

Remuneration Report of “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY” for the period 1/1-31/12/2023 under article 112 of L. 4548/2018

1. Introduction

This remuneration Report (hereinafter referred to as the “Report”) concerns the members of the Board of Directors (BoD) of “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY” (hereinafter referred to as the “Company”) and was approved by the BoD of the Company based on its decision dated 16 May 2024.

This is the 3^d Report of this kind, which describes how the Company’s remuneration Policy (hereinafter the “Policy”) was implemented, which was approved by the Extraordinary General Assembly of the Shareholders dated 13/9/2021, revised by the Annual General Assembly of the Shareholders on 31/7/2022 and revised by the Extraordinary General Assembly of the Shareholders on 31/7/2023; it is uploaded on the Company’s website <http://www.trade-estates.com> and includes the remuneration of the members of the Board of Directors as well as any benefits of a member of the Board of Directors of the Company, paid either by the Company or by any other affiliated company in accordance with article 99, par. 2(a) of L.4548/2018.

The report was drawn up in the context of the implementation of the EU-Directive 2017/828 of the European Parliament and of the Council as of the 17th of May 2017 as regards the encouragement of long-term shareholder engagement (SDR II), as incorporated in the Greek laws with L. 4548/2018 (article 112) and taking into account the Guidelines of the European Commission on the standardized presentation of the Report. The listing of the Company’s shares on the Athens Stock Exchange (ATHEX) took place in November 2023.

For the preparation of the Remuneration Report 2023, the Board of Directors took into account the outcome of the voting of the Remuneration Report of the previous financial year, as provided for in paragraph 3 of article 112 of L.4548/2018.

Information on the course of “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY ” and the “TRADE ESTATES Group” in the period 1/1-31/12/2023

The parent Company “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY” with its direct and indirect subsidiaries, constitute the “TRADE ESTATES Group” (hereinafter, the “Group”), which operates in the real estate investment sector with the operational areas of Retail Parks and Logistics Centers.

The direct and indirect subsidiaries of the Group, which are included in the consolidated data for the period 1/1-31/12/2023, by sector and country of operation, are presented in the Company’s financial report available on its website: <http://www.trade-estates.com> .

Consolidated Group Results (in thousand Euros):

	2023	2022
Sales Revenue	26.687	20.805
Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization (Adjusted EBITDA)	18.238	14.758
Profits Before Taxes (PBT)	40.112	25.106
Funds From Operations (FFO)	8.910	9.873
Net Profit after taxes due by owners of the parent company	37.710	24.006

2. Remuneration of the members of the Board of Directors for the year 2023 (par. 2^a, of article 112, of L.4548/2018)

Table 1 shows the total remuneration allocated or paid to the members of the Board of Directors, with an analysis of their individual components, the relevant rates of fixed and variable remuneration and an explanation of how the performance criteria are applied and how the overall remuneration complies with the approved remuneration Policy.

The Group-level performance criteria were the adjusted Earnings Before Interest, Taxes, Depreciation & Amortization (Adjusted EBITDA) and the Funds from Operations (FFO), while the achievement is shown in Table 2.

The average remuneration of full-time employees, other than the Company's executives in 2023 amounted to EUR 60.336. The remuneration of the members of the Board of Directors is presented in Table 1 and in total amounts to EUR 827.784.

3. Annual change in the remuneration of the members of the Board of Directors, the performance of the Company and the average remuneration of the full-time employees of the Company, other than its executives, during the last five (5) financial years (par. 2^b, of article 112, of L.4548/2018)

The annual change in the remuneration of the members of the Board of Directors, the performance of the Company and the average remuneration of the full-time employees of the Company, other than its executives, during the last five (5) financial years, is not presented, due to the fact that the Company was established on 12/7/2021 and only the relevant data for the years 2023, 2022 and 2021 (from 12/7/2021 to 31/12/2021) are presented in Table 3.

4. Remuneration of all kinds to the members of the Board of Directors by any company belonging to the same Group, as defined in article 32 of L. 4308/2014 (par. 2^c, of article 112, of L.4548/2018)

The remuneration of the members of the Board of Directors by the subsidiaries of “TRADE ESTATES Group” is presented in Table 1.

