



POLICY FOR THE PREVENTION AND HANDLING OF CONFLICTS OF INTEREST

Version 2, as approved by the BoD, on 05.07.2021



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1. PREAMBLE

This policy for the prevention and handling of conflicts of interest is instituted in the context of the updating of the legislation on corporate governance for public limited companies with shares or other securities listed in a regulated market in Greece.

Specifically, the preparation and approval of this document constitutes compliance with respect to the obligations mandated by Law 4706/2020 and specifically the obligation posed by the provision of article 14, paragraph 3 case f' of that Law on the adoption of policies and procedures for the prevention and handling of conflicts of interest.-

In the context of that compliance, this policy is instituted in full correspondence with the regulatory provisions in force with the respect to the full-time commitment obligation and the handling of conflicts of interest with respect to the public limited company. Specifically, the preparation and approval of this document takes account of the following provisions:

(a) of article 97, Law 4548/2018 regarding the full-time commitment and the conflicts of interest with respect to the public limited company, as well as

(b) of article 99, Law 4548/2018, article 32 of Law 4308/2014, as well as International Accounting Standard 24 on the concept of related parties and related-party transactions.-

This policy establishes the concept of conflict of interest, the persons liable to comply with the policy, as well as those special cases where it is possible for a conflict of interest to ensue. The purpose of this document is to institute substantial rules which delimit the conflicts of interest within the corporate organization, in order for the competent administrative, managerial and supervisory bodies to be able to:

(a) identify, evaluate, anticipate, manage, deal with or and avert similar states and, subsequently, to

(b) safeguard and promote the corporate interest.-

2. DEFINITION

Conflict of interest is defined as the state where people discharging administrative, directing, managerial, or supervisory responsibilities and competences in the name and on account and behalf of the company and who have own interests which could unfairly affect the discharge and exercise of the obligations and responsibilities ensuing from their status, as well as from the aforementioned administrative, managerial or supervisory position in the company.-

3. PERSONS LIABLE TO COMPLY

Persons who must comply with the present policy for the prevention and handling of conflicts of interest are explicitly designated by the current legislative framework. More specifically, the following individuals are liable to comply:

(1) The members of the Board of Directors of the Company and any third party, to whom competences of the Board of Directors have been assigned.-

(2) The members of the committees of the Board of Directors and of the independent committees of the Company.-

(3) The main executives of the Company, namely the senior executive who have the power and authority and are responsible for the planning, management and control, directly or indirectly, of the Company's activities and among which are its General Managers, Directors and the Head of the Company's Departments.-

(4) Those individuals holding positions of responsibility in the Company's Internal Control System and, more specifically, in the Internal Control, Regulatory Compliance and Risk Management Units.

(5) The close family members of the persons cited above, namely the members of their family who may be anticipated to affect or be affected by these individuals in their relations with the Company and who include:

(a) that person's children and spouse or domestic partner;

(b) the children of that person's spouse or domestic partner; and

(c) the dependents of said individual or those of said individual's spouse or domestic partner.-

(6) Entities associated with the persons cited above, namely the legal entities:

(i) which the aforementioned persons liable to comply, control or jointly control;

(ii) with respect to which the individuals above, who are liable to comply, exercise significant influence and

(iii) in which (or in the subsidiaries of which) the aforementioned persons who are liable to comply hold crucial managerial posts.-

4. REGULATORY FRAMEWORK

(1) The provision of article 97, paragraphs 1 and 2 of Law 4548/2018 stipulates the following:

"1. The members of the board of directors and any third party to whom competences of the board have been assigned or delegated, have a full-time commitment towards the company. They are specifically obliged:

a) Not to pursue own interests running against the interests of the company.-

b) To timely and adequately disclose to the other members of the board of directors their own interests which may ensue from the transactions of the company, which fall under their duties, as well as any conflict between their interests and those of the company or of enterprises affiliated with it, in the sense of article 32, Law 4308/2014, which ensues during the discharge of their duties and responsibilities. Similarly, they must disclose also any conflict of the company's interests with the interests of the individuals of paragraph 2, article 99, provided they are related with such individuals.

A disclosure is deemed to be adequate when it includes a description of both the transaction as well as the own interests. Companies disclose cases of conflict of interests and possible contracts concluded which fall under the scope of article 99 to the next scheduled (regular) general meeting of shareholders. For companies with titles listed in a regulated market, the disclosure is also included in the annual report by the board of directors.-

c) To keep strict confidentiality with respect to corporate affairs and company secrets which were disclosed to them due to their status as directors.-

2. The Company's Articles of Association may further specialize the obligations of the previous paragraph".-

(2) The provision of article 99, paragraph 2 cases a' and c' of Law 4548/2018 provides for the following:

"2. The prohibition of paragraph 1 is in force with respect to the following individuals (related parties):

(a) For companies with shares listed in a regulated market, the individuals designated as related to such company pursuant to International Accounting Standard 24, as well as the legal entities controlled by such individuals, in compliance with International Accounting Standard 27.-

(...)

(c) The individuals to whom the application of this article and of articles 100 and 101 has been extended by means of a provision in the Articles of Association (statutory provision) and especially the general managers and managers of the company".-

(3) Among other things, paragraph 9 of International Accounting Standard (IAS) 24, provides for the following:

"A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity').-

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.-

(b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).-

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).-

(iii) Both entities are joint ventures of the same third party.-

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.-

(v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.-

(vi) The entity is controlled or jointly controlled by a person identified in (a).-

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).-

A related party transaction is a transfer of resources, services, or obligations between the reporting entity and a related party, regardless of whether a price is charged.-

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.-

(...)

