

PUBLIC POWER CORPORATION LEGAL DEPARTMENT

INCOMPATIBILITY WITH THE CAPACITY OF A MEMBER OF PPC SA BOARD OF DIRECTORS

The members of PPC SA's Board of Directors (BoD) have obligations towards the company which stem from relative legislative provisions (i.e. Law 2190/1920 and Law 3016/2002) and from general principles of the corporate Law. Apart from those obligations (obligation of faith, confidentiality, protection of corporate interest, notification of own interests etc), a number of incompatibilities with the capacity of a member of PPC SA BoD is provided by Law, some of which are indicatively mentioned hereunder:

- 1) The members of PPC SA BoD shall neither occasionally or systematically perform without authorization of the General Assembly of the shareholders of the company, either on their own behalf or on behalf of third parties, acts falling within the objects of the company or be members of the BoD, executives, employees or representatives of companies pursuing similar objectives to those of the company nor participate as partners in private or other companies or joint ventures with similar purposes with those of the company. The subsidiary companies of PPC SA or the companies in the share capital of which the company participates shall not be subject to the above mentioned prohibitions. These prohibitions are valid for two years after the expiry for any reason whatsoever of the term of office of the member of the BoD or upon his departure from the BoD, or upon departure of an executive or employee of the company in the event he was member of the BoD (article 14 of the articles of Incorporation of PPC SA).
- 2) The independent non executive members of the BoD during their term of office shall not hold shares of the company in a percentage greater than 0.5% of the share capital and shall not have any relation of dependence with the company or with persons affiliated to the company. According to the law there is relation of dependence when a member of the BoD: a) has any business or professional relations with PPC SA or any company affiliated to PPC SA as per article 42e par. 5 of CL 2190/1920, that influence PPC SA business activities, b) is chairman of the BoD or executive member of the BoD of any affiliated company to PPC SA as per CL 2190/1920 or maintains an employment or contract labor relationship with PPC SA or any affiliated company, c) is related in the second degree or is spouse of an executive member of the BoD or of an executive of the company (article 4 L. 3016/2002).
- 3) Sitting judges are not allowed to participate in the BoD of PPC S.A. or of any other Societe Anonyme (article 89 of the Constitution and article 41 para 1 L1756/1988).

- 4) The same natural person, his spouse, as well as his first degree relatives are not allowed to be simultaneously members of the BoD of a listed securities company acting in Greece as well as of PPC S.A. (article 3 para 6a L1806/1988).
- 5) Members of PPC S.A. BoD, their spouses and first degree relatives cannot be shareholders of a Securities Co LTD (article 3 para 5 L1806/1988).
- 6) Current members of the Parliament are not allowed to be members of PPC S.A. BoD (article 57 of the Constitution).