5. Number of shares and options for shares granted or offered to the members of the BoD and the main conditions for exercising the rights, including the price and date of exercise, as well as any change (par. 2^d, of article 112, of L.4548/2018)

With the decision of the Extraordinary General Assembly of the Company’s shareholders dated 31/7/2023, it was decided to update and readjust the Stock Grant Program decided by the Ordinary General Assembly of the Company’s Shareholders on 30/6/2022 and revised/updated by the Extraordinary General Assembly of the Company’s shareholders on 20/1/2023, as follows: by replacing the currently applicable “One-off Reward Program for the listing of the Company’s shares to be traded on the organized (regulated) market of the Athens Stock Exchange”, by the “Free Stock distribution Program, as a one-off reward for the company’s listing on the Stock Exchange” (“FOUNDERS’S GRANT”). It is noted that with the new program the number of shares was determined as 1% of the company’s paid-up SC on the date of the relevant decision of the General Assembly dated 31/7/2023, and the shares were distributed simultaneously with the listing of the company’s shares on the Athens Stock Exchange (IPO). The listing of the Company’s shares on the Athens Stock Exchange took place in November 2023. The program is presented in detail in the Annual Financial Report for the year 2023 published on the Company’s website <http://www.trade-estates.com>. In the context of the specific Program, the members of the BoD have been allocated shares for 2023, presented in Table 4.

6. Any stock options exercised by the Board of Directors in the context of the distribution (or stock grant) programs of the company’s shares (par. 2e, of article 112, of L.4548/2018)

In the year 2023 no stock options were exercised by the members of the BoD.

7. Information on the use of the option to recover variable fees (par. 2^f, of article 112, of L.4548/2018)

Payments under the short-term incentive scheme of the executive members of the Board (Table 1, column 2) may be recovered for a period of at least three (3) years from their payment, in specific cases, including incorrect financial statements of previous years or generally incorrect financial information used to calculate such payments.

8. Information on any derogations from the implementation of the remuneration policy pursuant to paragraph 7 of article 110 with an explanation of the exceptional nature of the circumstances and the indication of the specific elements of the remuneration policy against which the derogation occurred (par. 2 of article 112 of L.4174/2018)

There are no derogations from the implementation of the remuneration policy.

Table 1: Remuneration of BoD members for the year 2023 (by TRADE ESTATES REAL ESTATE INVESTMENT COMPANY and companies of the TRADE ESTATES Group)							
Member's Full Name / Title	Fixed Remuneration (1)	Variable remuneration based on achievement of objectives (MBO*) (2)	Provision of medical - pharmaceutical benefits (3)	Retirement Benefit (4)	Total remuneration (5)	Variable Remuneration Percentage Rate (6)	Variable Remuneration Percentage Rate (7)
Vassilios Fournalis, Chairman, Member of the TRADE ESTATES REIC SA's Investment Committee, Executive Member	144.000	To achieve 100%, 40% of the annual fixed gross earnings shall be estimated/ in 2023 the achievement in value was 69.120	There are no medical-pharmaceutical benefits	10.080	223.200	68%	32%
Alevizos Georgios, Vice-Chairman, Member of the TRADE ESTATES REIC SA's Investment Committee, Executive Member	There is no fixed remuneration	There is no variable remuneration	There are no medical-pharmaceutical benefits	There is no retirement benefit	-	-	-
Papoulis Dimitrios, Chief Executive Officer, Chairman of the Investment Committee, Executive Member	285.474	To achieve 100%, 60% of the annual fixed gross earnings shall be estimated/ in 2023 the achievement	3.007	26.479	519.584	58%	42%

Table 1: Remuneration of BoD members for the year 2023 (by TRADE ESTATES REAL ESTATE INVESTMENT COMPANY and companies of the TRADE ESTATES Group)							
Member's Full Name / Title	Fixed Remuneration (1)	Variable remuneration based on achievement of objectives (MBO*) (2)	Provision of medical - pharmaceutical benefits (3)	Retirement Benefit (4)	Total remuneration (5)	Variable Remuneration Percentage Rate (6)	Variable Remuneration Percentage Rate (7)
		in value was 204.624					
Aesopos Christodoulos, independent Vice-Chairman, Chairman of the Nomination and Remuneration Committee, Independent Non-Executive Member	25.000 of which 5.000 from participation in Committees	There is no variable remuneration	There are no medical-pharmaceutical benefits	There is no retirement benefit	25.000	100%	Only fixed remuneration shall apply.
Pilavios Alexios, Chairman of the Audit Committee, Member of the Nomination and Remuneration Committee, Independent Non-Executive Member	30.000 of which 10.000 from participation in Committees	There is no variable remuneration	There are no medical-pharmaceutical benefits	There is no retirement benefit	30.000	100%	Only fixed remuneration shall apply.
Eftychios Vassilakis, Non-Executive Member	-	-	-	-	-	-	-
Georgalou Maria, Non-Executive Member	-	-	-	-	-	-	-

