

This Policy has been approved by the Shareholders’ General Assembly (hereinafter “G.A.”) of 21st June 2023 and shall be effective for four (4) years from that date, unless earlier revised and/ or amended by another General Meeting’s resolution. The Company shall submit again the Policy for approval to the General Assembly each time there is a material change of the conditions under which it was prepared, and in any case, every four (4) years from its last approval. The Policy has been prepared in accordance with the EU Shareholder Rights Directive as incorporated into Greek legislation by virtue of L.4548/2018. In addition, the Policy takes into consideration the provisions of the Company’s articles of association, the Company’s corporate governance code and the Company’s Internal Regulation Code.

2. Scope of Application

This Policy applies to the Company’s Board of Directors. It is noted that there is no General Manager or alternate thereof within the meaning of article 110, paragraph 1 of Law 4548/2018. No provisions of the articles of association require that the aforementioned article and articles 111 and 112 apply also to managing officers, as these are defined in the International Accounting Standard 24, par. 9.

3. Object

The aim of this Policy is to align the interests of the BoD with those of the Company’s shareholders through a structured and harmonized remuneration policy. The Policy aims to enhance long-term value creation, aligned with business strategy, in order to:

- attract and retain top talent from Greece and abroad;
- prevent or minimize conflicts of interest;
- properly and effectively diagnose and manage risks related to the pursuit of the Company’s business activities in general;
- ensure fair pay.

The Company uses a job grading system based on a globally recognized leading methodology. Based on these grades, the Company conducts pay benchmarking using three peer groups, depending on the role:

1. Large and/ or reputable companies in Greece;
2. Large, listed companies in Europe;
3. Middle East construction and real estate companies.

During the effective term of this Policy, the Company is in a transformation phase, with increasing headcount and complexity. To support the change, this new remuneration policy that includes incentive plans will support the Company's strategy.

4. Remuneration Policy applicable to Non-Executive Directors

Non-Executive Directors (NEDs) are appointed for a fixed period of three (3) years (with a possible extension to the following G.A., with a maximum term of four (4) years) and may be reappointed.

The purpose of the Policy is to enable the Company to attract NEDs who (together) adequately combine the following characteristics:

- International experience and backgrounds;
- Skills and experience relevant to the Company's needs;
- Independency from major shareholders;
- Balanced age profile;

In proposing the NED fee levels, the BoD takes into consideration the European market benchmark.

All Non Executive Directors receive a fixed remuneration for their participation in the BoD meetings and the meetings of its Committees. This remuneration is not linked to the Company's performance. It is associated with the time spent for the Company as well as the scope of their duties and responsibilities.

NED fees are reviewed on a regular basis, and at least every four years.

Fee levels (in €)

BoD position	Fixed fees
<i>Chair**</i>	<i>220,000</i>
<i>Independent NED</i>	<i>40,000</i>
<i>NED</i>	<i>40,000</i>

***The Chair of the Board is also provided with a company car*

5. Fees for committee participation (in €)

Committee position	Fixed fees
<i>Audit Chairman</i>	<i>65,000</i>
<i>Audit Member</i>	<i>10,000</i>
<i>Compensation & Nomination Committee Chairman</i>	<i>20,000</i>
<i>Compensation & Nomination Committee Member</i>	<i>5,000</i>

NEDs are allowed to reimburse documented travel expenses and other company-related expenses incurred.

6. Materiality of remuneration for independent non-executive members of the Board of Directors

Pursuant to the provisions of paragraph 2, item a, of article 9 of L. 4706/2020 on corporate governance, in order for a non-executive Board member to be appointed as independent, they should both at their appointment and during their term of office not hold directly or indirectly a percentage of voting rights higher than zero point five percent (0.5%) of the Company's share capital and at the same time, be free of any financial, business, family or other type of dependency relationships, among which is the receipt of any material remuneration from the Company or affiliate.

For this purpose, the Company has set a framework based on which it is ensured that remuneration received by independent non-executive members is in line with their independence. Therefore, the criteria taken into account by the Company to assess the materiality of the remuneration received by any independent non-executive member of the Board are summarised below:

- The size, internal structure, organisation and complexity of the Group's activities
- The skills, diversity, knowledge and experience of the member.
- The requirements of the role of the Board member.
- The place of residence of the member of the Board of Directors.
- The financial situation of the member of the Board of Directors and any other fees he receives from companies related to the Group.

