PUBLIC POWER CORPORATION S.A.

FINANCIAL REPORT
(January 1st 2023– December 31st 2023)

(Translated from the Greek Original)

Annual Financial Report publication in accordance with Law 3556/2007 is fulfilled with the publication of relevant zip and iXBRL viewer files, available on the web site of Public Power Corporation S.A. at the "Investor Relations" section (Financial Report FY2023)

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PUBLIC POWER CORPORATION S.A.

ANNUAL FINANCIAL REPORT
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A. STATEMENT OF MEMBERS OF THE BOARD OF DIRECTORS

STATEMENT OF MEMBERS OF THE BOARD OF DIRECTORS
(According to article 4, par.2 of Law 3556/2007)

1. Georgios Stassis, Chairman and C.E.O. of P.P.C. S.A.
2. Maria Psillaki, Member of the Board of Directors,
3. Stefanos Kardamakis, Member of the Board of Directors

hereby

WE DECLARE

that, to the best of our knowledge:

a) the accompanying Financial Statements of the Parent Company and the Group, for the year 01.01.2023 – 31.12.2023, which were prepared according to the International Accounting Standards – currently in effect- as adopted by the European Union, truthfully depict assets, liabilities, equity and the statement of income of Public Power Corporation S.A., as well as the companies included in the consolidation, according to the provisions of article 4 of Law 3556/2007 and,

b) the accompanying Board of Directors' Report truthfully depicts the evolution, performance and position of "Public Power Corporation S.A." and the companies included in the consolidation, as well as a description of the major risks and uncertainties they face.

Athens April 9th 2024

Chairman and C.E.O.	Member of the Board.	Member of the Board.
Georgios Stassis	Maria Psillaki	Stefanos Kardamakis

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B. EXECUTIVE SUMMARY OF THE BOARD OF DIRECTORS

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PUBLIC POWER CORPORATION S.A.
EXECUTIVE SUMMARY OF THE BOARD OF DIRECTORS FOR THE FISCAL YEAR 2023

Dear Shareholders,

Following the end of the Public Power Corporation's twentieth second fiscal year as a Societe Anonyme, we have the honor to submit for approval, according to the Company's statutes, the financial statements for the year ended December 31st 2023, as well as, our comments on the respective statements. Furthermore, we submit for approval the unbundled financial statements for the year 2023 (Appendix I of the Annual Financial Statements) according to the provisions of L. 4001/2011 art. 141 and the approved by the Regulatory Authority of Energy, methodology of accounting unbundling.

The Group's subsidiaries which are consolidated in the Group's financial statements are the following:

"PPC RENEWABLES S.M.S.A.", "HEDNO S.A.", " ARCADIAN SUN ONE S.M.S.A.", "ARCADIAN SUN TWO S.M.S.A.", "SOLAR ARROW ONE S.M.S.A.", "AMALTHIA ENERGY S.M.S.A.", "SOLARLAB S.M.S.A.", "SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.", "SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.", "AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS", "AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS", 'AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS", "AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS", "HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS.", "CARGE S.A.", "ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.", "DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.", "PPC FINANCE PLC", "PPC BULGARIA JSCo", "PPC ELEKTRIK TEDARIK VE TICARET A.S.", "PHOEBE ENERGY S.M.S.A.", "PPC ALBANIA", "ENERGEIAKOS STOCHOS S.M.S.A.», «PPC ROMANIA S.A.», «PPC BELGIUM S.A.», «PPC ENERGY SERVICES Co.», «RETELE ELECTRICE MUNTENIA S.A.», «PPC ENERGIE MUNTENIA S.A.», «RETELE ELECTRICE DOBROGEA S.A.», «RETELE ELECTRICE BANAT S.A.», «PPC ENERGIE S.A.», «PPC RENEWABLES ROMANIA SRL», «PPC ADVANCED ENERGY SERVICES ROMANIA S.R.L.», «PPC BLUE ROMANIA S.R.L.», «PPC TRADING S.R.L.», «PPC SERVICII COMUNE S.A.», «WIND ENERGY GREEN PARK S.R.L.», «SOUTH WIND ENERGY S.R.L.», «DARA SOLAR INVESTEMENT S.R.L.», «ENERGO SONNE S.R.L», «SOLAS ELECTRICITY S.R.L.», «TOPWIND ENERGY S.R.L.», «PROWIND WINDFARM VIISOARA S.R.L.», «PROWIND WINDFARM BOGDANESTI S.R.L.», «TOPLET POWER PARK S.R.L.», «GV ENERGIE RIGENERABILI ITAL-RO S.R.L.», «ELCOMEX SOLAR ENERGY S.R.L.», «DE ROCK INT'L S.R.L.», «ZEPHIR 3 CONSTANTA S.R.L.», «ORAVITA POWER PARK S.R.L.», «POTOC POWER PARK S.R.L.», «PROWIND WINDFARM IVESTI S.R.L.», «PROWIND WINDFARM DELENI S.R.L.», «SUN CHALLENGE S.R.L.», "WINDARROW ENERGEIAKI S.M.S.A.", « KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.», « AIOLIKI MPELECHERI ANONYMI VIOMICHANIKI KAI ENERGEIAKI ETAIREIA», "EDS AD Skopje", "EDS DOO Belgrade", "EDS INTERNATIONAL SK SRO", "EDS International KS LLC", «SPARK WIND PARK S.R.L.», «SPARTAKOS ENERGY S.M.S.A.», «THRAKIKI WIND 1 S.A».

Based on L. 4548/2018, as applies, PPC S.A. prepared the financial statements for the year ended December 31st 2023 (twentieth second fiscal year), in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union.

