

PRINCIPLES OF REMUNERATION OF THE MANAGERS OF AS SILVANO FASHION GROUP

1. General principles

The remuneration principles of the managers of AS Silvano Fashion Group (hereinafter the Company) have been prepared based on the Estonian Securities Market Act, in addition, the recommendations set out in the Corporate Governance Code have been taken into account. The remuneration principles are published on the Company's website and are also described in the section "Corporate Governance Report. Remuneration report". The Company's Supervisory Board supervises the remuneration principles.

2. Principles of remuneration of the members of the Management Board

The members of the Management Board are elected by Supervisory Board according to their knowledge of the Company's field of activity, the candidate's leadership and management experience, personality traits, and commitment to the Company and its objectives. The principles of remuneration of the members of the Management Board and other terms and conditions of the employment contract are decided by the Supervisory Board of the Company. The remuneration of a member of the Management Board consists of the basic salary.

The remuneration paid must be such as to motivate the person to act in the best interests of the Company, to be competitive and to avoid a situation of conflict of interest. The basic salary may be reviewed and amended by the Supervisory Board during the term of the contract.

3. Remuneration of members of the Supervisory Board and committees

The remuneration of the members of the Supervisory Board and committees is approved by the general meeting of shareholders. The members of the supervisory board and committees are not employed by the company. The work of the members of the Supervisory Board is paid. If the chairman or member of the Supervisory Board participates in the work of the committees, no separate remuneration shall be paid to the chairman/member of the Supervisory Board.

4. Modification, Approval and Implementation of the Principles

The general meeting of the company votes on the remuneration policy at least once every four years, as well as in case of significant changes in the remuneration system. The principles of remuneration shall be deemed approved if more than half of the votes represented at the general meeting are in favor of them. The decision of the general meeting to approve the remuneration principles is recommended to the Supervisory Board.