# THE REMUNERATION POLICY

approved by the General Meeting of Shareholders on December 18, 2025

Antibiotice

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## *I. COMPANY OVERVIEW*

ANTIBIOTICE S.A. headquartered in Iași, Strada Valea Lupului, nr. 1, tax identification code 1973096, serial number in the Trade Register J1991000285223, is organized as a joint stock company with a unitary administration system.

At the date of drafting this policy, the structure of the shareholders and the management board is as follows:

hareholder structure:

| SHAREHOLDER | NO. OF SHARES | SHARE CAPITAL |
|---|---|---|
| MINISTRY OF HEALTH | 355,925,135 | 53,0172 % |
| Legal persons | 113,420,591 | 16,8947 % |
| Natural persons | 114,516,488 | 17,0581 % |
| INFINITY CAPITAL INVESTMENTS | 87,475,826 | 13,0300 % |
| TOTAL | 671,338,040 | 100 % |

Structure of the Management Board:
The Management Board is composed of 7 (seven) administrators with mandate contracts for a period of 4 (four) years.

At the date of drafting this policy, the Public Supervisory Authority – the Ministry of Health and the Agency for Monitoring and Evaluation of Public Enterprises Performance – AMEPIP have completed the selection procedure for the company's administrators. The mandate contracts are concluded for a period of 4 (four) years. The termination of the contracts may take place:
a) upon the expiration of the term for which it was concluded, if it was not renewed in accordance with the law.
b) by the Administrator's renunciation of the mandate with a notice of 35 calendar days from the notification to the Company;
c) by the death of the Administrator;
d) by the GMS as a result of the non-fulfillment of the key performance indicators included in the mandate contract, for reasons attributable to the Administrator;
e) by opening the general insolvency or bankruptcy procedure of the Company;
f) by the Administrator's violation of the legal provisions regarding the conflicts of interest, incompatibilities, including the integrity criteria provided by the Company's Code of Ethics, as well as the non-competition obligations;
g) by violating the confidentiality obligations regarding any financial and/or commercial information qualified as confidential or privileged according to legal norms or contractual obligations assumed by the Company;
h) by the full termination in the cases provided by law, including in the case of initiating liability action against the members of the Board, as well as in the case of being brought to justice for committing one of the offenses provided for in article 6 paragraph (1) of the Companies Law no. 31/1990.
i) by the impossibility of exercising the mandate/legal impediment – any circumstance that creates an unavailability with a duration greater than or equal to 90 consecutive calendar days, depriving the member of the Management Board of the possibility of fulfilling his duties, personally or by representation; in the event that the Administrator is in the Definitive Impossibility of Exercising the Mandate/Legal Impediment, the termination will take effect from the date of expiry of the 90 consecutive days of incapacity.

Composition of the board at the date of approval of the Remuneration Policy:

1. Mr. Ioan NANI
Executive Administrator with a mandate until 15.04.2029
Profession: Economist

2. Mr. Ionut-Sebastian IAVOR
Non-Executive Administrator with a mandate until 15.04.2029 – Chairman of the Management Board
Profession: Lawyer

3. Mrs. Corina-Luminița VULPEȘ
Non-Executive Administrator with a mandate until 15.04.2029
Profession: Economist

4. Mrs. Laura-Cristina STANISLAV-BOGDAN
Non-Executive Administrator with a mandate until 15.04.2029
Profession: Economist

5. Mr. Cătălin LUNGU
Non-Executive Administrator with a mandate until 15.04.2029
Profession: Lawyer

6. Mrs. Mădălina-Anca BONIFATE
Non-Executive Administrator with a mandate until 15.04.2029
Profession: Economist

7. Mr. Andrei-Tiberiu NOVAC
Non-Executive Administrator with a mandate until 15.04.2029
Profession: Economist

## *II. REFERENCE DOCUMENTS*

The basic principles underlying the remuneration of the company's administrators and directors (according to article 143 paragraph 5 of the Law no. 31/1990 on commercial companies and the article 35 paragraph 1 of G.E.O. no. 109/2011 on the corporate governance of public enterprises, the director of the company is only that person to whom the management board has delegated the management responsibilities of the company, through a mandate contract. Any other person, regardless of the technical name of the position held within the company, is excluded from the application of the rules of this policy) are provided for in the applicable legislation, as well as in the internal documents of the company, respectively:

- The Law no. 31/1990 on commercial companies;
- GEO no. 109/2011, on the corporate governance of public enterprises;
- the Law no. 24/2017, on the issuers of financial instruments and market operations;
- GD no. 639/2023 on the approval of the Methodological Regulations for the application of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises;
- The Articles of Association of the Company;
- The Corporate Governance Code of the Bucharest Stock Exchange;
- The Decisions of the General Meetings of Shareholders;
- The Mandate Contracts of the administrators and the general director;
- The performance indicators of the executive administrators;

## *III. GENERAL ASPECTS*

### *1. Principles of the Remuneration Policy*

a. Principles established by Law No. 24/2017 on the issuers of financial instruments and market operations
The remuneration policy contributes to the business strategy, as well as to the sustainability and long-term interests of the company. The policy describes the fixed and variable remuneration, including all bonuses and other benefits in any form, that may be granted and it presents the relative proportion of these elements.