Table 1: Remuneration of BoD members for the year 2023 (by TRADE ESTATES REAL ESTATE INVESTMENT COMPANY and companies of the TRADE ESTATES Group)							
Member's Full Name / Title	Fixed Remuneration (1)	Variable remuneration based on achievement of objectives (MBO*) (2)	Provision of medical - pharmaceutical benefits (3)	Retirement Benefit (4)	Total remuneration (5)	Variable Remuneration Percentage Rate (6)	Variable Remuneration Percentage Rate (7)
Fourli Dafni, Non-Executive Member	-	-	-	-	-	-	-
Martseki Anastasia, Member of the Audit Committee, Member of the Nomination and Remuneration Committee, Independent Non-Executive Member	30.000 of which 10.000 from participation in Committees	There is no variable remuneration	There are no medical-pharmaceutical benefits	There is no retirement benefit	30.000	100%	Only fixed remuneration shall apply.
Total	514.474	273.744	3.007	36.559	827.784		

The above table 1 does not include rentals for two (2) corporate cars (Vassilios Fourlis and Dimitrios Papoulis) of an amount of EUR 24.636.

All the amounts in the Tables are in €, unless otherwise specified and do not include employer contributions.

Fuel of Euro 5.847 and tolls of Euro 1.340 for two (2) corporate cars (Vassilios Fourlis and Dimitrios Papoulis) are not included.

Table 2: Short-term program of variable remuneration (MBO) for the year 2023			
Member's Full Name / Title	Description of performance criteria	Weight of performance criteria	Achievement based on 100%
Vassilios Furlis, Chairman, Member of the TRADE ESTATES REIC SA's Investment Committee, Executive Member	Group Adjusted EBITDA	75%	75%
	Group FFO	25%	25%
Dimitrios Papoulis, Chief Executive Officer, Chairman of the Investment Committee, Executive Member	Group Adjusted EBITDA	75%	75%
	Group FFO	25%	25%

Table 3: Annual change in the remuneration of Board members and full-time employees other than executives (amounts in EUR)					
	2023	2022	2021 (7/12/2021 – 12/31/2021)	Change (2023/2022)	Change (2022/2021)
Total Remuneration of Members of the BoD	827.784	405.639	87.499	2,04	4,64
Average Earnings of Employees	60.336	68.924	61.745	0,88	1,12
Sales Revenue	26.687	20.805	6.991	1,28	2,98
Adjusted Earnings Before Interest, Taxes, Depreciation & Amortization (Adjusted EBITDA)	18.238	14.758	5.908	1,24	2,50
Profits Before Taxes (PBT)	40.112	25.106	8.295	1,60	3,03
Funds From Operations (FFO)	8.910	9.873	5.414	0,90	1,82

Table 3: Annual change in the remuneration of Board members and full-time employees other than executives (amounts in EUR)					
	2023	2022	2021 (7/12/2021 – 12/31/2021)	Change (2023/2022)	Change (2022/2021)
Net Profit after taxes due by owners of the parent company	37.710	24.006	7.801	1,57	3,08

Table 4: Shares for the year 2023	
	Shares granted
Vassilios Fourlis, Chairman, Executive Member	226.289
Papoulis Dimitrios, Chief Executive Officer, Chairman of the Investment Committee, Executive Member	181.031
Alevizos Georgios, Vice-Chairman, Member of the TRADE ESTATES REIC SA's Investment Committee, Executive Member	81.464

Maroussi, on the 16th of May 2024

The Board of Directors

To the Board of Directors of the Company “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY”

Underlying Subject

On the basis of the contract dated 29/04/2024 between us, we have undertaken the assignment of limited assurance in order to ascertain whether and to what extent the attached Remuneration Report (Annex A) of the company “TRADE ESTATES REAL INVESTMENT COMPANY” (hereinafter, “Company”) provides for the financial year 2023 the information (hereinafter the “Underlying Subject”) required by the provisions of Article 112 of L. 4548/2018, which are specified in the present case as Applicable Criteria.

Applicable Criteria

In accordance with the provisions of Article 112 of L. 4548/2018, the companies with shares listed on a regulated market are required to draw up a clear and understandable Remuneration Report, which contains a comprehensive overview of all remuneration regulated in the remuneration policy as provided for in article 110 of the same law. The remuneration report of the last financial year shall be submitted for discussion to the ordinary general assembly as issue of the agenda. After the general assembly, the Remuneration Report shall be published in accordance with paragraph 4 of article 112 of L. 4548/2018, for a period of at least ten (10) years.

