

**RENUMERATION POLICY FOR THE BOARD OF DIRECTORS
"INTERCAPITAL PROPERTY DEVELOPMENT" JSC**

**Chapter I.
GENERAL**

Article 1

- (1) The current remuneration policy for the members of the Board of Directors of "INTERKAPITAL PROPERTY DEVELOPMENT" REIT (the "Policy") has been drawn up in accordance with the requirements of Ordinance No. 48 of March 20, 2013 on remuneration requirements, issued by the Financial Supervision Commission . published DV. no. 32 of April 2, 2013 ("Ordinance No. 48"), in connection with the provisions of the Law on the Public Offering of Securities ("IPO").
- (2) The purpose of this policy is to establish objective criteria for determining the remuneration of the members of the Board of Directors of "INTERKAPITAL PROPERTY DEVELOPMENT" REIT (the "Company"), providing for the principles and requirements that apply when determining and paying the remuneration of the members of The Board of Directors of the Company.

Article 2

- (1) The Board of Directors of the Company is responsible for the development of the Policy, its implementation and ensures that it is reviewed at least once every 4 years.
- (2) Proposals for the adoption of the policy and its amendments are included as an independent item in the agenda of the regular annual General Meeting of the Company's shareholders, announced in the invitation for its convening, and are approved by the General Meeting of Shareholders.

Article 3

- (1) The Company discloses to its shareholders the manner in which it applies the policy in a report, which is a separate document to the Company's annual financial report.
- (2) The report under para. 1 has the minimum content established under Ordinance No. 48.
- (3) The report under para. 1. The remuneration policy adopted by the General Meeting of Shareholders and any subsequent changes to it, as well as any other information regarding the remuneration of the members of the Board of Directors, are disclosed to the public in accordance with regulatory requirements and good corporate governance practices in a clear and accessible way, without disclosing sensitive commercial information or other information representing a secret protected by law, by publishing them on the Company's website (with the date of acceptance by the shareholders, the date of entry into force and the voting results indicated therein j), as well as through the other ways provided by law.
- (4) The policy will contribute to the fulfillment of the company's business objectives and is aligned with the long-term interests and sustainability of the company.

- (5) The fact that the Policy provides for the payment of only a fixed remuneration will allow the planning of this part of the company's expenses, so that it will allow the fulfillment of the company's business objectives, as well as contribute to the sustainable long-term development of the company.
- (6) The determined remuneration of the members of the Board of Directors is consistent with the remuneration and working conditions of the company's employees, taking into account both the average monthly remuneration of the employees and the conditions under which the employees work compared to the working conditions of the management of the company.
- (7) The disclosure of information about the remuneration of the members of the Board of Directors is carried out in accordance with the regulatory requirements and good practices for corporate governance.

Chapter II.

REWARDS

Article 4

- (1) The Company pays the members of the Board of Directors only a permanent remuneration, the specific amount of which is approved by the General Meeting of the Company's shareholders.
- (2) The amount of the permanent remuneration should take into account:
 - the duties, the degree of workload, commitment and involvement of the members of the Board of Directors in the management of the company, as well as the contribution of each member of the Board of Directors to the activity and results of the company;
 - the ability to select and retain qualified and loyal members of the Board of Directors;
 - the existence of a match between the interests of the members of the Board of Directors and the long-term interests of the Company.
- (3) The amount of the permanent remuneration of the members of the Board of Directors, including the executive director, is determined by a decision of the General Meeting of Shareholders, in accordance with the requirement of the law.

Article 5

- (1) By decision of the General Meeting of Shareholders and taking into account the financial situation of the Company, it may be decided to pay variable remuneration to the members of the Board of Directors. In this case, the current policy should be amended and supplemented under the conditions and according to the procedure set forth in the LPA and Ordinance No. 48.
- (2) It is not envisaged to provide remuneration to the members of the Board of Directors in the form of shares of the Company, options on shares or other rights to acquire shares. No remuneration is foreseen for the members of the Board of Directors, based on changes in the price of the Company's shares.

Article 6

The members of the Board of Directors conclude contracts for the assignment of management with the Company in accordance with the legal requirements. The clauses of the contracts should correspond to

this Policy, to the provisions of the Civil Procedure Code and Ordinance No. 48, and if necessary, the contracts may be amended in order to bring them into line with the legal requirements.

Chapter III.
WARRANTIES

Article 7

- (1) The members of the Board of Directors are obliged to provide a guarantee for their management, when the applicable requirements of the LPA and Ordinance No. 48 require this and in accordance with the regulatory requirements.
- (2) The guarantee for the management of the members of the Board of Directors is released in accordance with the applicable requirements of the LPA and Ordinance No. 48.

Chapter I V.
REQUIREMENTS FOR MANAGEMENT DELEGATION CONTRACTS

Article 8

- (1) In the case of early termination of the Contract for the assignment of management with the Executive Director, the total amount of benefits payable to the person in connection with the early termination, as well as the payments related to the notice period or provided for in the clause prohibiting the performance of competitive activity, may not exceed the amount of annual permanent remuneration paid to the person for the previous two years.
- (2) The benefits under Art. 8, para. 1 of this Policy are not due in case the termination of the contract is due to unsatisfactory results and/or culpable behavior of the executive director.
- (3) In case of premature termination of the Management Agreement with the Executive Director, due to violation of the clause prohibiting the performance of competitive activities, the person owes compensation to the Company in the amount of the paid annual permanent remuneration of the person for the previous two years.
- (4) In the event that the General Meeting of Shareholders has decided to pay variable remuneration to the members of the Board of Directors, the management contract with the executive director necessarily contains a clause enabling the Company to demand the return of paid variable remuneration respectively with the provisions of Ordinance No. 48.

Chapter V.
FINAL PROVISIONS

Article 9

- (1) In case of changes in the legislation, which cancel or amend the provisions of this Remuneration Policy, the Board of Directors makes a decision to amend or supplement the Policy. Until this decision is made, the affected provisions are interpreted in accordance with the laws of the country, the Articles of Association of the company and the generally accepted principles and good practices of corporate governance.

(2) When the general meeting does not accept proposed amendments and/or additions to the existing remuneration policy, respectively the proposed new policy, the Company continues to pay remuneration to the members of its management and control bodies in accordance with the adopted policy. In these cases, the Board of Directors should present to the next general meeting for adoption revised amendments and/or additions to it, respectively a revised new policy.

(3) This policy was developed by the Board of Directors of the Company and was approved by the General Meeting of the Company's shareholders, held on 28.09.2020 - with a majority of 100% of those present and enters into force on the date of approval by the General Meeting of the shareholders of the Company.

Velichko Klingov,
CEO