



**FIT AND PROPER POLICY
OF THE BOARD OF DIRECTORS MEMBERS**



A. Dyrachiou 89 and Kifisou str., 104 43, Athens, Greece
T. (+30) 210 3636936
E. office@admieholding.gr
www.admieholding.gr

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1. INTRODUCTION

- 1.1 The Fit and Proper Policy of the members of the Board of Directors (hereinafter referred to as the "Policy") was drawn up by the Board of Directors (hereinafter referred to as the "BoD"). of the company "ADMIE (IPTO) S.A." (hereinafter the "Company") after considering the provisions of article 3 of Law 4706/2020 (Government Gazette 136/A/17-7-2020), is in full alignment with the circular of the Securities and Exchange Commission no. 60/18.09.2020.
- 1.2 The scope of the Policy falls to the members of the Board of Directors. The Fit and Proper Policy is in accordance with and harmonized with the Company's Regulations of Operations and the Corporate Governance Code applied by the Company.
- 1.3 The Fit and Proper Policy and possible material amendments are approved by the Board of Directors, after proposal from the Nominations Committee, which may cooperate with the Internal Audit Unit and the Legal Counsel of the Company. The approved Fit and Proper Policy by the BoD shall be submitted for approval by the General Meeting of the Company in accordance with article 3 paragraph 2 of Law 4706/2020. Material amendments shall mean those which introduce derogations, or which significantly change its content, in particular as regards the general principles and criteria applied.
- 1.4 The BoD monitors on an ongoing basis the suitability of its members and, where necessary under the applicable legislation and the Fit and Proper Policy, re-assess their suitability and where appropriate, initiate their replacement.
- 1.5 The Company's current Fit and Proper Policy is posted, updated, on the Company's website (www.admieholding.gr).

2. SCOPE

- 2.1 The Company adopts the present Policy, which constitutes all the principles and criteria applicable when selecting, replacing and renewing the term of office of the members of the Board of Directors, in the context of the evaluation of their suitability at individual and collective level.
- 2.2 Through the Policy, the Aim is to ensure the quality of staffing, effective operation and fulfilment of the role of the Board of Directors based on the general strategy and objectives of the Company with the aim of promoting the its interest.

3. GENERAL AUTHORITIES

- 3.1 The Board of Directors of the Company, in accordance with the present Policy, must have a sufficient number of members and an appropriate composition, consisting of persons who owns the necessary suitability, good reputation and the appropriate knowledge, skills and experience required for the exercise of their responsibilities, based on the tasks

they undertake and their role on the BoD., while at the same time they should have sufficient time to carry out their duties. When selecting, the renewal and the replacement members, they shall be evaluated both individually and collectively. The candidate members of the Board of Directors know as much as possible before taking up the position, the culture, values and general strategy of the Company.

- 3.2 The Company promotes and ensures diversity and adequate representation by gender on its Board of Directors, in accordance with its current policy and generally ensures equal treatment and equal opportunities, as well as the concentration of a wide range of qualifications and skills among the members of the Board.
- 3.3 The Company ensures, inter alia, through the introductory instruction program of the members of the BoD, that they apprehend and understand the company's corporate governance arrangements, as they result from the legislation, the implemented Corporate Governance Code, their respective role and responsibilities, values, general strategy and structure of the Company.
- 3.4 The Board of Directors, with the assistance of the Nominations Committee, the Internal Audit Unit and the Legal Advisor, monitors on an ongoing basis the suitability of the members of the Board of Directors, specifically to identify in the light of any relevant new event, cases where it is considered necessary to re-assess their suitability. In particular, a reassessment of the suitability of the members of the Board of Directors shall be carried out in the following cases:
 - where doubts arise related to the individual suitability of the BoD members or the appropriateness of the composition of the Authority.
 - where important issues relating to the reputation of a BoD member are raised.
 - in any case that may material affect the suitability of the BoD member, including in cases where members do not comply with the Company's Conflict of Interest Policy.
- 3.5 The Board of Directors ensures the Company's appropriate succession plan for the smooth continuity of the Company's affairs management and decisions related to the departures of BoD members, in particular executive and committee members.
- 3.6 The present Policy complies with the provisions of the Company's Regulation of Operation, the Corporate Governance Code and its general corporate governance framework.
- 3.7 The present Policy takes into consideration the specific description of each BoD member's responsibilities and his/her participation or not in BoD Committees , the nature of duties (executive or non-executive board member) and their designation as an independent or non-independent member of the Board of Directors, as well as in particular incompatible or characteristics, as described in the Board's Regulation of Operation or contractual commitments related to the nature of the Company's business and its Corporate Governance Code.
- 3.8 The Policy takes into consideration the size, internal organisation, corporate culture, risk appetite, nature, scale and complexity of the Company's activities, as well as the specific regulatory framework governing its operation.

