



ȘANTIERUL NAVAL ORȘOVA S.A.
Nr. RC J25/150/1991 CIF: RO 1614734
Capital social: - subscris 28.557.297,5 lei
- varsat 28.557.297,5 lei
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Codul LEI (Legal Entity Identifier): 254900UXXJ8TPIKLXG79
Cod IBAN: RO96RNCB0181022634120001- B.C.R. Orșova
Cod IBAN: RO59BRDE260SV03176142600- B.R.D. Orșova



REMUNERATION REPORT RELATED TO THE FINANCIAL YEAR 2024

regarding the remunerations and other advantages granted to the administrators and directors within the Orșova S.A. Shipyard.

Preamble

In accordance with the Company's remuneration policy, approved by the OGMS on April 16, 2021, the Company's Board of Directors has prepared this annual report which includes the remuneration and other benefits granted to the Company's executives during the financial year ended December 31, 2024.

The Remuneration Report provides an overview of remuneration, including all benefits, regardless of form, granted or due during the last financial year, to individual managers, including newly appointed and former executives in accordance with the Remuneration Policy.

The Remuneration Report will be submitted to the advisory vote of the ordinary general meeting of the Company's shareholders, will be published on the Company's website and will remain available to the public for 10 years from publication, in accordance with the applicable legal provisions.

1. GENERAL LEGAL FRAMEWORK:

- Law no. 31/1990 on commercial companies
- Law no. 24/2017 on issuers of financial instruments and market operations
- Law no. 158/2020 amending, supplementing and repealing certain legislation, as well as establishing measures for the implementation of Regulation (EU) 2017 / 2.402 of the European Parliament and of the Council of 12 December 2017 establishing a general framework for securitization and creating a specific framework for simple, transparent and standardized security and amending Directives 2009/65 / EC, 2009/138 / EC and 2011/61 / EU, as well as Regulations (EC) No. 1,060 / 2009 and (EU) no. 648/2012.

2. Internal regulations regarding remuneration and other benefits granted to administrators and directors

The internal regulations taken into account for determining the rules regarding the remuneration of the Company's administrators and directors are the following:

- The articles of incorporation of the Company
- Decisions of the GMS and decisions of the Board of Directors of the company

3. The composition of the Nomination and Remuneration Committee The Nomination and Remuneration

Committee assists the Board of Directors in fulfilling its responsibilities regarding the composition and structure of the Board of Directors, the selection and remuneration of the directors and directors.

The composition of the Nomination and Remuneration Committee during the period January 1 - April 22, 2024, approved in the meeting of the Board of Directors on December 19, 2023 (Decision no. 16/19.12.2023) was as follows:

1	Radu Rosca Claudiu	President
2	Ion Dumitru	Member
3	Mihai Constantin Marian	Member

In April 2024, the composition of the Nomination and Remuneration Committee underwent changes. The Board of Directors of the company Santierul Naval Orsova, as it resulted from the elections in the Ordinary General Meeting of Shareholders on 22.04.2024, met on 24.04.2024 in its first meeting in order to appoint the president, vice-president and establish the advisory committees subordinate to the Board of Directors. Thus, the Nomination and Remuneration Committee (Decision no. 6/24.04.2024), has the following composition:

1	Ion Dumitru -	presedinte
2	Fainarea Marius -	membru
3	Pripa Alexandru -	Membru

4. The structure of the remuneration of the administrators and directors of the Company and its amount, during the year 2024:

- the administrators received, for the activity carried out, a fixed monthly indemnity according to the mandate contracts in force for each administrator;
- the general manager and the branch manager received, for the activity carried out, a fixed monthly allowance;
- the fixed allowance for the members of the Board of Directors was approved by the GMS;
- the allowance for the General Manager and the branch manager was approved by the Board of Directors;
- in 2024 no variable indemnity was granted to the administrators or stock and stock options;
- partially the directors and the general manager benefited from professional liability insurance, at the expense of the Company, in the amount approved by the GMS throughout 2024;
- the remuneration granted to the administrators and directors of the company complies with the remuneration policy adopted;

4.1. The structure of the remuneration granted to the Company's administrators

Total gross remuneration for all members of the Company's Board of Directors for the year 2024 it was 600,732 lei.

4.1.1. Fixed monthly remuneration: it was established according to the legal provisions presented above and provided by the mandate contracts of each administrator as approved by the GMS decision. The net fixed remuneration granted to all members of the Company's Board of Directors during 2024, and related entirely to this year, was 351,444 lei.

4.1.2. Variable remuneration: In 2024 no variable remuneration was granted.

4.1.3. The details of the net remuneration related to each administrator are included in the following table:

	<u>Nume and surname</u>	<u>Remuneration Gross fixed</u>	<u>Remuneration Fixed net</u>	<u>Remuneration Variable</u>	<u>Other benefits according to the contract</u>
1	Rosca Radu Claudiu	42.335	24.766	0	0
2	Ion Dumitru	131.947	77.194	0	0
3	Fainarea Marius	112.836	66.012	0	0
4	Zoescu Mihai	35.281	20.640	0	0
5	Mihai Constantin Marian	35.281	20.640	0	0
6	Pripa Alexandru	86.232	50.450	0	0
7	Dumitrascu Catalina	78.410	45.871	0	0
8	Patrascu Nadina Elena	78.410	45.871	0	0

4.1.4. The general performance objectives completed by the specific criteria, which are the basis for granting the variable component of the directors' remuneration, are subject to the approval of the GMS.