- The remuneration levels of independent non-executive members in similar companies of the Greek and European market (monitoring of annual reports)

7. Remuneration Policy applicable to Executive Directors

7.a. Basic principles of the remuneration policy for Executive Directors

The remuneration of the Executive Directors is directly aligned with the strategy and objectives of the Company, with the ultimate goal to create and maintain long-term value for the Company. It also aims to link the total remuneration with individual performance.

The total remuneration package consists of the following components:

- Base salary
- Short-Term Incentive (“STI”) Programme, i.e. the “Bonus Plan”
- A’ Long-Term Incentive (“LTI”) Programme, i.e. the “Stock Options plan A”
- B’ Long-Term Incentive (“LTI”) Programme, i.e. the “Restricted Stock Units Programme”
- Benefits - Home Acquisition Programme.

The base salary is set at the average price of comparable jobs.

The total annual remuneration (Base Salary + Short-term Incentive Plan / Bonus plan) is set at higher levels than comparable jobs (“above market”).

The total annual remuneration in combination with the Long-Term Incentive Programs A’ and B’ (Stock options plan A and Restricted Stock Units Programme) is set at the highest levels in relation to comparable jobs (“top payer”).

The BoD seeks to ensure an appropriate balance between the fixed and variable components of the remuneration and between those aspects of the package linked to short-term financial performance and those aspects linked to longer-term sustainable value creation.

When reviewing the remuneration policy, the BoD uses salary and cost scenario analysis, taking into consideration factors such as the maximum pay-out in case of stretched performance.

7.b. Remuneration package elements

7.b.(i) Base salary

The policy aims to set base salaries at a market-competitive level taking into account the job grade and relevant experience, required competences, performance of the individual and the Company.

The BoD reviews the base salaries of the Executive Directors and decides whether circumstances justify adjustments. In considering base salary increases, inflation, market-wide increases and average increases for the wider workforce of the Company are used as important reference points in these

considerations. Larger increases may be awarded in certain circumstances including where the relevant role has an increase in responsibility.

7.b.(ii) Short-Term Incentive (STI) Programme (Bonus Plan)

Executive Directors receive annual variable remuneration, directly linked to their performance and the performance of the Company (as measured according to strategic and financial objectives).

At the start of each financial year, the Compensation and Nomination Committee proceeds to the approval of the performance criteria and their weighting for the short-term incentive (Bonus Plan) based on the Company's business goals and strategic focus for the year. These are financial and non-performance criteria (KPI's). The most important of these are related to EBITDA, NAV, cash flows, sustainability issues, milestones of Project Elliniko, etc.. At the end of the financial year, the Remuneration and Nomination Committee assesses the Company performance against these targets.

7.b.(iii)-A Long-Term Incentive (LTI) Programme A' (Stock Options Plan A)

The purpose of the program is to recognize the contribution of the participants to the increase in the value of the Company and to create an "ownership interest" and ultimately, by linking the performance of each participant to the corporate return.

This Stock Options Plan consists of an Initial Option Award and an Additional Option Award. Both the Initial Award and the Additional Award will be delivered by Options, which after vesting provide the right to buy shares in the Company for the fixed price of € 6,70 (i.e. the exercise price). Each option gives the right to buy one share.

The vesting of the Initial Option Award will partially occur after two (2) years (maximum 50%) and partially after three (3) years (maximum 50%).

The BoD will have the discretionary right to increase/ decrease the number of Initial Options at the vesting date by 20% on an individual basis, without exceeding the maximum available total number of options.

The vesting is based on the future performance of the share price and assuming continuous employment (at the vesting date).

7.b.(iii)-B Long-Term Incentive (LTI) Programme B' (Restricted Stock Units Programme)

This Stock Options Plan consists the option to acquire shares at the reference price of €5.95 on the Award Date. Upon the expiry of three years from the Award Date, the beneficiary will be able to acquire free shares with reference to 50% of the theoretical number of shares awarded to him on the Award Date at the price of €5.95 (reference price), while the remaining 50% concerns the expiry of the following year from the three years from the Award Date until the Expiration Date.

A necessary condition for each beneficiary is to keep the employment relationship/service provision relationship in force during the exercise/maturity dates.

7.b.(iv) Benefits - Home Acquisition Programme

The Company operates a Group Pension Plan, consisting of a defined contribution plan. The maximum contribution from the Company is 9% of base salary.

Benefits provided currently include a fueled company car, mobile phone and expenses, and health insurance coverage, depending on the job grade and relevant market benchmarks.

