



ANNUAL REMUNERATION REPORT of the management structure of SSIF BRK FINANCIAL GROUP S.A. (BRK)

The Board of Directors has drawn up this Remuneration Report in accordance with the Remuneration Policy for the management structure of BRK (Board members and managers) for the financial year that ended on December 31, 2022.

The Remuneration Report is subject to the consultative vote of the Ordinary General Meeting of Shareholders (OGMS) on April 28/May 2, 2023 and will be published on the BRK website, www.brk.ro, and will remain available to the public for 10 years from the publication date, in accordance with the applicable legal provisions.

The report for the financial year 2022 was drawn up in accordance with the provisions of Law 24/2017 on issuers of financial instruments and market operations and will be subject to voting at the Ordinary General Meeting of Shareholders in April 2023, the opinion of the shareholders at the general meeting regarding the remuneration report, resulting from the vote, having an advisory character.

The remuneration report provides an overview of the remunerations, including all benefits, including the form paid or owed, during the last financial year, to the members of the management structure individually, including the newly appointed and former members of the management structure in accordance with the policy of remuneration.

Regarding the directors' remuneration, reference will be made to the Executive Directors of SSIF BRK FINANCIAL GROUP S.A., natural persons to whom BRK management was delegated by the Board of Directors, in accordance with the provisions of art. 143 of Law 31/1990 on companies, and which operates under a mandate contract. In the case of BRK, the General Manager and the Deputy General Manager are the only directors within the meaning of Law 31/1990 and also for the non-executive Board members of BRK, regardless of the date of appointment or the date of termination of the mandate.

The remuneration report aims to be adequate and responsible by ensuring that the level and component of remuneration correspond to the organizational culture of S.S.I.F. BRK FINANCIAL GROUP S.A., the long-term objectives and the link with performance is clearly determined. All remunerations approved in accordance with the principles set out in the Remuneration Policy are aligned with the best market practices, but also with the strategy, objectives, values of S.S.I.F. BRK FINANCIAL GROUP S.A., the interests of the shareholders and the performance of the activity and reflected in this report.

The remuneration structure of the members of the management structure of BRK for the year 2022

Fixed remuneration

The Non-Executive Board Members are entitled to a fixed monthly remuneration related to the activity within the Board and to additional fixed remuneration in Advisory Committees.

Management contracts of Non-Executive Board members

The mandates of the Non-Executive Board members have a duration of four years and can only be exercised after obtaining individual approval from the Financial Supervisory Authority. In case of the appointment of a Non-Executive Board Members to a vacant Board member position, the newly elected Non-Executive Board Members takes over the mandate for the remainder of the mandate of his predecessor and which cannot exceed the duration of the mandate of the other Non-Executive Board Members.

Both BRK and the Non-Executive Board Members have the right to unilaterally terminate the mandate contract with a notice period of 60 (ten) days from the date of notification. If BRK unilaterally terminates the mandate contract without its termination being attributable to the Non-Executive Board member, the Non-Executive Board Members is entitled to a gross compensation equal to the gross value of all fixed remunerations for a period of 2 (two) months.

REMUNERATION OF DIRECTORS

In accordance with legislation and strong remuneration policies, there are two types of remuneration paid: fixed and variable.

Fixed remuneration

Remuneration is fixed when the conditions for granting are:

- Based on predetermined criteria;
- Transparent about the individual amount awarded to each director;
- Permanent; maintained over a period of time closely related to the specific role and organizational responsibilities;
- Irrevocable; the permanent amount is changed only by negotiation or subsequent renegotiations in accordance with the national legislation on the establishment of remunerations;
- Cannot be reduced, suspended or canceled by the company without consent;

Variable remuneration

Remuneration is variable when it does not meet the conditions for its inclusion in the fixed remuneration category. The amount of variable remuneration is based on:

- Evaluation of individual performance
- General results of the company
- Performance evaluation by business segments

Individual performance evaluation takes into account both financial and non-financial aspects such as:

- The degree of customer satisfaction with the company's services
- Development of new products and/or improvement of existing ones
- Developing and/or improving the work environment/procedures/internal processes and flows
- Improvement of industry specific indicators/scores regarding: corporate governance, relationship with investors and/or other indicators that measure the fulfillment of standards and good practices in the business environment.