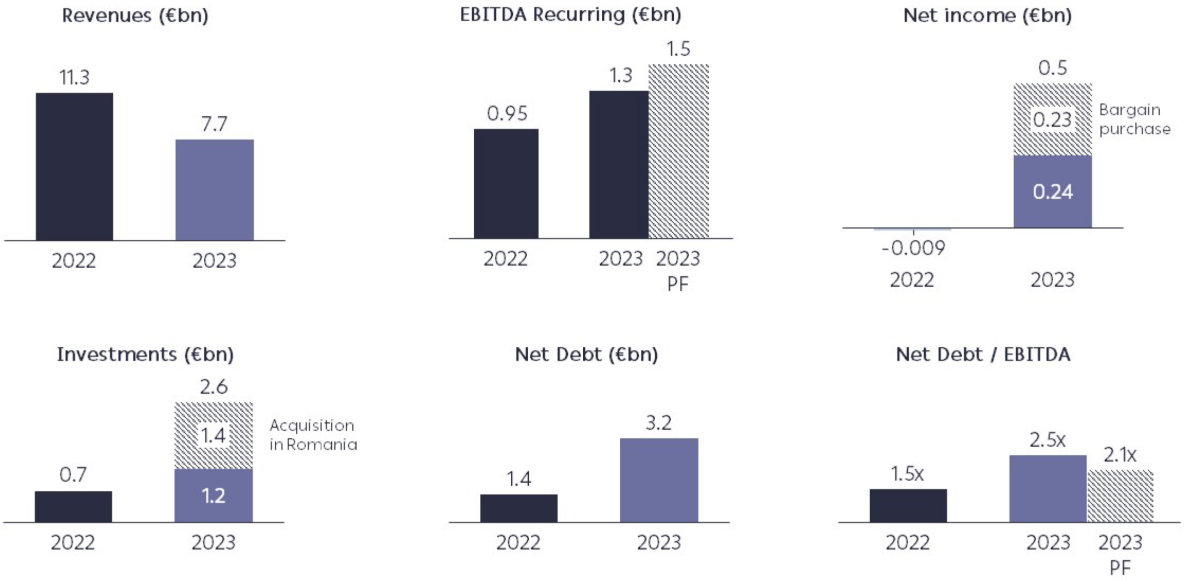
This report also refers to Alternative Performance Measures. For details on the purpose and calculations refer to ANNEX - Definitions and reconciliations of Alternative Performance Measures ("APMs")

The annual report of the significant subsidiaries companies for the year ended 31 December 2023 will be available on the internet at the following web site addresses:

HEDNO S.A.	www.deddie.gr
PPC RENEWABLES S.M.S.A.	www.ppcr.gr
Supply and Renewables subsidiary companies in Romania	www.ppcenergy.ro
Distribution subsidiary companies in Romania	www.reteleelectrice.ro

Amendments in the current legal framework during 2023
All detailed amendments in the current legal framework are presented in Note 2 to the Financial Statements.

Key Financials



Highlights of 2023

PPC continued in 2023 the positive trend of the previous years achieving key milestones in line with its strategy to build on the opportunities arising from the Energy Transition.

Total investments reached €2.6bn including the acquisition of the operations of Enel in Romania with significant uplift recorded in Renewables and Distribution capex. PPC's installed capacity in Renewables reached 4.6GW at the end of 2023, currently having projects of 2.8GW in total in the "Under construction" or "Ready to build" stage, a capacity which corresponds to approximately 70% of the residual capacity needed to achieve the target of 2026.

Apart from organic growth, PPC pursued additional opportunities in the Renewables field proceeding to a strategic agreement with Intrakat Group for the joint development of a 2.7GW Renewables portfolio, currently having a gross pipeline of approximately 18GW.

As a result of the major transformation which started in 2019, PPC proceeds to the reinstatement of dividend distribution after 10 years. The Board of Directors will propose to the Annual General Meeting of shareholders a dividend of €0.25/share.

In line with its commitment to become a leading SEE clean Utility and critical infrastructure player, PPC increased its Renewables capacity to 4.6GW in 2023, up by 32%, while at the same time investing €0.8bn in Renewables and Distribution projects, recording a 61% increase compared to 2022. At the same time, PPC further decreased its Scope 1 CO_2 emissions by 34% from 14.8 m tons in 2022 to 9.7m tons in 2023, making another decisive step towards a greener generation portfolio. These efforts have been also reflected to PPC's score in CDP which increased to B- in 2023, marking a four notches improvement.

Financial Performance

Increased operational profitability in 2023 with recurring EBITDA at €1.3bn, up by 35%, driven by the higher contribution of the distribution business and the acquisition of the operations of Enel in Romania since 25.10.2023. On a pro forma basis, that is taking into account the contribution of the operations in Romania for the 12-month period of 2023, recurring EBITDA reached €1.5bn.
2023 results have been impacted by one off items of €32m in total mainly related to provisions for personnel's severance payment whereas 2022 results by €302m in total, mainly related to the extraordinary contribution imposed on electricity generators for the period 1.10.2021 -30.6.2022 and provisions for personnel's severance payment[1].

Pre-tax profits stood at €622m compared to €26m losses in 2022, mainly as a result of improved operational profitability. Pre-tax results were also positively affected by the €234m bargain purchase recorded from the acquisition of Enel's operations in Romania evidencing the attractive valuation achieved by PPC in the transaction. In addition, 2023 pre-tax profits include the €124m capital gain from the sale of former lignite areas to the Greek State which was recorded in Q2 2023 financial results. In 2022, pre-tax results had been positively impacted by €198m, mainly related to a €177m reversal of the impairment of the investment in the new Ptolemaida V lignite unit.

Net Income stood at €485m from losses of €9m in 2022.

