

REMUNERATION REPORT

This remuneration report was drawn up in accordance with requirements of the engagement EU Directive on the encouragement of long-term shareholder engagement (SRD II) and Clause B.3.2. of the Cyprus Stock Exchange Corporate Governance Code.

Following the Clause B.2. of the Cyprus Stock Exchange Corporate Governance Code the level of remuneration of the members of the Board of Directors is sufficient to attract and retain the Directors to run the Company successfully but the Company avoids paying more than necessary for this purpose. The level of remuneration is adequate to the tasks and responsibilities delegated to individuals and corresponding accountability.

Astarta is interested to remunerate the Directors in a way that is in line with the market, considering the annual results of the Company and individual achievements, namely contribution of each Director to the development of the Company.

Gross profit decreased by 5% y-o-y to EUR207m due to higher production costs. EBITDA decreased from EUR201m in 2021 to EUR155m in 2022 with high transportation costs due to changes in traditional logistic routes because of limited access of sea transportation.

Since the beginning of the russia's full-scale invasion on 24 February 2022, Ukraine faces a new reality of an existential risk to lives and health of Ukrainians as well as business operations. Astarta had to adjust to the war-time reality to continue business under extreme conditions.

In 2022, despite significant war-related challenges, Astarta managed to secure all required inputs for planting of its entire land bank. Following the military hostilities and related difficulties with grain handling, storage and exports the Company was forced to adjust crop rotation in favour of higher acreage under oilseed crops such as sunflower and soybeans, which have lower yields per hectare of land compared to corn and can be processed locally. After the russian invasion halted traditional logistics modality Astarta successfully managed to establish alternative overland export routes and means of transport. This allowed the Company to export 535kt of grain and oilseeds and to free up storage space for the 2022 and upcoming 2023 crop.

The russian invasion of Ukraine also caused significant disruption in energy supply posing certain risks to sugar production. Astarta responded to these challenges by securing gas deliveries and diversifying energy sources through use of alternative fuel such as sunseed pellets. This allowed Astarta to produce 282kt of beet sugar in 2022 which is 6% y-o-y higher compared to the previous season. Astarta's energy efficiency programme focused on replacing natural gas consumption with biogas in the Sugar Production segment to 10% from 2% in 2021.

The Company increased soybean processing volumes by 23% y-o-y to 211kt despite the brief suspension of crushing due to war-related risks. Overcoming major logistical challenges Astarta secured stable exports of soybean products which contributed 84% of total segment revenues compared to 66% in 2021. As part of the energy independence strategy in the Soybean Processing segment the share of natural gas substitution by biogas increased to 50% in 2022 from negligible amount in the previous year.

The collapse of sales and supply chains, as well as physical damage to some dairy processing plants following the russian invasion led to lower milk processing in Ukraine. Despite these challenges Astarta managed to increase milk production by 6% y-o-y to 102kt on the back of 4% y-o-y increase in daily average milk yield to 23.6kg/day and 2% y-o-y growth in the size of the milking herd.

In 2022 Astarta also continued focusing on innovations through development of modern IT technologies. The team of Agrichain, a proprietary integrated multi-module IT software, continued updating IT modules and developing new ones, assisting in managing the complexity of agribusiness practices. Among the new modules introduced by Agrichain are AgriChain Machinery (machinery and equipment management) and AgriChain Logistics (logistics, inventory and product management). A new add-on to the AgriChain Scout module on soil sampling for further analysis in the laboratory was developed. In 2022 AgriChain also started cooperation with the US "Planet Labs", a leading company in the Earth observation from space. Agrichain also

successfully completed testing the electronic document management of transport consignment notes.

At the start of the war, Astarta co-founded a large-scale humanitarian project Common Help UA. The project grew through other businesses, international organizations, local communities and temporarily displaced civilians joining in to help those in need, nurture local entrepreneurship, create jobs for displaced people, support domestic producers and the economy in general. By the end of 2022 more 28kt of humanitarian supplies (food, medicine, personal hygiene products, clothing) were delivered, the estimated monetary value of charitable contributions and humanitarian aid totalled USD18m, over 716k evacuated civilians and 407 social and medical institutions received humanitarian aid.

In line with the Clause 6.4. of the Code of Best Practice, the Board of Directors performs its responsibilities on a continuous basis and the remuneration of the members of the Board of Directors does not depend on the number of meetings held. The remuneration of the members of committees considers additional workload on the committee.

Remuneration Committee

In line with Clauses B.1.1.-B.1.4. of the Cyprus Stock Exchange Corporate Governance Code, to avoid the potential conflicts of interest, the Board of Directors has set up a Remuneration Committee consisting exclusively of Independent Non-Executive Directors (Messrs. Howard Dahl, Gilles Mettetal) to make recommendations to the Board, and the Board submits to the General Meeting's approval, the Executive Directors' level of remuneration and to determine on their behalf specific packages for each of the Executive Directors, including any compensation payments. The members of the Remuneration Committee have knowledge and experience in application of the Remuneration Policy. Additionally, the Remuneration Committee has access to professional advice inside and outside the Company.