Responsibilities of the Management

The Board of Directors of the Company is responsible for the proper preparation and publication of the Remuneration Report according to article 112 of L. 4548/2018, as well as for the formation of all necessary control activities that ensure the compliance of the Company with the provisions of articles 109 to 113 of L. 4548/2018, as currently applicable.

Responsibilities of the Auditor

Our responsibility is to issue this Report as to whether and to what extent the information provided in article 112 of L.4548/2018 is provided in the attached Remuneration Report, based on our work carried out, as described below in the "Scope of Work Performed" section.

Our work was carried out at the behest of the Board of Directors of the Company, in accordance with the International Standard on Assurance Engagements 3000 (Revised), “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (hereinafter “ISAE 3000”), and the terms of engagement, described in the contract between us dated 29/04/2024.

The ISAE 3000 requires that we design and carry out our work in order to obtain limited assurance on the evaluation of the underlying subject, in accordance with the Applicable Criteria. In the context of the procedures carried out, we assess the risk of material error of the information relating to the Underlying Subject.

We believe that the data we have gathered are sufficient and appropriate and support the conclusion expressed in this assurance report.

Professional ethics and quality management

We are independent from the Company throughout the duration of this engagement and have complied with the requirements of the Code of Ethics for Professional Auditors/Accountants of the International Ethics Standards Board for Auditors (IESBA Code), the requirements of ethics and independence of L. 4449/2017 and the EU-Regulation No.537/2014.

Our audit firm applies the International Quality Management Standard (IQMS) 1 “Quality Management for companies that perform audits or oversights of financial statements or other assurance engagements or related services” and thus maintains a comprehensive quality management system that includes documented policies and procedures in relation to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Scope of Work Performed

Our work covers exclusively the following limited assurance procedures and was carried out in order to ascertain that the Remuneration Report includes at least the following information regarding the remuneration of each individual member of the Company’s Board of Directors,

- (a) the total remuneration paid, with an analysis of their individual remuneration, the relative percentages of fixed and variable remuneration, including the remuneration referred to in paragraph

2 of article 109 of L. 4548/2018 and an explanation of how the performance criteria are applied and how the overall remuneration complies with the approved remuneration policy;

- (b) the annual change in the remuneration of the members of the board of Directors, the performance of the Company and the average remuneration of full-time employees of the Company, other than executives, between the financial years 2023 and 2022 and between the financial year 2022 and the period from 12/7/2021 to 31/12/2021, due to the establishment of the company on 12/07/2021, with a joint presentation of these data, in order to facilitate the comparison of data by shareholders;
- (c) any remuneration of any kind by any company belonging to the same group, as defined in [article 32](#) of L. [4308/2014](#),
- (d) the number of shares and options for shares granted or offered to the members of the BoD, as well as the main conditions for exercising the options, including the price and date of exercise, as well as any change;
- (e) any stock options exercised by part of the members of the Board of Directors in the context of the stock grant programs of the Company;
- (f) information on the use of the option to recover variable fees;
- (g) information on any derogations from the implementation of the remuneration policy under articles 110 and 112 of L. 4548/2018, with an explanation of the exceptional nature of the circumstances and the indication of the specific elements of the remuneration policy against which the derogation occurred.

In the context of a limited assurance engagement, the procedures carried out differ as to their nature and time schedule and are less extensive than in a reasonable assurance engagement. Consequently, the level of assurance obtained from such an engagement is significantly lower than the level of assurance that would have been obtained, had a reasonable assurance engagement been carried out.

Our procedures were designed in order to obtain a limited level of assurance, on which we relied to extract our conclusion, and do not provide all the evidence that would be required for us to provide a reasonable level of assurance.

Conclusion

On the basis of the work performed and the evidence obtained, nothing has come to our attention that would lead us to conclude that the attached Remuneration Report (Annex A) of the company “TRADE ESTATES REAL ESTATE INVESTMENT COMPANY S.A.”, prepared for the financial year 2023, does not provide the information required by article 112 of L. 4548/2018.

Restriction of use

Our Report was prepared exclusively for the purpose mentioned in the first paragraph hereof and is addressed exclusively to the Board of Directors of the Company and it should not be used for any other purpose.

Athens, on the 17th of May 2024

The Certified Public Accountant

Andreas Hadjidamianou

Reg. No in the Institute of Certified Public Accountants of Greece (SOEL): 61391

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