

**PUBLIC POWER CORPORATION S.A.
BOARD OF DIRECTORS SECRETARIAT**

NO/DATE:BoDS/148/7.6.20196

Information: K. D. TSOKANAS
Tel.: +30 210 5222330 / +30 210 5293281

TO: RECIPIENTS

Subject: Remuneration Policy - Remuneration Policy Report – Preapproval of Remunerations of Board Members.

REFERENCE:

- a. Recommendation no EO/1533/7.6.2019
- b. Resolution of the Board of Directors no **70/7.6.2019**

We inform you that by ref. b' the Board of Directors

Decided

1. To approve the following Remuneration Policy of the company and the report thereof, which will be posted in accordance with the Law on the Company's Website and will be submitted to the Ordinary General Meeting of the Shareholders.

PPC S.A. REMUNERATION POLICY

PPC S.A., as a company whose majority shareholder is the Greek State and as an entity of public interest is governed by legal regulations which affect or/and define the remunerations to be paid to its personnel and in any case to its executives.

In particular, during the last ten years, pursuant to L. 3833/2010, L. 3845/2010 and L.4092/2012 the remuneration cap for all the personnel employed in the company including top executives was set to the amount corresponding to the remuneration of Secretary General of Ministry. However, since 2015 this does not apply to the Chief Executive Officer and the Board members by virtue of L. 4354/2015. Due to the aforementioned law, there were no changes in the remunerations and compensations of the Board Members. In the context of the said law, the remuneration of the Executive Board Members was exempt from the above; nevertheless it is subject to approval by the General Meeting, as described in detail in the Remuneration Policy Report.

Apart from the above, it goes without saying that the provisions of the PPC S.A Staff Regulation having the force of law, as well as the terms of the relevant Collective Labour Agreements shall also apply to PPC S.A.

The Remuneration Policy of the company is mainly based on the applicable legislation which concerns and applies to the companies referred to in Chapter B' of L. 3429/2005, taking also into consideration the European best practices concerning listed companies and at the same time the provisions of the Company's Articles of Incorporation, the resolutions of the General Meetings, as well as the Internal Operating Rules of the Company.

The present Policy applies to the remunerations of all Board Members, of Deputy Chief Executive Officers, of Chief Officers and of the General Counsel of the Company.

The present Policy was approved by the Board of Directors by its Resolution no 70/7.6.2019.

The purpose of this Policy is to ensure that the company pays remunerations to its Board Members based on its short-term and long-term business plan in order to continue creating value for customers, shareholders, employees and the Greek economy.

The Remuneration Policy is posted on the company's website, www.dei.gr.

With regard to the remuneration of the Board Members, it is a standard practice of PPC to submit them individually for approval to the annual General Meeting. In particular and according to those set out in article 17 of the Articles of Incorporation and in article 6 of the Company's Operating Rules:

A) A compensation for participation per meeting of the Board of Directors and per meeting of committees and councils shall be paid to Board Members; the amount thereof is subject to approval by the General Meeting and shall be stated in the Remuneration Policy Report.

B) Monthly remunerations shall be paid to the Executive Board Members (Chief Executive Officer and one Executive Member) who have signed with the company a Contract for Provision of Independent Services or a Contract of Mandate with a three-year duration, the amount of which shall be approved by the General Meeting and stated in the Remuneration Policy Report.

Under L. 2190/20, the company's policy was to submit for approval the key terms of the Contracts of the Chief Executive Officer and of the Executive Member by the General Meeting of Shareholders, while the full content of the said contracts is subject to approval by the competent body of the Company. In this way, the terms and conditions of the notice of termination of the abovementioned contracts are also determined; in the case at issue, for the existing contracts the following are provided for: In case of termination of the contract prior to the date of its expiration or in case of revocation of the duties of the Chief Executive Officer and of the Executive Board Member in both cases on no serious grounds, on one hand the remaining remunerations until the expiration of his contract shall be paid to

the Chief Executive Officer and on the other the remaining remunerations until the expiration of his contract, which (remuneration) cannot exceed twenty four (24) monthly salaries, shall be paid to the Executive Board member.