4. ANALYSIS OF THE BOARD OF DIRECTORS' ASSESSMENT CRITERIA

Individual Eligibility

4.1 The individual suitability of the BoD members assessed in particular based on the criteria set out below. The criteria are general and apply to all BoD members, regardless of their status as executive, non-executive, or independent non-executive.

4.2 Specific obstacles, obligations and conditions (such as article 3, paragraph 4,5 and 6 and article 9 paragraph 1 and 2 of Law 4706/2020 and Article 44 paragraph 1 of Law 4449/2017, as amended and in force, are applied irrespective of the eligibility criteria.

a. Adequacy of knowledge and skills

4.3 In order to be eligible, a board member must have the necessary knowledge, skills and experience for the role, position and qualifications required to perform his/her duties. Experience should be both practical and theoretical in the course of professional activity. In addition, in the light of their responsibilities, they should understand the activity and purpose of the Company and the risks that it is required to manage.

4.4 In particular, the member of the Board of Directors, depending on his/her role (as Chairman, Vice-President, CEO or member), his/her capacity (as an executive, non-executive or independent non-executive member) and the specific responsibilities which may be conferred on him/ her should own:

- adequate theoretical knowledge, in respect with the level and type of education (field of study and specialisation) and any obtained professional certifications
- professional competence for any specific issues relating to his/her role and responsibilities
- adequate knowledge in the company's field of activity

4.5 In order to assess each members competency related to his/ her professional experience, it may be examined indicatively:

- his/her previous and/or existing positions in administrative or managerial positions at other entities (taking into consideration the role, status and any more specific responsibilities conferred on him/her as a member of corresponding position in those entities) or other posts held/ held positions that the member had/ has in another entity and the specific responsibilities exercised by it
- the duration in each position, the size of each company in which he/ she was employed, the scale and complexity of the business, the responsibilities he/ she exercised in it, any responsibility of each department and/ or number of subordinates and the nature of the undertaking's activities.

4.6 The existence of the required conditions will be established through detailed CVs, information on their training and professional experience, as well as other information such as qualifications, recommendations from previous employers, positions of executive

and non-executive BoD members, participation in professional associations, seminars and trainings.

- 4.7 Respectively, the assessment of the BoD member's sufficient knowledge and skills may include, but is not limited to: (a) the role, position's duties and the skills which are required (b) the knowledge and skills acquired through education and training (c) the previously gained professional experience and (d) the knowledge and skills acquired and demonstrated indicatively by academics or qualifications and professional development.
- 4.8 In particular, the executive BoD members must have sufficient practical and professional experience which may be demonstrated either by holding a position of responsibility, by carrying a business for a sufficient period of time in the energy sector or in a similar subject.
- 4.9 The Company ensures that the Board of Directors members are adequately aware of and understand the company's corporate governance rules, as they result from the Company's Law and Corporate Governance Code, their respective role and responsibilities, both as members of the Board of Directors and as members of its Committees.