Disciplined financial position despite the high investments in 2023. PPC maintained a Leverage (Net debt/PF EBITDA) of 2.1x, well below the self-imposed ceiling of 3.5x, with net debt standing at €3.2bn as of 31.12.2023.

[1] EBITDA of 2023 has been negatively impacted from the provisions for personnel's severance payment that amounted to €25m and the revaluation of Power Purchases Agreement that amounted to €7m. Respectively, EBITDA of 2022, has been negatively impacted from the extraordinary contribution imposed on electricity generators that amounted to €245m, the provision for personnel's severance payment of €50m and the retroactive charge of €7 m for special allowances from the implementation of the Collective Labor Agreement for the period 2021 -2024.

Outlook for 2024

For 2024, PPC reiterates the targets communicated at the Capital Markets Day in January 2024, despite lower wholesale market prices given the resilience of its integrated business, as it was the case during extraordinary conditions (covid, energy crisis). Specifically, PPC expects a recurring EBITDA of €1.7bn.

Retail activity

Electricity demand in Greece increased by 1.5% in Q4, compared to Q4 2022, resulting to a containment of the demand reduction to 1.7% for full year 2023.In Romania, electricity demand decreased by 5% in 2023[2].

The average retail market share of PPC in Greece recorded a reduction to 56.5% in 2023 from 62.4% in 2022. In the Interconnected System, the respective market share decreased to 56.1% in December 2023 (from 63.3% in December 2022), while the average market share per voltage type was 48.0% (from 88.3%) in High Voltage, 40.7% (from 44.2%) in Medium Voltage and 63.2% (from 63.7%) in Low Voltage[3]. In Romania, the average market share of PPC in electricity sales 18%[4].

Generation activity

In generation, the average market share of PPC in Greece decreased to 39.1% in 2023 from 43.4% in 2022, mainly due to the lower production from natural gas fired units but also from lignite due to the gradual exit of PPC from lignite. In Romania, the average market share of PPC in generation from RES (wind/solar) reached 14.1%, close to the level of 2022 (13.5%).

The transition to cleaner energy sources continued with the reduction of installed capacity of lignite units by 0.9GW that was more than offset from the increase in RES installed capacity by 1.1GW. At the same time, the reduction of CO_2 (Scope 1) emissions by 34% led to the improvement of CO_2 emissions intensity to 0.5 tons per generated MWh from 0.66 tons per generated MWh in 2022.

Distribution activity

Distribution business continues to grow in line with our strategy to modernize our networks. Improvement has been recorded in 2023 in almost all performance indicators in both main countries that PPC is active, driven by increased capex and the acceleration of digital adoption. Specifically, SAIDI declined to 137 minutes (from 138 minutes) in Greece and to 89 minutes (from 91 minutes) in Romania. SAIFI decreased to 2.5 times in Greece (from 2.6 times) and remained stable in Romania at 1.8 times.

Smart meters penetration has been quite high in Romania increasing to 47% (from 41%) and is expected to grow in Greece from the 10% it currently stands, once the wider roll out of smart meters starts.

The integration of Renewables stations in Greece showed signs of stabilization in 2023, following major growth in previous years with approximately 1GW was connected to the grid compared to 1.1GW in 2022. In Romania, significant increase was recorded with 0.4GW additions in 2023 0.1GW in 2022.

RAB was increased to €4.3bn from €3.9bn in 2022 driven by higher capex in Greece and the capitalization of network losses of previous years in Romania.

[2] Based on data from IPTO
[3] Based on data from EneX
[4] Based on data from Transelectrica

Telco
In the Fiber-to-the-home deployment, the plan moves ahead having reached in Attica, Greece 140,000 households by the end of 2023 and 185,000 by the end of March 2024. The target is to reach 500,000 households and businesses by the end of 2024 and 1.7m in 2025. Wholesale commercial launch is expected within 2024 with the provision of a wholesale bitstream service with speeds up to 10Gbps or the launch of dark fiber service, with which each provider can choose the services it will provide to its end customers.

E-mobility
In the e-mobility field, at the end of 2023 PPC, via its subsidiary PPC blue, enjoyed a leading market share of 35% in public Charging Points (CPs) in Greece, having 2,015 CPs, almost double compared to the end of 2022. PPC blue introduced in 2023 a Sustainability Index of avoided CO_2 emissions for the users that select to charge at PPC blue public CPs which are served 100% by Renewables.

Capital Expenditure Program of Business Units

Total capital expenditure for the Parent Company amounted to € 224.2 million and was allocated as follows: € 20.4 million to Mines, € 125 million to Generation, € 13.1 million. to Commercial and € 65.7 million to activities of the Administrative Divisions and to the new activities. Capital expenditure for the Parent Company for the year 2023 has increased by € 18.2 million, compared to 2022, representing an increase of 9%.

Total capital expenditure for the Group for 2023 amounted to € 1,168.1 million and includes besides the Parent Company' capital expenditure, also those of PPC RENEWABLES S.M.S.A. amounting to € 171.4 million, of HEDNO S.A. amounting to € 538.1 million, of ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. amounting to € 160 million and of PPC ROMANIA amounting to 74.4 million. Capital expenditure for the Group for the year 2023 increased by € 481.9 million, compared to 2022, representing an increase of 70%.

Mines Business Unit

Capital expenditure of the Mines Business Unit for 2023 amounted to approximately €20.4 million and is related to projects in Western Macedonia Lignite Center (WMLC). A breakdown of the capital expenditure amount spent during 2023 is presented below:

1. €6.7 mil. were spent on land expropriations of which €6.6 million on land acquisition in the region "ODPK1".
2. €6 mil. were spent on related to the Ptolemais V unit construction works.
3. €5.2 mil. were spent on electromechanical works of which €3.5 million on belt conveyor's extensions, and the rest on equipment upgrades and reconstructions.
4. € 2.1 mil. were spent on civil engineering works and other technical projects (berm floor construction, road asphalting).
5. € 0.4 mil. were spent on other expenditures like environmental projects.