The remuneration policy sets out clear, comprehensive and varied criteria for the award of variable remuneration. The policy indicates the criteria for financial and non-financial performance, including the criteria for corporate social responsibility and it explains how these contribute to the business strategy, as well as to the sustainability and the long-term interests of the company, as well as the methods to be applied to determine the extent to which the performance criteria have been met. The policy provides information on any deferral periods and the possibility for the issuer to recover the variable remuneration.

The remuneration policy indicates the duration of contracts and applicable notice periods, as well as the conditions for terminating contracts and the payments related to their termination.
The remuneration policy explains the decision-making process leading to its establishment, review and implementation, including the measures to avoid conflicts of interest and the role of the remuneration committee.

b. Principles established by GEO no. 109/2011 on the corporate governance of public enterprises

The general principles for establishing the administrators' remuneration policies are as follows:
- the legality – the compliance with the limits and remuneration structures imposed by the applicable legislation:
- attracting, retaining and motivating the best administrators, ensuring the long-term sustainability of the public enterprise's profits and its activity;
- rewarding the achievement of objectives;
- maintaining the competitiveness in the labor market;
- aligning remuneration with recommendations on good governance;
- promoting the transparency regarding the remuneration and the criteria for establishing it;

The variable component of the executive managers' remuneration is determined based on the degree of achievement of the KPI, as negotiated and approved. The variable component is calculated and paid for one financial year.

When establishing the variable remuneration of the executive administrators, the following are taken into account:
- the responsibilities for implementing the company's strategy;
- implementing the government policies;
- the profitable management of public enterprises;
- establishing efficient and effective operational processes.

For a balanced approach to the performance evaluation and the variable component, the KPI weights, which together represent a percentage share of 100%, are established:
- 50-75% financial ICP;
- 25-50% non-financial KPIs - operational, specific to the public enterprise, including indicators that measure the degree of achievement of the Government's public and economic policy objectives, European policy objectives with an impact on the public enterprise's field of activity, sectoral objectives of the tutelary public authority;

The initiative to review the objectives and the degrees of achievement of key performance indicators can belong to both the council and the tutelary public authority.

c. Principles established by the Bucharest Stock Exchange through the Corporate Governance Code.

How people are motivated has a significant impact on their performance and behavior. The design of remuneration packages can be very influential in this respect, so it is necessary to pay great attention both in the design of the packages and in the assessment of the fulfillment of performance or other conditions. The remuneration of both the members of the Board and the executive management must motivate them to act in the long-term interest of the Company, in accordance with their duties. This is why a balanced and clear remuneration policy is essential for establishing the form, structure and level of remuneration of the members of the Board, the CEO and other members of the executive management.

For the Board members, on the one hand, best practices suggest avoiding the performance-related remuneration, as it could influence the Board members' motivation and compromise their independence and objectivity. On the other hand, the executive management remuneration requires a careful balance between the fixed and variable remuneration based on performance by setting targets that both reward exceptional performance and avoid excessive risk-taking that is not consistent with the strategy.

The Board should ensure transparency in matters related to remuneration. The shareholders should be provided with relevant information to understand the principles applied by the Company in terms of remuneration policy, which is based on fair rewards and incentives for the members of the Board, as well as for the CEO and the executive management. The Company should ensure clear and transparent annual reporting of remuneration, by disclosing the components of remuneration at both individual and collective level.

### *2. Approval and review method*

According to the provisions of article 106, paragraph 1 and 7 of Law no. 24/2017, on the issuers of financial instruments and market operations, the shareholders are the ones who have the competence to approve the Remuneration Policy, within the Ordinary General Meeting of Shareholders on whose agenda this item was included. Also, the shareholder approval is required each time a review of the Remuneration Policy takes place.

### *3. Expiration date*

According to article 106 paragraph 7 of Law no. 24/2017, on the issuers of financial instruments and market operations, the company submits the remuneration policy to a vote at the ordinary general meeting of shareholders, on the occasion of each significant change and, in any case, at least once every 4 years.