The remuneration structure is a combination of fixed and variable elements as well as a set of benefits for which it is considered to ensure an adequate balance in order to remain competitive on the market and to prevent the assumption of risks that exceed the risk tolerance of S.S.I.F BRK FINANCIAL GROUP S.A.

During 2022, the composition of the management structure was as follows:

Board of Directors of the Company

- Mr Robert Danila- President
- Mr Gabriel Goia- Vice-president
- Mr Sorin Constantin- Member

Advisory Committees

Nominating Committee

- Mr Sorin Constantin- President
- Mr Robert Danila- member
- Mr Gabriel Goia- member

Audit Committee

- Mr Robert Danila- President
- Mr Sorin Constantin- member
- Mr Gabriel Goia- member

Risk Committee

- Mr Gabriel Goia- President
- Mr Sorin Constantin- member
- Mr Robert Danila- member

Remuneration Committee

- Mr Gabriel Goia- Presidente
- Mr Sorin Constantin- member
- Mr Robert Danila- member

Executive management

- Ms Monica Ivan- General Manager
- Mr Razvan Rat- Deputy General Manager

Brief description of the applicable Remuneration Policy

Directive 828/2017 of the European Parliament and of the Council, amending Directive 2007/36/EC regarding the encouragement of long-term shareholder involvement, was transposed into national legislation by Law 24/2017, encouraging long-term involvement of shareholders, regarding the exercise of certain rights within listed companies and aims to ensure the long-term sustainability of listed companies, by applying the following principles:

- **Regulation** - regulation of the process regarding the remuneration of persons in management positions who have decision-making power regarding the operation of the company;
- **Transparency** - increasing transparency regarding remuneration, by publishing all benefits paid to managers, by type of benefit, to each individual, depending on their role and responsibilities in the management of the company;
- **Involvement** - the active involvement of shareholders in this process, through the opportunity to express their point of view, by voting on the Remuneration Policy applicable to these persons and the Remuneration Report.

The importance of informing investors in detail about executive remuneration is highlighted, giving them the opportunity to express their views on this matter, in order to ensure sustainable and sound corporate governance, through the types of information that the company must publish. Thus, during the Ordinary General Meeting of Shareholders (OGMS) of BRK on April 26, 2022, the Remuneration Policy for Board Members and Executive Directors (Policy) was approved.

[Details regarding the remuneration of the Board members in accordance with the Remuneration Policy](#) (including how it complies with policy and contributes to the long-term performance of the Company)

Remuneration of BRK Board of Directors members

The remuneration of the Board members has two main components: a monthly remuneration for the activity of the Board Member and remuneration for the activity of the member in the advisory committees), as follows:

Fixed monthly remuneration is differentiated between the Chairman of the Board, the Vice-President of the Board of Directors and the member, respectively 1,300 euros net, for the Chairman of the Board of Directors, 900 euros net for the Vice-President of the Board of Directors and 800 euros net, for the member of the Board of Directors.

For each committee member, in addition to the fixed monthly remuneration, regardless of the number of committees he is part of, the remuneration is 400 Euro net/month.

Variable remuneration

The variable remuneration of the company's Board members includes shares granted in the form of SOP in accordance with EGSM Resolution no. 5/26.04.2021 related to the year 2020.