Total excavations in the Mines amounted to 58.7 million cubic meters and lignite production to 9.5 million Tones

Generation Business Units

Exploitation:

- During 2023 the total net production of the General Division of Lignite Generation (GDLG) and General Division of Thermo- and Hydro-electrical Generation (GDTHG) power stations (excluding PPC Renewables S.A.) amounted to 18.5 TWh, decreased by 16.29% compared to 2022 (22.1 TWh).
- The lignite fired generation Units amounted to 2.75 TWh decreased by 49.35% compared to 2022 (5.4 TWh). The lignite Units' availability factor was 82.30%, increased by 5.22 p.c. units compared to 2022. The load factor of lignite fired units reached 16.50%, as opposed to 32.24% in 2022. The utilization factor reached 20.10% in 2023 from 41.93% in 2022. Furthermore, in 2023 the electricity generation license was revoked for Unit No.3 of Megalopoli Lignite Power Unit in the context of PPC's decarbonization policy.

  SES Ptolemaida 5 produced 1.736 TWh in 2023, during its hot-commissioning period, which is not included in the total energy production as well as in the above indices.

- In 2023 the hydroelectric generation reached 4.03 TWh, increased by 0.03 TWh or 0.71% compared to 2022 (4.0 TWh).
- Natural gas-based generation in 2023 reached 6.3 TWh, 2.4 TWh, decreased compared to 2022 by 27.58%. The Units' load factor reached 27.37% in 2023, a reduction of 10.31 p.c. units compared to 2022. The availability factor in 2023 was 85.12%, increased by 3.68 p.c. units compared to 81.45% in 2022. The utilization factor decreased by 13.90 p.c. units reaching 32.37% in 2023 from 46.27% in 2022.
- Generation in Crete, Rhodes and the Other Non-Interconnected Islands reached 3.69 TWh in total, a decrease of 0.28 TWh compared to the corresponding generation in 2022 (3.97 TWh), i.e., by 7.1%.
- In view of the increased load demand placed on Crete's and the Other NII systems during 2023, extra 106 MW of non-permanent capacity were used for a limited time frame.

Investments:

Total Investments of the General Division of Lignite Generation and the General Division of Thermo- and Hydro-electrical Generation during 2023 amounted to €125 mil. (excluding the Mines Business Unit).

In the context of PPC S.A.'s Strategic Priorities Plan, the GDTHG and the GDLG have undertaken the implementation of Investment Projects in order to replace obsolete Units with new, environmentally friendly ones, of modern technology and higher performance. Concerning the progress of the Projects during 2023 it is noted that:

Thermal Units

Steam Electric Unit V, of Ptolemaida Station, of 660 MW (+ 140 MWth for District Heating) installed capacity, using pulverized lignite fuel:

Within 2023: In November 2022, the unit was put into trial operation and as of October 9, 2023, it was transferred from assets under construction to the fixed assets used in operation according to the protocol of commencement of commercial operation signed with the project contractor. The expenditure for the project during the fiscal year 2023 amounted to € 76.9 million.

Within 2024: Additional works are expected to be completed in order for the Unit to be able to provide thermal power of up to 140MWth to the district heating network of the city of Ptolemaida.

Hydroelectric Units

Mesochora Hydro-Electric Project (HEP) (160+1.6 MW):

The Council of the State, with its Decision 2230/2020 published in Dec. 2020, cancelled the project's Approval Decision of Environmental Terms and Conditions. PPC has submitted a new Environmental Impact Study and has obtained a new Approval Decision of Environmental Terms and Conditions, issued on 21.12.2021. On the new Decision there was another appeal at the Council of the State. The trial took place on March 2023 while the decision is still pending.

There are under way the procedures to incorporate the new terms, the dam restoration works and the ground stabilization of Sector D of the Mesochora village in order to announce tenders for completing the remaining works for the project. The inspection of the electromechanical equipment by the company that had supplied and installed it has been executed and the relevant report for maintenance and rehabilitation works has been issued and approved.

Metsovitiko HEP (29 MW):

The construction is delayed according to the new time schedule by one year. During 2023 construction and other Civil Engineering works took place, as well as studies and approvals for the manufacturing and installation of electromechanical equipment. The procurement and installation of the received electromechanical equipment as well as the civil works are in progress. The expenditure for the project in fiscal year 2023 amounted to € 2,4 million.

Non-Interconnected Islands (Rhodes, Other NII)

The total investment expenditure for the NII (incl. Crete) for fiscal year 2023 amounted to € 5.1 mil. €1,3 mil were invested in the project of "Construction of new fuel tank 6.300 CM at Kos Island" and € 3.8 mil. in a number of smaller projects.

Environmental Management / Health and Safety

Environmental Management:

Within 2023, in the direction of improving the environmental behavior of the Power Generation Units of the General Department of Production Operations and of the General Department of Thermoelectric and Hydroelectric Production:

- A new EMS according to ISO 14001:2015 for HPS Plastira was certificated (03.04.2023)
- The Surveillance Inspection / re-certification of the Environmental Management Systems (EMS) according to ISO 14001 of eleven Steam and Hydroelectric Plants of PPC S.A., by Independent Certified Bodies, was successfully carried out.
- Management Systems (EMS) to ISO 14001, of Western Macedonia Lignite Center was re-certificated by an independent Certification Body, after surveillance audits.
- The process for a new EMS for the under-construction HPS Mesochoras is undergoing.
- The development and implementation of an Energy Management System according to ISO 50001, in eight PPCs' Steam and Hydro Electric Stations is ongoing.