### *4. Applicability*

The persons to whom the provisions of this Remuneration Policy apply are the administrators and directors of the company.
In the event of any inconsistencies between the legal provisions in force and this Remuneration Policy, the compliance with the specific legal requirement will always prevail. If the legal requirement implies a change to this Policy, it will be subject to the approval of the General Meeting of Shareholders on its first meeting.

## IV. NOMINATION AND REMUNERATION COMMITTEE

The Management Board established a Nomination and Remuneration Committee, setting out its responsibilities and an Operating Regulation in accordance with the applicable legal provisions, namely GEO no. 109/2011, GD 369/2023 and the Corporate Governance Code of the Bucharest Stock Exchange.

The Nomination Committee will be composed only of non-executive administrators. The chairman of the committee will be an independent administrator.

## V. THE CONFLICT OF INTEREST REGARDING THE REMUNERATION

The members of the Management Board who are on a executive position within the company will refrain from voting on decisions regarding their remuneration. The board's decisions regarding the remuneration of directors will be taken by secret vote.
On the other hand, the executive management remuneration will respect a careful balance between the fixed remuneration and the variable remuneration based on performance by setting objectives that both reward exceptional performance and avoid excessive risk-taking, which is not consistent with the strategy.

The members of the Management Board who are also shareholders of the company will refrain from voting on the General Meeting of Shareholders in which the Remuneration Policy will be submitted for approval, in accordance with the provisions of article 126 paragraph 1 of the Law 31/1990 on commercial companies.

Any situation that may cause a conflict of interest in the remuneration process will be immediately brought to the attention of the Management Board by the administrator or director in question, or by any other person who is aware of the potential conflict of interest.

## VI. REMUNERATION COMPONENT

### 1. The non-executive administrators

The remuneration of the non-executive members of the management board, as well as of the members of the supervisory board consists of a fixed monthly allowance. The fixed monthly allowance is equal to no more than two times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the main object of activity registered by the company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment. The level of remuneration is proposed by the remuneration committee of the management board, endorsed by the Agency for Monitoring and Evaluation of Public Enterprises Performance and approved by the general meeting of shareholders, taking into account the reference criteria in the private sector, as well as the complexity of the operations carried out by the public enterprise.
The fair remuneration for performance: The General Meeting of Shareholders will make ensure, when establishing the fixed monthly compensation of each member of the board, that it is justified in relation to the specific duties, the duties within advisory committees, the number of meetings, the objectives and the performance criteria established in the mandate contract. If the administrator does not fulfill his specific duties, the Nomination and Remuneration Committee will prepare a report to the board, showing the administrator's shortcomings and it will make proposals regarding the modification of the remuneration. The Management Board will convene the General Meeting of Shareholders, introducing an item regarding the reduction of the remuneration of the administrator nominated by the nomination and remuneration committee on the agenda.

The non-executive administrators have the right to the payment of compensation in case of revocation of the mandate without just cause. The "just cause" is the non-fulfilment by the administrators or the improper fulfillment of any legal obligation or stipulated in the mandate contract and the unjustified refusal to conclude additional documents to the contract establishing changes made by the effect of the law. Likewise, the revocation takes place with "just cause" when the key performance indicators are not met at the minimum level approved by the General Meeting of Shareholders, as well as when the administrators refuse to assume the key performance indicators and their fulfillment at the minimum level approved by the General Meeting of Shareholders, refusing to properly conclude an additional act to the mandate contract.
In the event of the dismissal of non-executive directors without just cause, they are entitled to receive compensation equivalent to a maximum of 24 fixed net monthly indemnities if the dismissal without just cause occurs during the first 2 years of the mandate, and in the event that the dismissal without just cause occurs in the last 2 years of the mandate, they will receive compensation corresponding to the number of months remaining until the end of the mandate contract.

***2. Company directors/executive administrators***

The Director of the company translates as the person appointed within the meaning of article 143 of Law 31/1990, on commercial companies, that is the person to whom the Management Board has delegated the management responsibilities of the company.

The Management Board of Antibiotice S.A. delegated the management of the company to one of its members, whom it appointed general director, who became an executive manager. The director/executive manager benefits from a remuneration consisting of a fixed monthly allowance and a variable component, in accordance with the provisions of article 37 of GEO. no. 109/2011 on the corporate governance of public enterprises.

Remuneration of the Executive Director/ Administrator

The Executive Director/Administrator carries out his/her activity based on a mandate contract concluded with the company and approved by the Management Board, whose duration is no more than 4 (four) years, with the possibility of renewal.
The remuneration of the executive members of the management board consists of a fixed monthly allowance and a variable allowance. The directors' remuneration is established by the management board and it cannot exceed the level of remuneration established for the executive members of the management board. It is the only form of remuneration for directors who also act as administrators.