b. Guarantees of morals and reputation

- 4.10 The Company's BoD members are distinguished for their good reputation and ethos, which is determined mainly by honesty and integrity. Criteria for assessing the reputation and ethics of the BoD members are also personal skills, such as determination and decision-making ability, communication skills, critical competence, leadership, dedication and ethos, team spirit, sense of responsibility.
- 4.11 A BoD member shall be presumed to have a good reputation, honesty and integrity if there are no objective and proven reasons to suggest otherwise.
- 4.12 To assess the reputation, integrity and honesty of a candidate or existing member of the Board of Directors, the Company conducts an investigation and without prejudice to the legislation on the protection of personal data, requests information and relevant supporting documents, such as documents of the competent judicial or administrative authority of the State of their origin or origin for any final administrative and judicial decisions against it, in particular for violations and offences related to his/ her status as a BoD member or by non-compliance with provisions of the legislation of the Securities and Exchange Commission or in general with financial crimes. Without prejudice to the provisions of article 3 paragraph 4 and 5 of Law 4706/2020 for the relevant assessment, taking into consideration the relevance of the offence or measure the member's role, the materiality of the offence, the general circumstances, including attenuating factors, the role of the person concerned, the penalty imposed, the stage at which the legal proceedings have reached and any remedies put in place. The time elapsed and the person's behaviour following the violation or offence are also considering.
- 4.13 A prerequisite for the election or retention of membership at the Company's Board of Directors is the submission, at the discretion of the Nominations Committee, to the Company of the following:
- a. a solemn declaration by the candidates that the abovementioned obstacle(s) is not met.
 - b. bring forward extracts from criminal records.

c. obtaining other information and supporting documents for any final administrative and judicial decisions.

4.14 The Company also takes into consideration in the evaluation of BoD members any decision issued by any authority for the exclusion of the candidate from acting as a member of the Board of Directors.

c. Conflict of Interest

4.15 The Company has, adopts and implements a Conflict of Interest Policy in accordance with para. 3 (g) of No. 14 of 4706/2020. This Policy includes, at least for the members of the Board of Directors, conflict of interest prevention procedures, measures for the disclosure and management of conflicts of interest and any cases and conditions which would exceptionally be acceptable for a member of the Board of Directors to have conflicting interests, provided that those interests are significantly limited or properly managed.

4.16 The Conflict of Interest Policy examines the degree of compliance with the independence criteria set out in the "Procedure for the notification of dependency relationships of independent non-executive members of the Board of Directors", in particular for independent members of the Board of Directors and any cases relating to the candidate's family, professional or social situation which could actually or potentially lead to a conflict of interest.

4.17 All actual and potential conflicts of interest at Board level are adequately notified, discussed, documented, decided upon and appropriately managed (i.e. the necessary measures are taken to reduce conflicts of interest).

d. Judgement Independence - Objectivity - Independence

4.18 Each member of the Board of Directors of the Company acts with an independent judgement, being a behavioural standard during discussions and decision-making within the Board of Directors and is required for each of its members, regardless of whether the member is Executive or not or Independent. All members of the Board of Directors actively participate in meetings and take their own objective and independent decisions in the performance of their duties.

4.19 Objectivity is defined as an impartial attitude and mentality which allows the member of the Board of Directors to carry out his/her work, as he/she believes, and not to accept compromises related to quality. Independence means exemption from circumstances which prevent the Member of the Board of Directors from carrying out his duties in a impartial way.

4.20 When assessing judgement independence, the Company ensures that all members of the Board of Directors have the necessary behavioural skills which include, inter alia:

- Courage, confidence and strenght to make a meaningful assessment and questioning of the proposals or opinions of the other members of the Board of Directors;
- The ability to ask reasonable questions to the other members of the Board of Directors and in particular to the executive members of the Board of Directors;

- The ability to avoid “herd thinking” behaviours

e. Allocation of sufficient time

- 4.21 All members of the Board of Directors shall have sufficient time to carry out their duties on the basis of their position description, role and duties, including an understanding of the Company's business activities, its core risks and the impact of the business strategy and risk strategy. In determining the adequacy of time, account shall be taken of the status and responsibilities assigned to the member of the Board of Directors, the number of posts as a member on other Boards of Directors and the qualities held by that member at the same time, as well as other or personal commitments and circumstances.
- 4.22 In addition, the Company informs each candidate member of the Board of Directors of the expected time required to devote to its duties and meetings of the Board of Directors and any other committees in which it participates as a member. The Board of Directors shall monitor whether its members devote sufficient time to the performance of their duties. Attendance and participation in meetings or decision-making, preparation for them and active participation shall be considered indicators of the time a member devotes to the performance of his duties.