Following the Clause B.1.6. of the Cyprus Stock Exchange Corporate Governance Code, the Remuneration Committee periodically reviews the Remuneration Policy.

Remuneration Policy

The Directors of the Company are remunerated according to the Remuneration Policy adopted on 28 May 2021 (the "Remuneration Policy"). Currently the Remuneration Policy is in the process of adaptation in accordance with the laws of Cyprus after recent relocation of the Company from the Netherlands to Cyprus.

The Company shall not make any payments as remuneration to the members of the Board of Directors, whether annual payments, periodical payments/rewards, payments payable on a certain term, entitlements to profits, bonuses, or pension payments, whether in cash or in kind, other than in accordance with the Remuneration Policy.

As previously reported the Company is a holding company with all production assets situated in Ukraine. Considering this fact, the Executive Directors shall be involved in the operational process in Ukraine, therefore the operational management of the Company is carried out at the sub-holding level – by the management of LLC Firm "Astarta-Kyiv". Thus, the Company defines management remuneration - (i) for directors who do not take part in the operational management (the Non-Executive Directors), and (ii) for directors who take part in the operational management (the Executive Directors).

Total remuneration

The Remuneration Policy seeks to enable members of the Board of Directors to receive market competitive levels of remuneration. Following the Clause B.2.2. of the Cyprus Stock Exchange Corporate Governance Code, the Remuneration Committee compares the position of the Company and other companies in the agricultural industry and considers the relative performance. Hence, the Company uses principles regarding total remuneration that are competitive, comparable to and consistent with the practice in the agricultural industry on a comparable market, as well as in reasonable relation to the Company's operating results.

Following the Clause B.2.7. of the Cyprus Stock Exchange Corporate Governance Code, members of the Board of Directors who do not take part in a day-to-day operational activity of the Company can receive remuneration in the form of an annual fixed remuneration and are not entitled to any variable performance-related remuneration. Remuneration of Non-Executive Directors is not linked to the Company's profitability.

Executive Directors who take part in a day-to-day operational activity of the Company, can receive remuneration package consisting of an annual fixed and variable remuneration. The Remuneration Committee performs scenario analysis to assess the impact that different performance levels will have on the total remuneration of the Executive Directors in amount of variable part.

Annual remuneration

Annual fixed remuneration is set in the Remuneration Policy range by the Board of Directors upon proposal of the Remuneration Committee. Annual fixed remuneration is usually reviewed annually, without any commitment to increase, after adoption of the annual accounts.

On 16 June 2022, in accordance with Remuneration Policy dated 28 May 2021 year the Board of Directors approved and ratified the remuneration of the Chairman of the Board at EUR75,000 per year, Non-executive Director at EUR40,000 per year, Chief Corporate Officer at EUR40,000 per year for financial year 2022.

The Executive Directors shall be remunerated by the Company's subsidiary LLC Firm "Astarta-Kyiv". The Board of Directors approved the following recommended fixed remuneration of Executive Directors for 2022: Mr. Ivanchyk, CEO – the equivalent of EUR360,000 and Mr. Gladky, CFO – the equivalent of EUR276,000.

The abovementioned resolutions are approved based on the Remuneration Policy, the results of examination of the consolidated financial statements as at and for the year 2021 approved by the General Meeting of Shareholders as well as upon the Remuneration Committee's proposals dated 16 June 2022.

Remuneration of the Executive and Non-Executive Directors for reported financial years

all in EURk

Director's name	Position	Financial year	Fixed remuneration	Variable remuneration	Total remuneration
Viktor Ivanchyk	Executive Director (Chief Executive Officer)	2022	360	-	360
		2021	382	360	742
Viktor Gladky	Executive Director	2022	276	-	276
		2021	271	240	511
Marc van Campen	Executive Director	2022	40	-	40
		2021	40	-	40
Howard A. Dahl	Non-Executive Director (Chairman of the Board of Directors)	2022	75	-	75
		2021	75	-	75
Gilles Mettetal	Non-Executive Director	2022	40	-	40
		2021	40	-	40
Arslan Huseyin	Non-Executive Director	2022	40	-	40
		2021	40	-	40
Savvas Sotiri Perikleous	Executive Director	2022	-	-	-
		2021	-	-	-
Markiyan Markevych	Non-Executive Director	2022	-	-	-
		2021	-	-	-

Additionally, expenses on the long-term incentive plan (LTI) for the year ended 31 December 2022 were accrued for Mr.Ivanchyk in the amount of EUR 300 thousand and for Mr. Gladky in the amount of EUR 275 thousand (2021: for Mr.Ivanchyk in the amount of EUR 600 thousand

and for Mr. Gladky in the amount of EUR 415 thousand). These expenses are not part of total 2021-2022 remuneration in the table above, as these LTI awards were not received by management. Total remuneration including accrual for LTI for Mr.Ivanchyk resulted in amount of EUR 660 thousand and for Mr. Gladky resulted in amount of EUR 551 thousand for 2022 (2021: for Mr.Ivanchyk in amount of EUR 1,342 thousand and for Mr. Gladky in amount of EUR 926 thousand).

Loans and guarantees

The Company does not grant loans, advance payments or guarantees to members of the Board of Directors or any family member of such persons.