

## **REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF DIRECTORS OF WISER TECHNOLOGY AD**

This Remuneration Policy for the Members of the Board of Directors of Wisier Technology AD (the "Policy") has been developed by the Board of Directors of Wisier Technology AD (the "Company") in accordance with the requirements of the Public Offering of Securities Act, Ordinance No. 48 of 20.03.2013 on the Remuneration Requirements (issued by the Financial Supervision Commission, promulgated, SG, issue 32 of 2.04.2013, amended and supplemented, issue 41 of 21.05.2019, amended, issue 66 of 20.08.2019, amended and supplemented, issue 61 of 10.07.2020) and the Articles of Association of the Company, taking into account the recommendations of the National Corporate Governance Code.

By this Company activities Policy regarding the determination of the remuneration of the members of the Board of Directors, Directive (EU) 2017/828 of the European Parliament and of the Council amending Directive 2007/36/EC as regards the promotion of long-term shareholder engagement and Recommendation 2009/385/EC supplementing Recommendation 2004/913/EC and Recommendation 2005/162/EC as regards the regime for the remuneration of directors of companies whose securities are admitted to trading on a regulated market have been adopted as guiding principles.

### **I. GENERAL PROVISIONS**

1. This Policy aims to establish clear and objective criteria for determining the remuneration of the members of the Board of Directors of the Company, in view of the reliable and effective risk management and avoidance of conflicts of interest. The Policy defines the principles that are applied in determining the remuneration of the members of the Board of Directors of the Company.
2. The Company's Board of Directors shall develop the Policy and shall be responsible for its implementation after its adoption by the General Meeting of the Company's Shareholders. Amendments and/or updates to this Policy shall be made by decision of the General Meeting of Company's Shareholders. Proposals for amendments and/or updates shall be included as a separate item on the agenda of the General Meeting of Shareholders. The Board of Directors shall be responsible for the timely disclosure of the Remuneration Policy adopted by the General Meeting of Shareholders and the subsequent amendments thereto.
3. The Company's Board of Directors shall review the Policy periodically (at least once a year). At least once every 4 (four) years, the Remuneration Policy shall be submitted for adoption to the General Meeting of Company's Shareholders, as well as in the cases when it is necessary to make significant amendments and/or supplements to it or this is necessary in order to achieve the goals set therein.
4. The Company shall disclose this Policy and all subsequent amendments thereto in a clear and accessible manner, without disclosing sensitive commercial information or other information protected by law, by publishing it on the Company's website.
5. The Company shall disclose to its shareholders the manner in which it applies the Policy in a report, which shall be a separate document to the Company's annual financial statements and shall also be published on its website. The Company shall apply the Policy in accordance with the regulatory requirements for public companies, the financial and economic situation and the development strategy of the Company, taking into account the recommendations of the National Corporate Governance Code.

6. In preparing the Remuneration Policy, the working conditions of the Company's employees were taken into account, which are the same for both the workers and employees and the Company's management bodies.
7. In preparing the Policy and the individual contracts of the members of the Board of Directors, the remuneration of the employees of the Company shall be taken into account. The Board of Directors shall strive to achieve a balance between the remuneration of the employees and the members of the Board of Directors, taking into account both the market levels of remuneration in comparable (public) companies and the difference in the duties and responsibilities of the members of the Board of Directors compared to the other employees of the Company.

## **II. BASIC PRINCIPLES**

1. In determining the remuneration of the members of the Board of Directors, the following principles shall be applied:
  - Ensuring reliable and effective risk management and stimulating the long-term sustainability of the Company;
  - Compliance with the Company's goals, values and development strategy;
  - Implementation of measures to prevent discrimination, conflict of interest and unequal treatment of individuals in the determination of remuneration;
  - Transparency in respect of the formation of remuneration of the members of the Board of Directors and its individual components, accountability and supervision of remuneration by shareholders;
  - Compliance with the Program for the implementation of internationally recognized standards of good corporate governance, adopted by the Board of Directors;
  - Ensuring and guaranteeing the independent and conscientious exercise of the functions of the Remuneration Committee, including in the cases where these functions are performed by the Board of Directors as a body that develops the Policy.
2. The Board of Directors shall annually prepare a program for the implementation of the Policy for each financial year and, based on it, shall review the manner in which the Policy has been implemented during the year and make recommendations to the General Meeting of Shareholders on the need for amendments.
3. In case of established significant deviations in the implementation of the Policy leading to the creation of incentives for excessive risk-taking, conflict of interest or other behaviors resulting in adverse consequences for the Company, the General Meeting of Shareholders shall immediately take the necessary measures.