C) The two (2) Board members-Representatives of Employees, apart from the amounts mentioned in item A above, receive the regular remuneration corresponding to their position (which shall not exceed the remuneration cap as provided for by the applicable law).

D) For the transportation of Board members outside the prefecture of their permanent residence in order to participate in the meetings of the Board of Directors or of committees of the Board of Directors, expenses for travel, accommodation and meals shall be paid according to the applicable regulations of the Company.

The Board members, the Deputy Chief Executive Officers, the Chief Officers and the General Counsel enjoy the special private health and life insurance policies granted to the personnel of the Company.

Since 2007, following approval by the Shareholders at the Extraordinary General Meeting held on 29.08.2007, a risk management policy was established by resolution of the Board of Directors through insurance coverage for the company executives against third parties for any acts or/and omissions which may arise during the exercise of their duties.

In addition to the above, no other remuneration or compensation shall be paid in any way whatsoever to the Board Members, the Deputy Chief Executive Officers, the Chief Officers and the General Counsel including any remuneration in the form of a percentage of the profits of the fiscal year (profit sharing), the granting or offering of shares and option rights for shares, etc.

With regard to the prevention or management of conflicts of interest, those stipulated in article 6 of the Operating Rules shall apply as follows:

"The Board Members and any third party to whom competences have been assigned by the former, shall not be allowed to pursue own interests which are contrary to the interests of the company.

The Board members and any third party to whom competences have been assigned by the former shall be obliged to disclose adequately and promptly to the remaining Board members their own interests which may arise as a result of the company's transactions which fall within their competences, as well as any other conflict between their own interests and those of the company or of any associated company within the meaning of paragraph 5 of article 42e of the Codified Law 2190/1920, as applicable, which may arise during the exercise of their duties.

To this end, prior to the commencement of the Board of Directors having as for item on the agenda information or agreements or regulations which fall within the scope of the previous two items, the Board Members and any third party as above, shall be obliged to declare either orally with a relevant

note to be recorded in the minutes or by written declaration notified to the other Bord Members in electronic form or hard copy, the nature and extent of their own interests as these may arise.

In the event that a conflict of interest is declared or occurs in accordance with the above, pursuant to article 22 A' par. 3 to 3c' of the C.L. 2190/1920, as applicable and to article 66 of Civil Law, the Board Member shall not be entitled to vote during the relevant meeting of the Board of Directors. Any vote cast by such Board member shall not count in achieving quorum and majority".

2. The approval of the following Report on Remuneration Policy of the Company:

In accordance with the requirements of the relevant provisions of L. 4548/2018 (article 112) and within the framework of the company's Remuneration Policy, for the year 2018, the amounts mentioned below were paid to the Board Members following pre-approval by the General Meeting of Shareholders for the said year:

NAME	CAPACITY	PERIOD OF TIME	AMOUNT (IN €)
EMMANUEL PANAGIOTAKIS	Chairman of the Board and CEO	1.1.2018 - 31.12.2018	68,100.00
LAZAROS STATHAKIS	Board member with executive competences	1.1.2018 - 06.12.2018	59,868.86
LAZAROS STATHAKIS	Board member	06.12.2018 - 31.12.2018	1,000.00
DEMETRIOS TZANNINIS	Board member and Deputy CEO	20.12.2018-31.12.2018	2,900.00
PANAGIOTIS ALEXAKIS	Board member	1.1.2018 - 17.12.2018	9,400.00
GEORGIOS ANDRIOTIS	Vice Chairman of the Board	1.1.2018 - 31.12.2018	11,100.00
DEMETRIOS VASILAKIS	Board member	1.1.2018 - 31.12.2018	9,200.00
ARIS VATALIS	Board member	1.1.2018 - 17.12.2018	8,400.00
GEORGIOS VENIERIS	Board member	17.12.2018-31.12.2018	500.00
PANTELIS KARALEFTERIS	Board member	1.1.2018 - 31.12.2018	9,200.00
CHRISTOS PAPAGEORGIOU	Board member	1.1.2018 - 31.12.2018.	11,100.00
FRAGKISKOS TOPALIS	Board member	1.1.2018 - 31.12.2018	6,400.00
MARIA FOUNTI	Board member	1.1.2018 - 31.12.2018	8,400.00
NIKOLAOS FOTOPOULOS	Board member	1.1.2018 - 31.12.2018	9.200,00
TOTAL			214,768.86

