

CORPORATE GOVERNANCE

The present statement has been prepared in accordance with the provisions of articles 152 and 153 of L. 4548/2018; it is included in the Company's Annual Management Report for the 2020 fiscal period, as a special part thereof and is available via the Company's website at: <https://www.helpe.gr/en/investor-relations/corporate-governance/statement-of-corporate-governance/>.

The institutional framework governing the Company's operation and obligations is L. 4548/2018 on the reform of the law of sociétés anonymes, L. 3016/2002 and, as from 17.7.2021, L. 4706/2020.

The Company's Articles of Association, as amended by the Extraordinary General Meeting of 20 December 2019 in order to be aligned with the provisions of L. 4548/2018, is available via the Company's website at: <https://www.helpe.gr/en/investor-relations/corporate-governance/articles-of-association-data>.

As a company the shares of which are traded on the Athens Stock Exchange, the Company has additional obligations in respect of the individual sections of governance, investors' and supervisory authorities' information, financial statements' publication, etc. The principal laws describing and imposing the additional obligations are L. 3016/2002, L. 3556/2007, L. 4374/2016, the Athens Stock Exchange Regulation, the provisions of article 44 of L. 4449/2017 (Audit Committee) as amended by article 74 of L.4706/2020 and currently in force, together with letter no. 1508/17.7.2020 of the Hellenic Capital Market Commission and decision no 5/204/14.11.2000 of the Board of Directors of the Hellenic Capital Market Commission, as in force. The L. 4706/2020 on "Corporate governance of sociétés anonymes, provisions for capital market modernisation, transposition of EU Parliament and Council Directive 2017/828 into Greek law, measures for the implementation of EU Regulation 2017/1131, and other provisions" will replace L. 3016/2002 on corporate governance as of 17.7.2021. Upon the enforcement of the new law, corporate governance issues, which are basically self-regulated through soft law, the Code for Corporate Governance, shall be subject to mandatory rules without any deviation possibility.

The Company, in the context of the timely implementation of its corporate governance framework with the provisions of L. 4706/2020, as well as the decisions of the Hellenic Capital Market Commission already issued, has proceeded to the amendment of its Articles of Association and adopted a Suitability Policy of the Company's BoD Members in an EGM on 28 May, 2021, while the amendment or enactment of processes and regulations in view of the timely implementation of the provisions of L. 4706/2020 is underway.

Corporate Governance Code

The Company has adopted the **Corporate Governance Code for Listed Companies of the Hellenic Corporate Governance Council (HCGC)** (or “Code”). This Code can be found on the HCGC’s website, at the following e-address: <https://www.athegroup.gr/web/guest/esed-hellenic-cgc>.

Apart from the HCGC’s website, the Code is also available to all employees through the company intranet, as well as in hard copy through the Group’s Finance and Human Resources Divisions.

During 2020, the Company complied with the provisions of the above Code with the deviations mentioned below, while it intends to adopt appropriate policies and proposals to minimize existing deviations from the provisions of the Code.

In addition to the provisions of the Code, in the course of 2020, the Company complied with all relevant provisions of Greek Legislation.

Deviations from the Corporate Governance Code

On occasion, the Company may deviate from or not fully apply certain provisions of the Code with regard to:

- The size and composition of the Board of Directors (or “BoD”)
- The nomination of BoD members
- The operation, in general and evaluation of the BoD
- The level and structure of remuneration
- The General Meeting of Shareholders

Corporate Governance Practices Exceeding Legal Requirements

In the context of implementing a structured and adequate system of corporate governance, the Company has applied specific practices of good corporate governance, some of which exceed those provided by the applicable legislation.

Specifically, the Company applies the following additional corporate governance practices, all of which are related to the size, composition, responsibilities and overall operation of the BoD:

- Due to the nature and objective of the Company, the complexity of matters and the Group’s necessary legal support, which includes a number of operations and subsidiaries in Greece and abroad and in order to assist it in its work, the BoD has established committees comprised of its members, with advisory, supervisory or approving authorities. These committees are outlined below:
 1. Audit Committee
 2. Crude oil and Products Supply Committee
 3. Finance & Financial Planning Committee
 4. Labour Issues Committee
 5. Remuneration & Succession Planning Committee
 6. Nominations Committee

- In addition to the above BoD committees, committees with an advisory and coordinating role have been established and operate within the Company. They are comprised of senior Company executives and their goal is to support Management.