## **III. DETERMINATION AND DISCLOSURE OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

1. The remuneration of the members of the Board of Directors shall be determined by a decision of the General Meeting of Company's Shareholders.
2. The annual report on the Company's activities shall provide information on the remuneration and other material incentives received by the members of the Board of Directors during the year.
3. In the annual report on the implementation of the Remuneration Policy, which shall be a separate document to the annual financial report on the Company's activities, the Company shall disclose to the shareholders the manner in which it implements the Remuneration Policy.
4. The registered auditor who audits the annual financial report of the Company shall mandatorily express an opinion in the audit report on whether the report on the implementation of the Remuneration Policy has been provided and whether the report meets the legal requirements.
5. This Policy, adopted by the General Meeting of Shareholders, and the report under item 3 shall be published on the Company's website.

#### **IV. DETERMINATION OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE DIRECTOR**

1. The Company may pay the members of the Board of Directors permanent and/or variable remunerations, as well as other remuneration determined on the basis of objective criteria.
2. The fixed remuneration shall be payments that are not formed on the basis of an assessment of the performance of the activity, and shall include the remuneration of a permanent nature, which is precisely determined or are determinable, in accordance with the current legislation and the decisions of the General Meeting of Shareholders.
3. The Company may pay the members of the Board of Directors a fixed remuneration, the amount of which shall take into account:
  - 3.1. The obligations, the workload level, commitment and involvement of the members of the Board of Directors in the management of the Company;
  - 3.2. The opportunity of selecting and retaining qualified and loyal members of the Board of Directors;
  - 3.3. The existence of a correspondence between the interests of the members of the Board of Directors and the long-term interests of the Company.
4. The members of the Company's Board of Directors may receive different permanent remuneration depending on their functions within the Board of Directors, the specific amount of which shall be approved by the General Meeting of Company's Shareholders.
5. In case a variable remuneration of a member of the Board of Directors is determined, in order to achieve stable financial results, the payment of not less than 40% of the variable remuneration of the relevant member of the Board of Directors shall be deferred for a period of 3 years, unless a longer period is determined in a decision of the General Meeting of Shareholders. The Company, by decision of the General Meeting of Shareholders, determines the payment of what part of the variable remuneration to postpone depending on the relative weight of the variable remuneration compared to the fixed remuneration.
6. In case a member of the Board of Directors is granted remuneration in the form of shares, the transfer of the shares into the ownership of the respective member of the Board of Directors shall take place at the earliest 3 years after the date of the decision to grant the remuneration in the form of shares. Stock options and all other rights to acquire shares or to receive remuneration based on changes in share prices may be exercised by the respective member of the Board of Directors at the earliest 3 years after the date of their grant.
7. The members of the Board of Directors may also be employed by the Company under an employment contract or other type of contract, if the performance of a specific job requires the engagement of professional resources other than what is required of them to perform their duties as members of the Board of Directors. In these cases, as employees/persons employed by the Company, they shall have all rights under the respective type of contract, incl. the right to receive social benefits provided to employees/persons employed under the corresponding type of contract respectively, according to the Company's social program, as well as material incentives that are standard for the level of the specific position held by them in the management structure of the Company (e.g. the use of a company vehicle, company telephone, etc.).
8. Except in the cases under item 6, members of the Board of Directors may be provided with social benefits such as those available to employees of the Company, e.g. food vouchers, social benefits (bonuses), sports cards, additional health insurance, occupational accident insurance, use of a company car, company telephone, etc. These benefits shall be within the standard for employees of the Company at the management level, and their total relative share may not exceed 1/10 of the permanent remuneration of the respective member of the Board of Directors or another fixed maximum amount determined by the General Meeting of Shareholders.

9. Members of the Board of Directors who also participate in the management of subsidiaries of the Company shall be entitled to receive remuneration for their management jobs in these subsidiaries in the form of fixed remuneration and additional payments, bonuses and other material incentives, which shall be provided on the basis of performance assessment criteria.
10. The members of the Board of Directors may receive additional remuneration, beyond that specified in item 1, only and solely if they are approved by the General Meeting of Shareholders.
11. Subject to the requirements of item 10 above, a relevant member of the Board of Directors may (without having an obligation to achieve specific minimum goals, minimum or specific number of contacts with potential clients, minimum or specific number of attracted clients and/or other mandatory indicators) attract clients for the Company or another company in the group. In the event of attracting such new clients, the Company may decide to provide remuneration to the relevant member of the Board of Directors, which is determined as a percentage of the gross profit realized by the Company or another company in the group, respectively, from a new client attracted by the member of the Board of Directors. The specific conditions and terms for calculating and paying remuneration under this item are determined by a decision of the General Meeting of Shareholders.
12. Disclosure of information about the remuneration of the members of the Board of Directors shall be carried out in accordance with regulatory requirements and good corporate governance practices.