The process for the implementation of seminars on "Energy Management Systems, according to ISO 50001:2018" has began, with the collection of participations of the Company’s employees.

Health and Safety:

During 2023, towards the improvement of the Occupational Health & Safety (OHS) record of the Power Generation Units of GDLG and GDTHG:

- The existing Occupational Health & Safety Management Systems (OHSMS) compliant to ISO 45001:2018, of twelve (12) Thermal Power Plants (TPPs), as well as of the West Macedonia Lignite Center, the Megalopolis Lignite Center, and the Skyros Local Power Plant (LPP), were successfully audited or recertified by independent certified auditors.

- During 2023, two (2) HPPs were successfully certified by independent certified auditors for their OHSMS, namely HPP Plastiras and HPP Pournari. The development of OHSMS compliant to ISO 45001:2018 at all the other Hydroelectric Power Plants (HPPs) of PPC S.A. has continued.

- The Occupational Health and Safety Department (OHSD), aiming to perform its work more efficiently, was successfully recertified for its Quality Management System (QMS) (compliant to ISO 9001:2015), and was also certified for its OHSMS (compliant to ISO 45001:2018) and its EMS (compliant to ISO 14001:2015), for its Headquarters and for seven (7) of the First Aid Stations that belong to it and are located in Generation Units and Lignite Mines.

In total, there are currently 19 certified OHSMS in various PPC S.A. units.

A non-exhaustive list of the activities of OHSD, regarding the Generation Units and the Lignite Mines follows:

- Nine (9) third-level inspections for OHS were performed at Generation Units, by Joint Inspection Committees, consisting of members from the OHS Dept and the corresponding Generation Departments of GDTHG and GDLG (in addition and separately from the Internal Audits that are regularly conducted at every location with a certified OHSMS).
- Coordinated by the OHS Dept, four (4) video conference meetings were held for the Safety Engineers of Generation Units, split into Departments to focus on specialized Department-relevant topics, plus one (1) in-person meeting of all the Safety Engineers of PPC S.A. for general topics.
- Nine (9) seminars on Occupational Health and First Aid topics were conducted, of a total duration of forty-six (46) hours, with a total participation of two hundred and eleven (211) employees.

Commercial Business Unit

Investments and commercial policy

The investments of Commercial Activities in 2023 amounted to € 13.1 m and mainly concern:

- renovation of stores & offices with corresponding IT equipment & furniture.
- Expenses for digitization aimed at improving the services provided to customers, as well as on software that helps to improve customer base data, but also to forecast electricity demand.

The goal of the new stores is to upgrade the customer experience. The new stores emphasize friendly service, innovation, interactivity, through a modern, pleasant environment of high aesthetics. In the new PPC stores, in addition to energy products (electricity & natural gas), there is a special sales area for smart products, with the latest technology.

PPC also in 2023 fully and immediately implemented all the supporting measures introduced by the State, incorporating the subsidies to beneficiary customers in both electricity and natural gas. At the same time, PPC continued to implement the provisions of Law 4951/2022, the validity of which was extended until 31 December 2023 and so announced the prices for the fluctuating electricity supply products on the 20th day of every month.

In April 2023, PPC launched the new residential product PPC myHome 4All, which rewards customers who have registered on the myEnergyCoach online platform and achieve energy saving targets.

Since May 2023, PPC has been offering myEnergySolarNet, an integrated solution for the supply and installation of photovoltaic systems on residential and professional customers roofs.

In 2023, PPC was also successfully active in the heat pump market by promoting sales to the partner companies LG and Daikin. The use of heat pumps for the electrification of heating in the households and businesses of PPC customers results in an increase of electricity consumption.

In September 2023, PPC launched two new competitive fluctuating electricity products for businesses and professionals. PPC MyBusiness 4All is addressed to businesses with a consumption of up to 10 MWh per year and PPC myBusiness 4All+ is addressed to businesses with a consumption of more than 10 MWh per year. In addition, it is available to professional customers the GreenPassPro service, through which PPC guarantees that as much energy as the company consumes, as much is bound by guarantees of origin from Renewable Energy Sources. At the same time, it enriched the portfolio of Natural Gas products, with myHomeGasControl, which offers fixed prices throughout the duration of the contract.

Finally, PPC, implemented the provisions of Law 5066/2023 by adjusting its product portfolio. Launched since 1/1/2024 Special Tariffs ("green" marked transparency) and Fluctuating Products ("Yellow" marked transparency) for Low Voltage customers, while at the same time adjusted the price of its Fixed products ("Blue" marked transparency) - PPC myHomeEnter & PPC my HomeOnline-, making PPC's proposals even more competitive.

In the context of its corporate operation, PPC has been developing action programs for a long time, with the main objective of improving electricity bills collections and at the same time providing integrated solutions to customers in terms of servicing their debts. In particular, it improves its credit policy in accordance with the Electricity Supply Code by creating scalable actions of information and collection, which are constantly evolving, and it measures their effectiveness.

At the same time, PPC continues its cooperation with a company that provides specialized support services in the context of the securitization of company's trade receivables with the aim of reducing overdue debts and preventing the creation of new ones, imposed by the criticality of the situation in the field of Energy.

Moreover, PPC continues to apply the new debt settlement policy, which is in effect since 2022, for its entire customer base giving flexible settlement programs and personalized solutions according to the needs of its customers. To improve the collectability of settlements, PPC develops settlement models that classify customers based on their characteristics in order to identify the best debt restructuring plan with the highest probability of repayment.

Finally, PPC creates alternative payment services using the capabilities of technology and utilizing its partnerships with major financial institutions in order to provide optimal solutions to its customers.

DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. (distinctive title: FIBERGRID)

PPC is entering a new phase during which it plans to transform itself into a modern, outward-looking and efficient European utility facing a challenging economic and regulatory environment. Embracing this vision, PPC took a significant stride at the end of December 2022 by establishing DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A., a dedicated wholesale Fiber-To-The-Home (FTTH) operator (FiberGrid). This strategic move marks a pivotal shift in the Greek ultra-broadband market, aligning with EU objectives for a Gigabit Society, and offering cutting-edge performance up to 10 Gbps.

Under the name of FiberGrid, this venture embarks on an ambitious trajectory aimed at connecting approximately 3 million households with FTTH technology over the next four years. Targeting prime locations across Greece, spanning approximately in 100 municipalities, FiberGrid's mission is to deliver unparalleled connectivity to Greek consumers. To fuel this bold initiative, a substantial investment of approximately €680 million has been earmarked, reflecting the Parent Company's unwavering commitment to driving innovation and propelling Greece into the digital forefront.

Project progress 2023 :

In fiscal year 2023, FiberGrid, has expanded connectivity across 13 municipalities in the greater area of Attica covering circa 140,000 households while IT systems and necessary tools have been procured.

Looking ahead to 2024, FiberGrid plans to cover 750,000 households, expanding coverage in other municipalities in the greater area of Attica and include also other key urban areas in Greece. While network design in these municipalities is already ongoing, the company is also completing the procurement activities for FTTH roll-out, including supplying construction services and materials, demonstrating its proactive approach to project planning and execution.

While in 2023 FiberGrid's capital expenditures (CAPEX) amounted to circa € 25.8 million for 2024 it is anticipated to increase its capital expenditure to cover the plan for 750,000 households.

PPC e-Mobility

In 2023, PPC e-Mobility brand "DEI blue" has strengthen its market presence as an integrated e-Mobility operator that manages the largest publicly accessible CP network, and with the highest penetration in e-msp services, and with the majority of the EV users across Greece. In 2023, PPC Blue has installed more than 2,000 CPs, in more than 500 locations in Greece.

Moreover, in 2023, has installed the largest network of Fast Chargers DC, including installing the biggest Fast Chargers of 300kW DC at the best locations on the National Roads leveraging EU funding by CEF. Last, it has developed innovative promotional services through the PPC Blue app, and has focused on securing its public CP network reliability 24/7 that should stay always ON,

HEDNO S.A.

Development & Operation of Networks

In 2023, distribution facilities were expanded by 1,570 km in the medium voltage (MV) networks and by 809 km in the low voltage (LV) networks, while at the same time 2,435 switching systems (based on the latest data available) became operational. Thus, the MV network now extends over 116,976 km and the LV network has reached 130,341 km in length, while the number of transformers installed in the network amounts to 160,257. The active users of the distribution networks amounted to 7,713,254 out of which 17,285 are MV users.

Turnaround Times of New Connections

The average service time (research and construction installation works) for ordinary new user connections was 27.3 working days, while for connections requiring network intervention works it is 69.37 working days, and for switching systems requests it is 60.88 working days (based on the latest data available).

Environmental Topics

The Company ensures the implementation of appropriate environmental management practices, significantly reducing the impact on the environment and biodiversity.

In this context, HEDNO monitors the annual environmental performance. In this direction, in 2023 the Company estimated the Carbon Footprint of direct (Scope 1) and indirect (Scope 2 and 3) Greenhouse Gas (GHG) emissions, which indicatively derive from combustion of fixed and mobile equipment, electricity consumption, electricity losses in the Network, supplies of goods and services and waste management covering the period 01.01.2022 – 31.12.2022. The carbon footprint calculation methodology was verified according to ISO 14064-1:2018 by an external certification body.

Key actions to strengthen the network, while contributing to the protection of biodiversity and birds, include the underground networks, the replacement of bare Low Voltage (LV) and Medium Voltage (MV) conductors with twisted cables and the installation of insulating covers on the network's conductors. Indicatively, in 2023, the bare LV cables that were dismantled are estimated at 1,486.25 km, while 1,960.09 km of twisted cables were installed. At the same time, HEDNO implements actions to mitigate the effects of forest fires by improving the durability of the network such as pruning trees and cleaning ground vegetation.

The prevention of biodiversity loss, as well as the protection of endangered species are an integral part of the Company's environmental strategy. To this end, HEDNO:

- Implements measures for the safe stay of storks in Greece. These measures include the placement of artificial nests in order to attract storks' reproduction in the poles of the Electricity Distribution Network, repairs or replacements of nests, nest shifts, especially when hygiene issues arise (due to the fact that snakes, rodents and frogs fall from the nests).

- takes measures for the safe passage of birds in Greece, with interventions that contribute to the protection of birds, such as the installation of special insulating covers at selected locations of the overhead Medium Voltage Distribution Network, the replacement of bare conductors with twisted cables and the development of underground networks, mainly in forest areas

- The Company also assists in ringing actions of stork chicks (Banding). Ringing of chicks is performed to study migratory movements, their lifespan, fidelity to breeding areas, wintering and behavior of the species.

- The Company seeks for future partnerships to support bird protection and preservation actions in protected areas of Greece. This action concerns the coordination and exchange of information, in order to implement measures and actions aimed at preventing and combating possible threats to endangered bird species within protected areas where the network is located.

- In 2023, HEDNO received 27,773 pieces of wooden poles impregnated with water-soluble preservatives, continuing the installation plan in the overhead network, with the intention to examine the use of the alternative preservative formulation. In this context, in 2023, the report of an expert was assessed regarding the review of the legal framework governing the overall handling of poles and the development of an action plan based on best practices at all stages of their life cycle within the networks and accompanying facilities of HEDNO, by also taking into account employee safety and environmental protection.