For the members of the Board, the mandate contract provides for a series of financial and non-financial aspects granted, as follows:

1. Reimbursement of reasonable expenses related to the fulfillment of the mandate;
2. Directors&Officers Liability" (D&O) professional liability insurance policy, the Company bears and pays the cost of the premiums for this insurance;
3. Other legal expenses incurred by the Board members to defend themselves against a claim of a third party, directed against the Board members, in connection with the fulfillment of their duties according to the Mandate Contracts, the Constitutive Act, the Board Regulation or the legal framework, will be borne by the Company, to the extent in which they are not already covered by the "Directors&Officers Liability" (D&O) Insurance Policy in force at the time;
4. A compensation in case of wrongful termination;
5. Any other equipment/means, in connection with and necessary for the proper fulfillment of the duties and obligations provided for in the Mandate Contract (equipment/means of remote communication, travel, etc.).

The remuneration of the Board of Directors respects the Remuneration Policy, which supports the company's Business Strategy, business sustainability and long-term interests by establishing clear thresholds and guidelines in terms of remuneration and maintaining a well-defined relationship between performance and remuneration, by establishing the structure of remuneration and ensuring correlation between remuneration levels within BRK.

The Board Members of BRK no longer receive any other remuneration from the companies in the Group.

Details regarding the remuneration of Board members during 2022

Nr crt	Name and surname	Function	The gross annual fixed remuneration (lei)	Total (lei)	Other financial benefits
1	Danila Robert	President	172.073	172.073	-
2	Goia Gabriel	Vice-president	131.591	131.591	-
3	Constantin Sorin	Member	121.436	121.436	-

SOP related to 2020, established by EGMS Decision no. 5/26.04.2021 allocated in 2022

Nr crt	Name and surname	Function	Number of allocated shares
1	Danila Robert	President	135.000
2	Goia Gabriel	Vice-president	100.000
3	Constantin Sorin	Member	100.000

Remuneration of BRK Executive Directors

The Mandate Contracts (CM) provide for the type and amount of remuneration and benefits granted to the Executive Directors, as well as the terms of termination/termination, in accordance with the powers delegated to them and established in accordance with the limits set out in the Remuneration Policy.

Details regarding the remuneration of the Executive Directors in accordance with the Remuneration Policy

The components of executive directors' remuneration are as follows:

1. **fixed monthly remuneration** - facilitates the attraction and retention of specialists with experience and the skills necessary for the good management of the company's activity and the implementation of the company's medium and long-term Business Strategy, as defined by the Board, contributing to the sustainability and financial and non-financial performance of the Company;
2. **variable remuneration** - the variable remuneration of the General Manager and the Deputy General Manager is correlated with the role of each in the company in accordance with the provisions of the company's organization and operation regulations and the mandate contracts. It will also be granted to the extent that the performance objectives are met and are approved by the Board in compliance with the maximum limits according to the regulations in force as well as with the assumption of roles and responsibilities.

The remuneration policy will be updated accordingly with the values approved by OGMS and or/Board or with other advantages/as the case may be.

General remuneration limits for executive directors

Executive directors do not receive remuneration from any other entity belonging to the BRK Group.

The Remuneration Policy and the Mandate Agreements concluded with the Executive Directors do not provide for clauses regarding benefits related to additional pension systems or early retirement.

The remuneration of the General Manager consists of:

- fixed monthly remuneration, between EUR 2500 and EUR 4000 net
- the remuneration of a salary representing the vacation remuneration
- variable remuneration

The remuneration of the Deputy General Manager consists of:

- fixed monthly remuneration, between EUR 2500 and EUR 4000 gros
- the remuneration of a salary representing the vacation remuneration
- variable remuneration

List of Executive Directors who held mandate contracts in the year 2022

Nr crt	Name and surname	The function
1	Ivan Monica	General Manager
2	Rat Razvan	Deputy General Manager

Details regarding the remuneration of the Executive Directors, during the year 2022 (lei)

Nr crt	Name and surname	The function	Net annual fixed remuneration	Net annual variable remuneration	Total remuneration	Share of fixed remuneration in total remuneration	Share of variable remuneration in total remuneration
1	Ivan Monica	General Manager	247.349	2.250	249.599	99.10%	0.90%
2	Rat Razvan	Deputy General Manager	229.944	212.900	442.844	51.92%	48.08%

SOP related to 2020, established by EGMS Decision no. 5/26.04.2021 allocated in 2020

Nr crt	Name and surname	The function	Number of allocated shares
1	Ivan Monica	General Manager	550.541
2	Rat Razvan	Deputy General Manager	280.270

The remuneration and financial benefits granted to the executive directors in 2022 fall within the limits approved by the General Meeting of Shareholders and comply with the provisions of the Remuneration Policy.