In the case of companies whose shares are traded on a regulated market - such as Antibiotice S.A. - the monthly fixed allowance cannot exceed a maximum of 5 times the average for the last 12 months of the average monthly gross salary for the activity carried out according to the main object of activity registered by the company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.
The variable component is based on the fulfillment of key performance indicators, including those specific to the activity of the public enterprise, negotiated and approved by the tutelary public authority, different from those approved for non-executive administrators. The variable component is granted annually and it cannot exceed a maximum of twice the average gross monthly salary for the last 12 months for the activity carried out according to the main object of activity registered by the company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment, only if the company cumulatively meets at least the following conditions:

a. It has no outstanding debts to the general consolidated budget;
b. it has no outstanding debts to suppliers and other creditors;

c. it has implemented investment programs according to execution schedules;
d. it has no previous accounting losses and it does not record current accounting losses;
e. the level of the profitability rate determined as the ratio between net profit and turnover is higher than 5%;
f. the increase in turnover in the current year compared to the previous year is higher than 2.5%.

The variable component of the remuneration is reviewed annually, depending on the level of achievement of the objectives included in the management plan and the degree of fulfillment of the key performance indicators approved by the general meeting of shareholders, an annex to the mandate contract.
The executive director/administrator is entitled to compensation in the event of termination of the mandate without just cause. The "just cause" is the situation according to which the key performance indicators are not met at the minimum level approved by the General Meeting of Shareholders, as well as the situation where the executive director/manager refuses to assume the key performance indicators and their fulfillment at the minimum level approved by the General Meeting of Shareholders, refusing to properly conclude an addendum to the mandate contract. The "just cause" does not include those situations where the non-achievements are caused by circumstances beyond the control of the executive director/manager (e.g. the emergence of legislative provisions regarding taxes, duties or other fiscal obligations with a major impact on the company's financial results, national, international or global or sectoral financial crises, war, epidemics and so on).
The just cause may be invoked for the revocation of the mandate contract only if there is a direct causal relationship between the culpable act of the executive director/administrator and the damage caused to the company. In the event of the revocation of the executive director/administrator without just cause, he/she is entitled to receive compensation equivalent to the fixed compensation and the variable compensation corresponding to the unexecuted mandate period, paying in full the fixed and variable compensation that he/she would have received in the absence of the revocation and taking into account the value of the last variable compensation approved by the General Meeting of Shareholders.
The policy and criteria for the remuneration of administrators and directors, as well as the level of remuneration and other advantages offered to each administrator and director are made public on the company's website, under the care of the chairman of the board.

### 3. *Performance evaluation indicators*

**Executive administrator key performance indicators**

| Year | Financial Indicators | | | | | |
|---|---|---|---|---|---|---|
| | Investment policy | | Financing | Operations | Return | |
| | Capital expenditure rate | C&D | Debt/EBITDA ratio | Receivables turnover rate | Operating profit margin | Net turnover growth rate |
| | % | million lei | no. | no. | % | % |
| 2025 | 2,86% | 20 | 2,18 | 2,1 | 17,00% | 5,21% |
| 2026 | 2,86% | 20 | 2,17 | 2,1 | 17,00% | 5,04% |
| 2027 | 2,86% | 20 | 2,16 | 2,1 | 17,00% | 5,34% |
| 2028 | 2,86% | 20 | 2,15 | 2,1 | 17,00% | 6,39% |
| 2029 | 2,86% | 20 | 2,15 | 2,1 | 17,00% | 5,98% |
| Indicator weight | 10,0% | 10,0% | 5,0% | 10,0% | 5,0% | 10,0% |

| Year | Non-Financial Indicators | | | | | | |
|---|---|---|---|---|---|---|---|
| | Operational | | | Governance | | Environment | |
| | Customer-related indicators | Employee-related indicators | Innovation-related indicators 6) | Indicators related to corporate governance | | Sustainability indicators | Environmental indicators |
| | Customer satisfaction score | Average number of training hours per employee | Share of sales of new services and products | Board meeting attendance rate | Establishing risk management policies | Reducing water consumption intensity (mc/net CA) | Energy consumption |
| | % | no. of hours | % | % | YES/NO | % | MWh |
| 2025 | 80% | 46 | 0.40% | 100% | YES | -1% | 0.0240 |
| 2026 | 80% | 47 | 0.50% | 100% | YES | -1% | 0.0237 |
| 2027 | 80% | 48 | 0.75% | 100% | YES | -1% | 0.0234 |
| 2028 | 80% | 48 | 1.00% | 100% | YES | -1% | 0.0231 |
| 2029 | 80% | 48 | 1.00% | 100% | YES | -1% | 0.0228 |
| Indicator weight | 10% | 5.0% | 10.0% | 5% | 10% | 5% | 5% |