Collective Suitability

a. General

- 4.23 In addition to individual eligibility, the members of the Board of Directors must collectively be able to make appropriate decisions taking into account the business model, risk appetite, strategy and markets in which the Company operates. The Board of Directors of the Company is suitable for the exercise of its responsibilities, and its composition contributes to the effective management of the Company and balanced decision-making.
- 4.24 The members of the Board of Directors are elected by the General Assembly for a period of (3) years and may be re-elected without restrictions. According to the Greek Law, membership of the Board of Directors may be revoked by decision of the General Meeting of Shareholders. In addition, the members of the Board of Directors collectively carry out effective monitoring and evaluation of the decisions of the senior management.

b. Knowledge, skills and experience

- 4.25 All areas of knowledge required for the Company's business are covered by the Board of Directors collectively with sufficient experience and knowledge among its members. In particular, it is confirmed that there is a sufficient number of members with knowledge in the field of activity of the Company to allow a discussion of the decisions to be taken. The members of the Board collectively have the necessary skills to present their views.
- 4.26 The composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its responsibilities. The Board of Directors as a whole adequately understands the areas for which members are collectively responsible and has the

necessary skills to exercise the effective management and supervision of the Company, including with regard to:

- I. the Company's core activities and the main risks associated with them
- II. in the Company's strategic planning
- III. financial reports
- IV. understanding how the Board of Directors works
- V. compliance with the legislative and regulatory framework
- VI. understanding corporate governance
- VII. familiarity with the subject matter of the individual Committees of the Board of Directors
- VIII. the ability to identify and manage risks
- IX. the impact of technology on its activity
- X. diversity
- XI. accounting and/or auditing

5. FIT AND PROPER IMPLEMENTATION MONITORING

- 5.1 Monitoring the implementation of the Fit and Proper Policy is the responsibility of the Board of Directors and it is recommended that the Internal Audit Unit and/or the Regulatory Compliance Unit and the Nominations Committee support towards this. The Company's annual Corporate Governance Statement includes a report.
- 5.2 The Company has primary responsibility for identifying gaps in both the individual and collective suitability of the members of the Board of Directors and to this end, the Board of Directors carries out its self-assessment annually. This suitability assessment of the members of the Board of Directors is part of the annual evaluation of the Board of Directors, the responsibility of which lies with the Nominations Committee and its findings are processed and presented to the Board of Directors by the President of the Board of Directors.
- 5.3 To this end, any candidate or existing member of the Board of Directors is obliged to inform the Company of the fulfilment of the eligibility criteria as described in this Policy, as well as of any changes that occur to them, and to provide any required documentation or other supporting documents. The Nominations Committee, respectively, may gather the relevant documentation required, both from the candidates and from the existing members of the Board at regular intervals.
- 5.4 The Board of Directors may, at its discretion and on the recommendation of the Nominations Committee, decide to carry out its evaluation by third parties, either on a regular basis or on an ad hoc basis in the context of the Board's evaluation.

- 5.5 The Nominations Committee shall monitor the suitability of the members of the Board of Directors in particular to identify, in the light of any relevant new event which may be communicated to it, cases where it is considered necessary to re-assess the suitability of the Members of the Board, and update the Board accordingly.
- 5.6 In addition to this regular assessment of the suitability of the members of the Board of Directors, the suitability of a member or members of the Board shall also be assessed on an exceptional basis, in particular in the following cases:
- where doubts arise as to the individual suitability of the members of the Board of Directors or the appropriateness of the composition of the Board
 - in the event of a significant impact on the reputation of a member of the Board
 - in any event that may significantly affect the suitability of the board member, including cases where members do not comply with the Company's Conflict of Interest Policy
- 5.7 In case a member of the Board of Directors is found to no longer meet one or more of the eligibility criteria as described in the Policy, and this affects the individual or collective suitability of the Board of Directors, the possibility of taking corrective measures to address the identified weakness shall be considered. Such corrective measures may, for example, be to provide additional training to specific thematic areas to the members of the Board of Directors, or to adjust responsibilities among the members of the Board of Directors.
- 5.8 The Nominations Committee shall record the results of the suitability assessment, in particular any weaknesses identified between the intended and actual individual and collective suitability, and the measures taken to address these deficiencies.
- 5.9 If the termination of the assistance of one or more of the eligibility criteria, on the basis of the Policy, to the person of a member of the Board of Directors is due to reasons that that person could not prevent neither by means of extreme diligence, the Board shall ensure that it is suspended and replaced within three (3) months.
- 5.10 The Board of Directors shall ensure that the Company adopts appropriate succession planning, in accordance with the Company's relevant policy, for the smooth continuity of the management of the Company's affairs and decision-making following the departures of members of the Board, in particular executive and committee members.
- 5.11 The Company ensures equal treatment of, and equal opportunities to all Members of the Board, regardless of gender/sex.
- 5.12 This Policy of the Company applies not only to the selection of the members of the Board of Directors but also to the training of the members of the Board of Directors.