PPC Renewables S.M.S.A

Generation

At Group level, electricity production in 2023 amounted to 749,832 MWh compared to 485,968 MWh in 2022. For the Company, electricity production in 2023 amounted to 381,285 MWh compared to 392,074 MWh in 2022.

Investment activity

Research, Development and Exploitation of Geothermal potential

The subsidiary PPC Renewables has leased from the Greek State the geothermal potential Research and Management rights of four public mining sites: a) Milos-Kimolos-Polyaigos, b) Nisyros, c) Lesvos and d) Methana.

PPC Renewables in agreement with the associate company GEOTHERMAL TARGET II S.A., which has undertaken the development of geothermal power plants in these areas, has proceeded with the development plan foreseen for the years 2021, 2022 and 2023. The development plan for the year 2024 includes the commencement of exploratory drillings at Lesvos and Milos sites, as well as the installation of a small-scale geothermal power plant at Lesvos.

Wind Parks

The construction works of the Wind Park at the locations of “Aeras” of the Municipality of Mouzaki and “Afentiko” of the Municipality of Argithea, of 27,6 MW, have been completed. At present, the wind park is in semi-commercial (trial) operation status.

Construction works for the Doukas Wind Park, by the 100% subsidiary of PPC Renewables, “DOUKAS WIND PARK SOLE SHAREHOLDER S.A.”, with a capacity of 26MW of a total budget of €28.5 million, in “DOUKAS” location of St. Anargyroi, Kleisoura and Lehovo locations of the Municipalities of Kastoria and Amyntaio, of the prefectures of Kastoria and Florina in the Region of Western Macedonia, started in September 2022. Construction works and electrification are expected to be completed in July 2024.

Construction works for the Koukouli Wind Park, by the 100% subsidiary of PPC Renewables, “KOUKOULI WIND PARK SOLE SHAREHOLDER S.A.”, with a capacity of 13.2MW, of a total budget of €16 million, in the “Koukouli-Grivas” location in Shiatista of the Municipality of Voi, of the Kozani prefecture in the Region of Western Macedonia, started in September 2022. Construction works and the electrification of the park, were completed in March 2024.

Small Hydro Plants

The construction of the Smokovo II SHPP (3.2MW) has been completed and the Project has already been electrified. The Power Plant commenced operation during the irrigation period 2023 (availability 99.5%).

The construction of the Makrochori II SHPP (5MW) has been completed. The Project commenced operation in 13.12.2023, and it is currently at the stage of semi-commercial operation.

Photovoltaic Stations

Construction works from the 100% subsidiary of PPC Renewables “ILIAKO VELOS ENA SINGLE-MEMBER S.A.”, for the PV Plant of 200MW capacity at the “Lignitiko Kentro Dytikis Makedonias” area, in the regional unit of Kozani, began in June 2021. The construction works have been completed in April 2023. The Project was electrified in August 2023.

Construction works of the PV Plants of 39MW and 11MW capacity, from the 100% subsidiaries of PPCR “ARKADIKOS ILIOS I SINGLE-MEMBER S.A.” and “ARKADIKOS ILIOS II SINGLE-MEMBER S.A.” respectively, with horizontal single-axis trackers, and a 33/150kV Substation, at “Megales Lakkes” plot, in the regional unit of Arcadia, began in September 2021. Installation works have been completed and the stations were electrified in July 2023.

Construction works of the “Agios Christoforos 1" PV Plant of 64,983MW capacity with fixed tilt mounting structure and the expansion works of the 150kV “Agios Christoforos” Substation through the addition of a new 33/150kV transformer, of a total budget of € 35.7 million at “Agios Christoforos” plot, in the Municipality of Eordea, Kozani Regional Unit, began in May 2022. The construction works were completed in October 2023.

Construction works of “Pteleonas 1”, “Pteleonas 2”, “Charavgi 1” and “Charavgi 5” PV Plants of 94.98122MW capacity, with horizontal single-axis trackers and bifacial PV modules and the extension of the “Charavgy” 150kV substation, of a total budget of € 68.6 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, began in September 2022. It is expected that by May 2024 all works will have been completed.

With respect to the 550MW “Orychio DEI Ptolemaida” PV Plant, with horizontal single-axis trackers and bifacial PV modules, and the necessary grid connection works, of an indicative total budget of € 353 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, the signing of the contract tool place in July 2023. Construction works started in December 2023.

In addition, PPC, based on the implementation of the National Energy and Climate Plan and the utilization of existing infrastructures that are permanently decommissioned, has designed and implemented energy storage projects (at the Kardias Mine) as well as the installation of new means of thermal energy production for covering the thermal needs of the interconnected district heating system (SITHYA). At the same time, the subsidiary PPC Renewables is developing projects of PV Stations and energy storage stations with BESS which are planned to be interconnected in a common substation utilizing the infrastructure of the Gates of Units I & II of the former thermal station KARDIAS.

The project is a necessary condition for the operation of the 550MW PV Station Mine PPC PTOLEMAIDA. The Contract for the decommissioned thermal station KARDIAS was signed in September 2023. The estimated completion and commissioning of the project is planned for 2025 with a total investment budget of €4.4 million for the Parent Company and €11.5 million for the subsidiary company.

International agreement for acquisition of a wind project in Romania

On July 21 2023, the Group has signed through its subsidiary PPC Renewables S.M.S.A, an agreement with European subsidiaries of Lukoil Group to acquire a 100% stake in Land Power SRL, a Romanian wind park owner of a total installed capacity of 84MW. The wind park is located in Dorobantu and Topolog, Romania, the regions with the best wind conditions in Romania and generates more than 200GWh per year. The transaction was realized through a competitive process, with international companies participating, during which PPC Renewables was selected as the preferred bidder. The closing of the transaction was realized in March 2024.