## Key performance indicators for non-executive directors

| Year | Financial Indicators | | | | | |
|---|---|---|---|---|---|---|
| | Investment policy | Financing | Operations | Return | | Dividend policy |
| | CapEx | Current liquidity rate | Inventory turnover rate | Net profit margin | Growth rate of net turnover achieved in the EU (including RO) | Dividend payout rate |
| | Million lei | no. | no. | % | % | % |
| 2025 | 75,00 | 1,00 | 4,48 | 8,00% | 7,03% | 50,00% |
| 2026 | 75,00 | 1,00 | 4,48 | 8,00% | 7,01% | 50,00% |
| 2027 | 75,00 | 1,00 | 4,48 | 8,00% | 7,03% | 50,00% |
| 2028 | 75,00 | 1,00 | 4,48 | 8,00% | 7,02% | 50,00% |
| 2029 | 75,00 | 1,00 | 4,48 | 8,00% | 7,01% | 50,00% |
| Indicator weight | 10% | 10% | 10% | 5% | 10% | 5% |

| Year | Non-Financial Indicators | | | | | | |
|---|---|---|---|---|---|---|---|
| | Operational | | | Guvernance | | Environment | |
| | Customer-related indicators | Employee-related indicators | | Indicators related to corporate governance | | Sustainability indicators | Environmental indicators |
| | Customer retention rate | Number of safety trainings | Establishing an employee safety system | Rate of independent members on the management board | Number of board meetings | Promoting sustainable procurement - significant % of suppliers (80% of CA) signatories to the code of conduct for partners | Emissions in the scope |
| | % | no. | YES | % | nr. | % | tons of CO2e |
| 2025 | 80,00% | 4 | YES | >51% | 12 | 80% | -2,49% |
| 2026 | 80,00% | 4 | YES | >51% | 12 | 80% | -2,49% |
| 2027 | 80,00% | 4 | YES | >51% | 12 | 80% | -2,49% |
| 2028 | 80,00% | 4 | YES | >51% | 12 | 80% | -2,49% |
| 2029 | 80,00% | 4 | YES | >51% | 12 | 80% | -2,49% |
| Indicator weight | 10% | 10% | 5% | 5,0% | 5,0% | 5% | 10% |

The indicators allow the establishment of remuneration methods for non-executive and executive administrators that motivate them to act in the long-term interest of the company.

### *VII. OTHER BENEFITS*
In situations where the persons covered by this Remuneration Policy hold shares issued by the company, the payments of their rights arising from their capacity as shareholders are not considered to be remuneration and these are not subject to the rules relating to remuneration.

The payment of professional liability insurance is made by the company; it is not part of the remuneration and it will be mentioned in the mandate contract in the amount and liability limits established by the public tutelary authority. The mandate contract will also mention other benefits, namely the coverage of representation, transportation, daily allowance, under the condition that the total benefits granted in one year of mandate do not exceed the value of two fixed gross monthly indemnities.

### *VIII. PARTIAL PAYMENTS*
If the mandate of an administrator does not cover an entire financial year, the remuneration will be made taking into account the principle of proportionality with the period in which the person worked as a Management Board member.

### *IX. THE RIGHT OF RECOVERY*
The mandate contract will include provisions regarding:
- the legal liability of the parties, the exercise of action for liabilities and action for damages,

Non-payment/Refund of the variable component of remuneration

- if the payment of the remuneration variable component has become excessively onerous due to exceptional circumstances the extent of which was not and could not have been taken into account by the parties when concluding the mandate contract, the public enterprise is entitled to request a reasonable and equitable adaptation of the mandate contract. If the parties do not agree on the adaptation of the contract, the public enterprise is entitled to notify the court in accordance with the provisions of article 1.271 of the Law no. 287/2009 on the Civil Code, republished, with subsequent amendments and completions;
- the mandate contract is also adapted if the payment of the remuneration variable component endangers the capitalization of the public enterprise;
- if the variable component is granted based on incomplete or incorrect data, the administrator is obliged to refund the amounts received unduly, otherwise the public enterprise is forced to file a refund action.

***THE NOMINATION AND REMUNERATION COMMITTEE***

Mr. Andrei-Tiberiu NOVAC – chairman

Mr. Cătălin LUNGU – member

Mrs. Laura-Cristina STANISLAV-BOGDAN – member

Antibiotice