6. POLYMORPHY CRITERIA – GENDER REPRESENTATION

- 6.1 Diversity is an important criterion that can enrich the functioning of the Board of Directors and enhance the existence of independent opinions and constructive discussion in the decision-making process.
- 6.2 The Company ensures adequate gender representation as well as respect for the principle of diversity in the selection of the members of the Board of Directors. According to the current legislation, at least 25% of all members of the Board of Directors are represented

by male or female members. In the case of a fraction, this percentage shall be rounded to the previous integer. The Nominations Committee shall take this criterion into account when submitting proposals for the appointment of Board members.

- 6.3 The Company adopts this Fit and Proper Policy in order to promote an appropriate level of differentiation in the Board of Directors and a multi-collective group of members. By pooling a wide range of qualifications and skills in the selection of board members, a variety of views and experiences are ensured in order to make sound decisions. The Policy is included/referred to in the diversity criteria to ensure that it has been taken into account when appointing new members of the Board.

7. SELECTION AND TRAINING OF BOARD MEMBERS

- 7.1 The Nomination Committee formulates and manages the policy and the process of selection of the members of the Board of Directors who will be appointed by the Board of Directors, in case of loss of membership of one of the members or who will be proposed to the General Meeting by the Shareholders.
- 7.2 Prior to taking up their position, the candidate members of the Board of Directors are informed by the Company's Nominations Committee regarding the Company's culture, values and general strategy, while during their term of office they are informed in the areas of management, operation of the Company, financial risks, regulatory compliance and corporate governance, etc.
- 7.3 In particular with regard to training, the new members of the Board of Directors participate in the introductory program, which is offered by the Company and which includes presentations, risk management issues, business plan and financial management, important financial and accounting issues, regulatory compliance and corporate governance, management structure, executives and internal and external auditors of the Company. In addition, the Company offers all members of the Board of Directors, regardless of gender, continuous training and development programs in order to improve the supervisory capabilities of the Board of Directors.

8. BOARD MEMBER EVALUATION PROCEDURE

- 8.1 The assessment of the suitability and reliability of candidates covered by the Policy shall take place before the appointment of the new member of the Board of Directors, based on a proposal from the Nominations Committee. If a member of the Board of Directors of the Company temporarily assumes a position on the Board of Directors due to the resignation, death or termination of another member after a recommendation has been made by the Nominations Committee, the announcement of this membership will be made by the next General Meeting of Shareholders.
- 8.2 The evaluation process for candidate members includes the following steps:

A. The necessary supporting documents shall be collected for each candidate member and an "Evaluation Report" (hereinafter the Report) shall be drawn up, indicating whether that person meets the eligibility criteria sufficiently.

B. The Report shall, depending on the qualifications of the candidate member, examine whether:

- fully meets the criteria,
- partially meets the criteria, in which case it is specified whether these criteria are relevant and in particular whether their absence: (a) affects the successful performance of tasks with professional competence and knowledge of the subject matter (b) legal implications arise.

C. After reviewing and approving the content of the Reports, the recommendation for the selection or non-selection of a candidate shall be made.

9. MONITORING THE IMPLEMENTATION OF THE POLICY

9.1 The Policy is in line with the broader corporate governance framework, corporate culture and risk appetite set by the Company.

9.2 The Company monitors the effectiveness of the Policy and periodically evaluates it at regular intervals or when significant events or changes take place.

9.3 The Company amends the Policy and reviews its design and implementation, where appropriate, taking into account, inter alia, the recommendations of the Nominations Committee and the Internal Audit Unit.

9.4 Documentation regarding the approval of the Policy and any amendments thereto shall be kept in a file, which may also be electronic and its observance shall be subject to the responsibility of the Internal Audit and Regulatory Compliance Units. The Board of Directors shall record the results of the suitability assessment, in particular any weaknesses identified between the intended and actual individual and collective suitability, and shall take the measures necessary to address these deficiencies.