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.-

Joint control is the contractually agreed sharing of control over an economic activity.-

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.-

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement”.-

(4) Paragraph 12 of International Accounting Standard (IAS) 24 provides for the following:

“In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture. Therefore, for example, an associate’s subsidiary and the investor that has significant influence over the associate are related to each other”.-

(5) Paragraph 11 of International Accounting Standard (IAS) 24 provides for the following:

“In the context of this Standard, the following are not related parties:

(a) two entities simply because they have a director or other member of key management personnel in common or because a member of key management personnel of one entity has significant influence over the other entity.

(b) two venturers simply because they share joint control over a joint venture,

(c) (i) providers of finance,

(ii) trade unions,

(iii) public utilities, and

(iv) departments and agencies of the Government that does not control, jointly control or significantly influence the reporting entity,

simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision-making process);

(d) a customer, supplier, franchisor, distributor or general agent with whom an entity transacts a significant volume of business, simply by virtue of the resulting economic dependence”.-

(6) The provision of article 32, par. 2 of Law 4308/2014 provides for the following:

“A parent economic entity prepares consolidated financial statements for itself as well as any other entity, if any of the following from (a) to (e) holds true for the parent entity in question:

(a) Has a majority of the shareholders' or members' voting rights in another entity (a subsidiary entity).-

(b) Reserves the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another entity (a subsidiary entity) and is at the same time a shareholder in or member of that entity.-

(c) Reserves the right to exercise a dominant influence over another entity (a subsidiary entity) of which it is a shareholder or member, pursuant to a contract entered into with that entity or to a provision in its memorandum or articles of association.-

(d) Is a shareholder in or member of another entity, and either:

(d1) controls alone, pursuant to an agreement with other shareholders in or members of that entity (a subsidiary entity), a majority of shareholders' or members' voting rights in that entity, or

(d2) the following three conditions cumulatively apply:

(d2.1) The majority of the members of the administrative, management or supervisory bodies of that entity (a subsidiary entity) who have held office during the financial year, during the preceding financial year and up to the time when the

consolidated financial statements are drawn up, have been appointed solely as a result of the exercise of its voting rights.-

(d2.2) The voting rights held by that parent entity represent at least 20% of the total voting rights in the subsidiary entity.-

(d2.3) No third party has the rights referred to in points (a), (b) or (c) of this paragraph with regard to that entity.-

(e) Has the power to exercise, or actually exercises, dominant influence or control over another entity (the subsidiary entity)”.-

4. CONFLICT OF INTEREST CASES

The following are cases constituting or which could bring about a conflict of interest:

(1) The pursue by those individuals who are liable to comply of own interests running counter to the interests of the Company.-

(2) To use or exploit by those individuals liable to comply of their status, of the administrative, directorial, managerial or supervisory position in the Company, as well as of the assets or infrastructure of the company for their own benefit or for the benefit of a third party.-

(3) For those individuals liable to comply to take any valuable consideration, commission or benefit of any kind for the conclusion of a contract, the execution of a project or the rendering of services by the Company with or towards any third party.-

(4) To exploit by the persons liable to comply, of inside information of the Company for the performance of transactions and for obtaining own or third party benefit.-

(5) The taking, by those liable to comply, of the advantage offered by a business opportunity ensuing during the operation and activity of the Company, for their own benefit or for the benefit of any third party.-

(6) The exercise, by the persons liable to comply, of actions or activity competing with the Company.-

(7) To assume duties, to render services, to perform projects or to offer work by the persons liable to comply to any third party, which will affect their obligation to be available, to unreservedly place their skills and experience to the service of the Company, as well as to fulfill their obligations stemming from their status, their administrative, directorial, managerial or supervisory position in the Company.-

(8) Harm caused by the persons who are liable to comply, to the Company's reputation and image.-

As the cases above are indicative, the precise designation of the content of a conflict of interest state constitutes a responsibility of the Regulatory Compliance Unit of the Unified Department for Regulatory Compliance – Risk Management.-

5. BINDING NATURE OF THIS POLICY – OBLIGATION TO DISCLOSE

This policy for the prevention and handling of conflicts of interest forms part of the Company's Charter (Regulation for the Internal Organization and Operation of the Company) and binds those individuals liable to comply.-

For this reason, the Company must disclose this policy to the persons liable to comply with it, while the latter must disclose it, on the one hand, to the members of their close family environment and, on the other hand, with all entities associated with them.-

The procedure of the disclosures above is described in detail in the manual for the prevention and handling procedures with respect to conflicts of interest, attached as annexes to which are the relevant documents.-

6. REVISION OF THIS POLICY

(1) The Regulatory Compliance Unit of the Regulatory Compliance – Risk Management Unified Department, which is responsible for identifying, weighting and evaluating conflicts of interest states, in compliance with the relevant procedures manual, submits at least every three (3) months a report to the Board of Directors on, among others:

(a) the adequacy and accuracy of the Company's compliance with this policy, as well as the procedures which are included in the manual on the prevention and handling of conflicts of interest.

(b) all potential shortfalls manifested in the policy in question , as well as the relevant procedures and the risks such may entail, as well as

(c) its recommendations relating to taking the optimal and appropriate relevant measures to deal with the aforementioned shortfalls.-

(2) In the context of the reports above, it is possible to propose and submit the relevant recommendation to the Board of Directors of the Company for the amendment of this policy, with respect, on the one hand, to the assessment of its effectiveness and in relation, on the other hand, to the amendment of the regulatory and statutory environment.

7. APPROVAL BY THE COMPETENT BODY AND EFFECTIVE DATE

This policy for the prevention and handling of conflicts of interest has been approved by the Company's Board of Directors and has entered into force and effect on 05.07.2021 .-