4.2. The structure of the remuneration granted to the General Manager

The remuneration of the General Manager of the Company was established by the Board of Directors in the mandate contract, within the limits approved by the GMS.

The total gross remuneration granted to the General Manager of the Company for 2024 was 470,400 lei.

The total net fixed remuneration granted to the General Manager of the Company for 2024 was 275,184 lei.

No variable remuneration was granted in 2024.

4.3. The structure of remuneration granted to the Director of the Agigea Branch

The remuneration of the branch director was established by the Board of Directors in the mandate contract, within the limits approved by the AGM. The total gross remuneration granted to the branch director for the year 2024 was 198,000 lei. The total net fixed remuneration granted to the branch director for the year 2024 was 115,824 lei.

5. Information regarding the mandate contracts of the administrators and executive directors

5.1. Mandate contracts of administrators

The mandate contracts of the company's administrators in 2024 were concluded for periods between 4 (four) years.

During 2024, changes occurred in the structure of the Board of Directors, following the elections in the Ordinary General Meeting of Shareholders on 22.04.2024. The situation of the mandate contracts for the administrators who were part of the Board of Directors of Șantierului Naval Orșova S.A. during 2024 is presented as follows:

	Name and surname	Start date mandate under contract	End date mandate	Appointment document
1	Rosca Radu Claudiu	28.12.2021	22.04.2024	Hotărârea AGOA nr.53/2021
2	Zoescu Mihai	28.12.2021	22.04.2024	Hotărârea AGOA nr.53/2021
3	Mihai Constantin Marian	28.12.2021	22.04.2024	Hotărârea AGOA nr.53/2021
4	Ion Dumitru	21.11.2023	23.04.2028	Decizia CA nr.14/20.11.2023 Hotărârea AGOA nr.59/2024
5	Fainarea Marius	21.11.2023	23.04.2028	Decizia CA nr.14/20.11.2023 Hotărârea AGOA nr.59/2024
6	Pripa Alexandru	22.04.2024	23.04.2028	Hotărârea AGOA nr.59/2024
7	Dumitrascu Catalina	22.04.2024	23.04.2028	Hotărârea AGOA nr.59/2024
8	Patrascu Nadina Elena	22.04.2024	23.04.2028	Hotărârea AGOA nr.59/2024

Mandate contracts contain clauses regarding:

- rights and obligations of the parties;
- liability of administrators;

The mandate contracts concluded with the administrators of the company elected in the OGMS of 22.04.2024 do not provide for the granting of variable compensation.

During 2024, there were no cases of revocation of members of the Board of Directors for failure to fulfill the obligations provided for in the contract.

5.2. The mandate contract of the executive directors

Mandate contracts contain clauses regarding:

- awarding damages for revocation without just cause, before the expiration of the term of office entrusted;
- the notice period of 30 days for the situation in which the director resigns;
- the right to be insured for professional liability;
- the right to service housing at the expense of the Company or, as the case may be, if the Company does not provide the service housing, the settlement of all expenses occasioned by accommodation in specialized units;
- the right to reimbursement of expenses related to the execution of the mandate (accommodation, subsistence, transport and any other types of expenses related to the execution of the mandate and regardless of whether they were caused by travel in the country or abroad, as well as the use of inventory items / fixed assets necessary to carry out the activity.

5.2.1. The mandate contract of the general manager

By Decision no. 13 of November 8, 2022, the Board of Directors extends the term of office for the position of General Manager of the Company of Mr. Sperdea Mircea Ion, for a period of 4 years, between November 10, 2022 and November 9, 2026.

The mandate contract concluded by the General Manager with the Company does not include performance indicators and criteria. For the year 2023, they were approved by the AGOA in the meeting of April 20, 2024.

5.2.2. Mandate contract of the director of Agigea Branch

By Decision no. 15 of December 14, 2024, the Board of Directors approves the appointment of Mr. Girleanu Daniel Remus as director of the Agigea Branch, for a one-year term, starting on January 1, 2024. The mandate contract concluded by the Branch Director does not contain the clause regarding the granting of variable remuneration.

6. Comparative information on changes in remuneration and performance of the Company

Annual change	Financial year 2024 compared to the financial year 2023 +(-)**	Financial year 2023 compared to the financial year 2022 +(-)*	Financial year 2022 compared to the financial year 2021 +(-)	Financial year 2021 compared to the financial year 2020 +(-)	Financial year 2020 compared to the financial year 2019 +(-)
Average gross remuneration of managers					
Board of Directors	1,23%	(0,76%)	1,72%	(41,62%)	16,35%
Executive management	12,27%	7,66%	(6,94%)	14,13	1,91%
Company performance					
Turnover	0,29%	72,26%	(22,37%)	4,06%	7,36%
Gross profit	94,29%	-	-	(89,88%)	26,92%
Work productivity	6,59%	27.18%	33%	3,42%	(12,64%)
Average gross remuneration based on the full-time equivalent of the Company's employees					
Employees of society	14,71%	10,29%	9,61%	3,67%	5,92%

*In 2022, the company registered a loss in the gross amount of 4,233,703 lei

** In 2023, the company registered a profit in the gross amount of 3,881,697 lei

PRESIDENT

Nomination and Remuneration Committee,

Ec. Ion Dumitru