The principal such committees are the following:

1. Group Executive Committee
2. Manufacturing Activities Committee
3. Domestic & International Fuels Marketing Committee
4. Oil Supply and Sales Committee
5. Group Credit Committee
6. Investment Evaluation Committee
7. Electricity, Natural Gas & Renewable Energy Sources Committee
8. Exploration and Production Committee

- The BoD has adopted provisions in the Company's Internal Operating Regulation prohibiting stock exchange transactions by the Chairman of the BoD, the CEO and other members of the BoD, for as long as they serve as either Chairman of the BoD or CEO of an associated company. The BoD has also adopted a Procedure of Monitoring and Disclosure of Significant Participations and Transactions re. the Company's shares, as well as a procedure for Monitoring and Disclosing Transactions and Financial Activity with the Company's key clients and suppliers. The Internal Operating Regulation shall be revised during 2021 as part of the broader amendment of the corporate governance system in compliance with the provisions of Law 4705/2020. In the same context, the Code of Conduct, which has been adopted since 2011, is expected to be revised during 2021.

General Meeting of Shareholders and Shareholders' Rights

The operation of the General Meeting of Shareholders, its role and responsibilities, convocation, participation requirements, the ordinary and extraordinary quorum and majority of the participants, the Presiding Board and the Agenda, are described in the Company's Articles of Association, and as such have been amended to be in line with the provisions of L. 4548/2018.

All Shareholders are entitled to participate in the General Meeting, provided that they hold Company shares on the record date prior to the date of the GM in order to exercise their right. The shareholding capacity is evidenced through the Company's direct electronic connection with the depository records (Hellenic Exchanges S.A.).

Composition & Operation of the Board of Directors, Supervisory Bodies and Company Committees

Board of Directors (BoD)

The Company is managed by thirteen (13) BoD members, with a term of five (5) years.

The current BoD members are the following:

- Ioannis Papathanasiou, Chairman, Non-executive member of the BoD, Representative of the Greek State
- Andreas Shiamishis, CEO, Executive member of the BoD, Representative of Paneuropean Oil and Industrial Holdings
- Georgios Alexopoulos, Executive member of the BoD, Representative of the Greek State
- Theodoros-Achilleas Vardas, Non-executive member of the BoD, Representative of Paneuropean Oil and Industrial Holdings
- Iordanis Aivazis, Non-executive member of the BoD, Representative of the Greek State
- Alexandros Metaxas, Non-executive member of the BoD, Representative of the Greek State
- Alkiviades- Constantinos Psarras, Non-executive member of the BoD, Representative of the Greek State
- Anastasia Makarigaki*, Non-executive member of the BoD, Representative of the Greek State
- Anastasia Martseki*, Non-executive member of the BoD, Representative of the Greek State
- Constantinos Papagiannopoulos, Non-executive member of the BoD, Employees' representative
- Georgios Papakonstantinou, Non-executive member of the BoD, Employees' representative
- Theodoros Pantalakis, Independent, non-executive member of the BoD, minority shareholders' representative
- Spyridon Pantelias, Independent, non-executive member of the BoD, minority shareholders' representative

The office of the BoD expires on 17.4.2023.

The recent amendment of the Articles of Association of the Company provides for an eleven-member BoD. The Hellenic Republic appoints four (4), instead of seven (7), members in accordance with the provisions of article 79 of L. 4548/2018 and the remaining members are elected by the GM (without the participation of HRADF). The term of the BoD office is three years.

*Members since 21.05.2021. During 2020 and until 20.05.2021, Mr. Michael Kefalogiannis and Mr. Loukas Papazoglou were Non-executive members of the BoD, Representatives of the Greek State.

Roles and Responsibilities of the BoD

The BoD is the supreme executive body of the Company and to a major extent formulates its strategy and supervises and controls the management of its assets. The composition and qualities of the members of the BoD are determined by Law and the Company's Articles of Association. The chief obligation and duty of the BoD members is to constantly pursue the strengthening of the Company's long-term economic value and to protect the general company interest.