Apart from the above, no other remuneration or compensation was paid in any way whatsoever for the year 2018 to the Board Members, including any remunerations in the form of a percentage of profits of the fiscal year (profit sharing), any granting or offering of shares and option rights for shares, etc.

Moreover, the following data are listed:

SUBSIDIARY(€ M)	2018 *	2017*	2016	2015	2014
EBITDA	219.3	769.4	765.7	389.8	783.2
EARNINGS (LOSSES) BEFORE TAXES	(485.3)	308.0	99.0	(408.8)	47.9
PAY ROLL OF PERMANENT PERSONNEL	464.7	484.1	548.0	546.4	563.6
EXPLOITATION	445.6	464.1	525.1	524.3	545.5
INVESTMENT	19.1	20.0	22.9	22.1	18.1

* For the years 2017 and 2018, the figures refer to continuing operations, in other words the figures of Lignitiki Melitis S.A. and Ligniti Megapolis S.A. are not included.

SUBSIDIARY (€ M)	2018 *	2017	2016	2015	2014
FIXED ASSETS (tangible & intangible assets)	10,710.9	11,423.0	11,769.4	11,825.7	11,968.2
INVESTMENTS	687.7	406.1	738.8	617.0	528.4

* For the years 2017 and 2018, the figures refer to continuing operations, in other words the figures of Lignitiki Melitis S.A. and Lignitiki Megapolis S.A. are not included.

Personnel average pay roll		
	Without employer's contributions	With employer's contributions
2014	3,236.53 €	4,269.49 €
2015	3,274.47 €	4,277.20 €
2016	3,258.13 €	4,268.07 €
2017	3,189.26 €	4,177.24 €
2018	3,203.47 €	4,169.81 €

3. Pursuant to the provisions of par. 4 of article 109 L. 4548/2018, the pre-approval of the remunerations of the Board members for the year 2018 is as follows:

A. For the Board Members or their substitutes:

a) Gross compensation amounting to EUR 400 per meeting of the Board of Directors and per Member,

b) Gross compensation amounting to EUR 100 for the Chairman and Chief Executive Officer per meeting of the Executive Committee,

c) Gross compensation amounting to EUR 100 per meeting and per Member for participation of the Board Members in councils and committees of the Company, with a cap of total gross compensations for participation in meetings of the Board of Directors, of the Executive Committee, as well as of the councils and committees of the Company, totaling EUR 175,000 for all Board Members.

B. For the Chairman and Chief Executive Officer of the Board of Directors, his monthly gross remuneration for the period starting on 1.1.2019 and ending on 31.12.2019, is set to the amount of EUR 4,750.

C. For the Board Executive Member, his annual gross remuneration for the period starting on 1.1.2019 and ending on 31.12.2019 is set to the amount of EUR 90,000.00.

Therefore, all kinds of remunerations, fees and compensations for the year 2019 shall not exceed EUR 300,000 for all Board Members.

K.D. TSOKANAS
Secretary of the Board of Directors

RECIPIENTS:

- EO
- HROD

NOTIFICATION:

- General Counsel
- LD
- HRO/Di
- F/Di
- SO/Di
- ST/Di
- M/BU
- G/BU
- S/BU
- D/Di
- IAD