#### **V. REQUIREMENTS TO THE MANAGEMENT ASSIGNMENT CONTRACTS**

1. The remuneration and relations between the Company and the members of the Board of Directors shall be regulated by a contract, which shall be concluded in writing on behalf of the Company by a person authorized by the General Meeting of Shareholders.
2. The remuneration and relations between the Company and the Executive Member shall be regulated by a management assignment contract, which shall be concluded in writing on behalf of the Company by a person authorized by the General Meeting of Shareholders.
3. The contract with a member of the Board of Directors shall regulate the terms and maximum amount of any compensation upon termination of the contract (including upon early termination of the contract), as well as payments related to the prior notice period or provided for in the clause prohibiting the performance of competitive activities:
  - Upon termination of the contract with a member of the Board of Directors due to the expiration and non-renewal of the mandate for which he was elected, the Company shall not be liable for compensation.
  - The maximum amount of compensation due by the Company in case of early termination of the contract with a member of the Board of Directors may not exceed the amount of one monthly permanent remuneration.
  - In case of failure by the Company to comply with the prior notice term in the event of early termination of the contract with a member of the Board of Directors, the compensation due by the Company may not exceed the amount of one permanent monthly remuneration.
  - In case of early termination of the contract with a member of the Board of Directors due to failure to comply with the clause prohibiting the performance of competitive activities, the Company shall not be liable for compensation.
  - In case of termination of the contract with a member of the Board of Directors due to unsatisfactory results and/or culpable behavior, the Company shall not be liable for compensation.
4. The total amount of compensation under item 3 may not exceed the amount of the permanent remuneration paid to the person for 1 (one) year.
5. The members of the Board of Directors shall, within 7 days of their election, provide a guarantee for their management, the amount of which shall be determined by the General

Meeting of Shareholders and shall not be less than their quarterly gross permanent remuneration or another fixed amount determined by the General Meeting of Shareholders.

In case the General Meeting has not determined the amount of the management guarantee, its amount shall be deemed to be equal to the quarterly gross permanent remuneration.

In case of failure to pay the guarantee within the specified term, the respective person shall not receive remuneration as a member of the Board of Directors until the payment of the full amount of the guarantee.

6. In case of a change in the amount of the remuneration, the guarantee shall be updated.
7. The members of the Board of Directors may be provided remuneration in the form of shares of the Company, stock options, other rights to acquire shares, as well as remuneration based on changes in the price of the Company's shares, subject to the requirements and restrictions provided for in the applicable legislation or a decision of the General Meeting of Shareholders.
8. The remuneration under item 7 above may be linked to the fulfillment of objective and measurable financial and non-financial criteria for the results achieved that promote the stability of the Company and the long-term development of its activities. The criteria linked to financial indicators may include, but are not limited to, one or more of the following: (i) consolidated earnings before taxes, interest and depreciation (EBITDA); (ii) consolidated profit from sales; (iii) consolidated revenues; (iv) share price (including, but not limited to, volume-weighted average price, weighted average price, etc.) and market capitalization of the Company; (v) other indicators determined by the Company. The criteria linked to non-financial indicators may include, but are not limited to, one or more of the following: (i) compliance with applicable rules, procedures and restrictions; (ii) stable and sustainable development of the Company and the Group; (iii) length of service in the Company and/or the Group; (iv) other indicators determined by the Company.
9. The principles under Section V shall also apply to an appointed procurator of the Company.

## **VI. DEVIATION FROM THE POLICY**

1. In exceptional circumstances, the Board of Directors shall be the sole authorized body and may, at its discretion, decide to temporarily deviate from any of the provisions of this Remuneration Policy. A deviation shall only be permissible if it is necessary to serve the long-term interest and sustainability of the Company as a whole or to ensure its viability or solvency. When deciding on a temporary deviation, the Board of Directors shall take into account the basic principles of the Policy to the maximum extent possible. Such deviations will be disclosed and explained in the annual report on the implementation of the Policy.

## **VII. FINAL PROVISIONS**

§1. This Remuneration Policy for the Members of the Board of Directors of Wisier Technology AD shall enter into force on the date of its adoption by the General Meeting of Company's Shareholders, and shall repeal the Remuneration Policy for the Members of the Board of Directors of the Company adopted by resolution of the General Meeting of Company's Shareholders dated 11.07.2013 and amended by resolution of the General Meeting of Company's Shareholders dated 20.06.2014.

§2. In case of changes in the legislation which repeal or amend the provisions of this Remuneration Policy, the affected provisions shall be interpreted in accordance with the laws of the Republic of Bulgaria, the Articles of Association of the Company and the generally accepted principles and good practices of corporate governance.

§ 3. In case the proposed amendments and/or supplements to the existing remuneration policy or the proposed new policy respectively, are not approved by the General Meeting of Shareholders, the Company shall continue to pay remuneration to the members of the Board of Directors in accordance with the adopted policy. In such cases, the Board of Directors shall submit for adoption at the next General Meeting the revised amendments and/or supplements to it, or a revised new policy respectively.