In order to achieve company objectives and ensure that it operate smoothly, the BoD may cede part of its authorities, except those requiring collective action, as well as the administration or management of the affairs or the Company's representation to the Executive Committee, the CEO, or to one or more BoD members (executive and non-executive), to Company managers or employees. BoD members and any third party to whom BoD authorities have been delegated by the BoD, are prohibited from pursuing personal interests that conflict with those of the Company. BoD members and any third party to whom BoD authorities have been delegated, have to promptly disclose to the rest of the BoD members any personal interests which might arise as a result of Company transactions that fall within their duties, as well as any other conflict of personal interest with those of the Company or associated undertakings thereof, that arise in exercising their duties.

Indicatively, the BoD decides and approves the following:

1. The Business Plan of the Company and the Group,
2. The Annual Business Plan and Budget of the Company and the Group,
3. Any necessary change to the above,
4. The issuance of ordinary bond loans,
5. The Annual Report of transactions between the Company and its associated companies,
6. The Annual and Interim Financial Reports, including the Financial Statements of the Company and the Group,
7. The establishment of participation in companies or joint ventures, company acquisitions, the establishment or termination of facilities – of over €1 million in each case,
8. Agreements for participating in consortia for the exploration and production of hydrocarbons,
9. The closure of manufacturing facilities,
10. Regulations governing the Company's operation and any amendments thereto,
11. The basic organizational structure of the Company and its amendments,
12. The appointment/revocation of General Managers
13. The Company Collective Labour Agreement (CCLA),
14. The Internal Operating Regulation,
15. The determination of the Company's managers' remuneration policy,
16. The Company's managers' hiring processes and the assessment of their performance,
17. Any other matter stipulated by the applicable Company regulations.

BoD Formation

The BoD determines the responsibilities and status of its members, as executive or non-executive, each time it is constituted. The number of non-executive members of the BoD cannot be less than one-third of the total number of its members.

The recent amendment of the Company's Articles of Association provides for the distinction of the members of the BoD into executive, non-executive and independent non-executive members, a minimum number of four (4) independent non-executive members, in accordance with article 5 par. 2 of L. 4706/2020 and the appointment of the independent members only by the GM.

Chairman of the BoD

The Chairman is responsible for convening, chairing and administering the meetings, for keeping the Minutes and signing the relevant decisions and for the overall operation of the BoD, as provided by the Company's Articles of Association and the law.

The Group's Internal Audit General Division reports to the Chairman.

CEO

The Chief Executive Officer is the highest executive body and legal representative of the Company and is responsible for all business sectors and all its operations.

Audit Committee

The Audit Committee is appointed by the General Meeting of Shareholders and is comprised of three (3) non-executive and has the following responsibilities:

- It monitors the process and the performance of the statutory audit of the Company's individual and consolidated financial statements.
- It monitors, reviews and evaluates the preparation of financial information.
- It examines and evaluates the adequacy and effectiveness of all Company policies, processes and controls, in relation to the internal audit system, risk assessment and management, in relation to the financial reporting.
- It reviews and monitors the independence of the statutory auditors or audit.
- It is responsible for selecting auditors or audit firms and proposes the statutory auditors or audit firms to be appointed by decision of the General Meeting.

Remuneration and Succession Planning Committee

The Company's Remuneration and Succession Planning Committee consists of three (3) non-executive BoD members and has the following responsibilities:

- It assists the BoD in ascertaining the adoption by the Company of a fair and responsible remuneration policy and practices with a clear link to corporate and individual performance
- It determines the remuneration policy for the Company's executives and managers and ensures its application.
- It proposes to the BoD and, through it, to the General Meeting of Shareholders, the remuneration policy.
- It provides for a suitable succession of General Managers and Company Managers to be in place at all times and submits relevant proposals to the Board of Directors.

Nominations Committee

The Nominations Committee of the Company's BoD, along with its Term of Reference, were established by the decision 1383/5/ 29.4.2021 of the Board of Directors of the Company; the committee will select and propose suitable candidates for the composition of a new BoD in accordance with the Company's Articles of Association, its Suitability Policy and L. 4706/2020.

The Committee consists of four (4) non-executive members of the BoD, two of which are independent, as determined by L.3016/2002 (Spyridon Pantelias, President, Theodoros Pantalakakis, member, Theodoros Vardas, member, Iordanis Aivazis, member).