The Home Acquisition Program consists of the option of acquiring a residence in Elliniko, with credit of the price in 15 equal annual installments and a maximum amount of annual installment of 40% of the net annual salary of the beneficiary. It will have a duration of 10 years, while the usual collateral conditions will apply and will include conditions and commitments related to the maintenance or not of the employment relationship.

8. Remuneration of Executive Directors

Currently the CEO is the only Executive Director.

Element	Specifics
Base salary	Base salary for the CEO is determined based on the principles as previously described.
Bonus Plan	The CEO receives a short-term incentive, linked primarily to value creation, Hellinikon Project milestones and financial performance of the company. The target amount is defined as 100% of the base salary, which may be received in total or partially in shares of the Company, at the CEO's choice.
Stock Options Plan A	The target amount is defined at a percentage set as 150% of the annual base salary. Payout at the moment of exercise is dependent on the share price at that moment.
Restricted Stock Units Programme	The target amount corresponding to the number of stock options is determined as a percentage of 150% of the annual base salary. The total amount at the time of exercise depends on the share price at that time.
Benefits	Benefits for the CEO are determined based on the principles as previously described.

Balance between the CEO's remuneration elements such as base salary, STI and LTI is focused on longer-term sustainable value creation.

9. Malus & Clawback provisions

The Company may recover the value of all or part of the variable remuneration received or vested by the beneficiary, within a period of three (3) years from their payment, in cases of violation of regulations or procedures, commission of serious offenses such as fraud, damage suffered by the Company or another equally serious cause, for actions that led to significant losses (e.g. falsification of financial statements or generally incorrect financial data used to calculate the bonus).

10. Termination & notice period

Employment contracts of Executive Directors are open-ended contracts. Notice periods are set by Greek Labor Law. In the event of early termination of employment and following a relevant proposal of the Compensation and Nomination Committee, the BoD may also consider granting additional severance payment.

11. Policy approval and revision procedure

This Policy may be revised in order to remain fully aligned with the Company's values and principles. The procedure for submitting the Remuneration Policy for approval by the G.A. is as follows:

- The Compensation and Nomination Committee submits the proposed Remuneration Policy to the BoD for initial approval. If initially approved by the BoD, it is then submitted to the G.A. and put to a vote. The shareholders' vote is binding, while Directors with a shareholder capacity may not participate in the G.A. vote related to the approval of the Policy, nor are they taken into account for the formation of the quorum and the majority. If the G.A. does not approve the proposed Remuneration Policy, the Company will continue paying the same remuneration of Board Members as it was during the previous fiscal year. At the same time, the Company reviews and draws up a new Remuneration Policy taking into account the comments of the shareholders, which it submits for approval to the next G.A.
- After the Remuneration Policy is approved by the G.A., it is posted on the Company's website, including the publication date and the results of the vote and it remains available for as long as it is valid.

Under exceptional circumstances, it is possible to (temporarily) deviate from the remuneration policy until a new remuneration policy has been adopted. The parts that are deviated from and under which (procedural) conditions the deviation has taken place will be explained in the Remuneration Report.

12. The role of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established in its current composition by BoD resolution dated 14.04.2021 in conformity with the requirements under the new framework of L. 4706/2020 on the Corporate Governance of Sociétés Anonymes.

Without prejudice to articles 109 to 112 of L.4548/2018, the Compensation Committee:

- a) submits its proposals to the BoD on the remuneration policy to be submitted to the General Assembly for approval according to article 110, par. 2 of L. 4548/2018;
- b) submits proposals to the BoD on the remuneration of the persons falling within the scope of the remuneration policy, according to article 110 of L.4548/2018, and on the remuneration of the Top Management of the Company, especially the Head of Internal Audit;
- c) examines the information contained in the final draft of the annual remuneration report, providing its opinion to the BoD before submission of the report to the General Assembly according to article 112 of L.4548/2018.

In addition to the above, the Committee examines, indicatively:

- proposals on the variable remuneration of the Company's Management, and submits its proposals to the BoD regarding the total annual variable remuneration amount of the Company (i.e. excepting base pay),
- proposals from the Company's Management regarding stock option schemes or share award schemes, and submits proposals to the BoD - and through the latter to the General Assembly, whenever necessary,
- performance targets proposed by the Management, and the correlation thereof with the variable remuneration of Executive Directors and Top Management, or the targets linked to stock options or share awards plans, and submits the relevant proposals to the BoD,
- on a regular basis the salaries of the Executive Directors and other terms of their contracts with the Company, including severance pay, in case of exit from the Company, and pension schemes.