Non-financial benefits of Executive Directors who held mandate contracts in 2022

Nr crt	Name and surname	The function	Laptop	Telefon	Tableta	Autoturism
1	Ivan Monica	General Manager	Yes	Yes	Yes	Yes
2	Rat Razvan	Deputy General Manager	Yes	Yes	No	Yes

The financial results of 2022 recorded a cumulative operating profit on all business lines. Therefore, the results of the financial performance indicators are in accordance with the approved income and expenditure budget.

Annual Variable/Fixed Remuneration of Executive Directors BRK, 2022, [RON]

Nr crt	Name and surname	The function	The net annual fixed remuneration (lei)	Percentage of annual variable remuneration from fixed remuneration	Degree of global fulfillment of the performance indicators
1	Ivan Monica	General Manager	247.349	0.91%	100%
2	Rat Razvan	Deputy General Manager	229.944	92.59%	100%

The remuneration granted to the company's employees during each year of the Report period, 2018-2022, reflects the conditions of the Collective Labor Agreement, the individual labor contracts as well as the negotiations conducted with the representatives of the employees.

Evolution of the average annual gross salary per company 2018-2022

Average annual gross salary based on the full-time equivalent of the Company's employees	Evolution 2021-2022	Evolution 2020-2021	Evolution 2019-2020	Evolution 2018-2019	Evolution 2017-2018
Increase in the relative value of the average annual gross salary (%)	12.06%	26,55%	14,32%	6,19%	7,53%
Annual average gross salary value per company (lei)	9.695	8.651	6.836	5.980	5.631

The annual evolution of managers' remuneration at least during the last 5 financial years

Name/Surname/Function	2022	2021	2020	2019	2018
Nascu Serban – General Manager (Authorization A.S.F. 13.12.2018) ¹				N/A	
Dănilă Robert Iulian – president of the Board ²	6.09%	N/A	N/A		
Goia Gabriel – Member of the Board ³	8.05%	N/A	N/A		
But Cristian Vasile – Member of the Board ⁴					N/A
Mancas Catalin Director – Deputy General Manager ⁵				N/A	N/A
Monica Ivan – Deputy General Manager ⁶					N/A
Monica Ivan – Deputy General Manager ⁷	19.58%	22,24%	N/A		
Gherghelas Dan Nicolae ⁸					N/A
Mancas Catalin ⁹					N/A
Moldovan Darie-Vasile ¹⁰			N/A	-31,35%	N/A
Răzvan Raț – Deputy General Manager ¹¹	19.58%	23,44%	21,08%	52,33%	
Gherguș Nicolae- President of The Board ¹²		N/A	N/A	N/A	
Ivan Monica- Vice-President of the Board ¹³				N/A	N/A
But Cristian Vasile – Interim member of the Board ¹⁴					N/A
Constantin Sorin George - member of the Board ¹⁵	8.72%	59,05%	N/A	N/A	

The period of exercising the function of the Board or director

¹ 01.01.2019- 03.05.2019

² 02.10.2020- present

³ 02.10.2020- present

⁴ 04.04.2018 -.19.11.2018

⁵ 04.07.2018 - 03.01.2019

⁶ 06.04.2017-08.03.2018

⁷ 08.08.2019 -present

⁸ 09.03.2017-19.12.2018

⁹ 09.03.2017-19.12.2018

¹⁰ 09.03.2017-27.04.2020

¹¹ 16.05.2018 -present

¹² 19.11.2018-27.04.2020

¹³ 19.11.2018-27.04.2020

¹⁴ 20.12.2017-03.04.2018

¹⁵ 24.04.2019-present



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