Agreement for the joint development of an RES Portfolio

On December 20 2023 PPC Renewables and Intrakat Group signed a Cooperation Framework Agreement for the joint development of an RES portfolio with a total maximum capacity of 2.7 GW.

As part of this agreement, PPC Renewables will acquire from Intrakat Group two Operating and four Ready to build (RtB) RES projects, with a total installed capacity of 164 MW.

At the same time, PPC Renewables will enter as a shareholder, holding a 49% stake, in various Intrakat Group holding companies. The holding companies own a portfolio of projects in different stages of development, with a total installed capacity of 1.6 GW approximately. Under certain conditions the agreement may also expand.

Agreement for the acquisition of an Offshore Wind Park license

On December 23 2023, PPC Renewables and the Kopelouzos and Samaras Groups signed a Share Purchase Agreement (SPA) for the acquisition of 100% of the shares of the company "THRAKIKI AEOLIKI 1 S.A." which holds a Production License for an Offshore Wind Park (OWP) of a 216 MW installed capacity located off the coast from the city of Alexandroupolis.

The Project falls under the provisions of Article 174 of Law 4964/2022 concerning the Pilot Implementation of Offshore Wind Parks and is expected to be built on fixed bottom foundations.

Significant events for the period January 1st 2023 – December 31st 2023

Significant events for the year 2023 are presented in detail in Note 3 of the Financial Statements.

Acquisition of subsidiaries in Romania

On March 9, 2023, the Parent Company signed a binding agreement with Enel S.p.A. ("Enel") for the acquisition of all the holdings held by Enel and its subsidiaries in Romania for a total initial consideration of approximately €1,260 million (based on the total enterprise value determined at approximately €1,900 million). The final consideration amounted to €1,240 million after adjustments, while there is an additional contingent consideration based on the future increase in the value of the Supply activities in Romania to be determined (if a payment obligation exists) within 2025. For the completion of the transaction of the purchase of ENEL's holdings as a condition, among other things, included the approval from the relevant antitrust authorities. The acquisition was completed on October 25, 2023, the date that the consideration was paid and all conditions included in the share purchase agreement, were met.

PPC financed part of the acquisition through a combination of debt and equity capital out of which an amount of € 315 million originated from a loan with duration of 18 months from Alpha Bank (Note 32).

The costs related directly to the transaction amounting to €43.8 million are included in the investment cost in subsidiaries in the Parent Company based on accounting policies, while on Group level those costs have charged Third party fees in the Statement of Income.

The acquisition represents a transformational event for PPC's growth strategy with the acquisition of a significant renewable's portfolio (both operating and pipeline), leading electricity distribution and supply businesses. The acquisition is PPC's first material expansion abroad.

Following the agreement of PPC S.A. with Enel on March 9, 2023 in order to acquire all of Enel's holdings in Romania, the Parent Company on April 19, 2023 signed an agreement with Fondul Proprietatea S.A. ("Fondul") for the acquisition of all the holdings held by Fondul in the companies E-Distributie Muntenia S.A. (12%), Enel Energie Muntenia S.A. (12%), E-Distributie Dobrogea S.A. (24.1%), E-Distributie Banat S.A. (24.1%), and ENEL Energie S.A. (12%) in Romania, for a total consideration of approximately €130 million. On October 26, 2023, the acquisition of the minority shares was completed with the payment of the initially agreed consideration.

With the completion of the acquisition, the Parent Company directly and indirectly acquired 29 new subsidiaries (full consolidation method), namely: Retele Electrice Muntenia S.A. (formerly E-Distributie Muntenia S.A.), PPC Energie Muntenia S.A. (formerly Enel Energie Muntenia S.A.), Retele Electrice Dobrogea S.A. (formerly E-Distributie Dobrogea S.A.), Retele Electrice Banat S.A. (formerly E-Distributie Banat S.A.), PPC Energie S.A. (formerly ENEL Energie S.A.), PPC Energy services Co (formerly Enel Romania S.A.), PPC Renewables Romania S.R.L. (formerly Enel Green Power Romania S.R.L.), PPC Advanced Energy Services Romania S.R.L. (formerly Enel ex Romania S.R.L.), PPC Blue Romania S.R.L. (formerly Enel x way Romania S.R.L.), PPC Trading S.R.L. (formerly Enel Trade Energy S.R.L.), PPC Servicii Comune S.A. (formerly Enel Servicii Comune S.A.), Wind Energy Green Park S.R.L., South Wind Energy S.R.L., Dara Solar investment S.R.L., Energo Sonne S.R.L., Solas Electricity S.R.L., Topwind Energy S.R.L., Prowind Windfarm Viisoara S.R.L., Prowind Windfarm Bogdanesti S.R.L., Toplet Power Park S.R.L., GV Energie Rigenerabili Ital-ro S.R.L., Elcomex Solar Energy S.R.L., De Rock Intl S.R.L., Zephir 3 Constanta S.R.L., Oravita Power Park S.R.L., Potoc Power Park S.R.L., Prowind Windfarm Ivesti S.R.L., Prowind Windfarm Deleni S.R.L, Sun Challenge S.R.L. The shareholding percentages in each new subsidiary after the acquisition of the minority interests held by Fondul are set out in Note 19.

Based on the terms of the acquisition agreement with ENEL for the payment of an additional consideration of the Supply activities, the Group and the Parent company recognized on October 25, 2023, a contigent additional consideration of fair value of €18.0 million. The fair value of the contigent consideration was determined by the use of a Monte Carlo valuation model. The Parent company increased its investment in subsidiaries companies PPC Energie S.A., PPC Energie Muntenia S.A., PPC Advanced Energy Services Romania S.R.L. and to PPC Blue Romania S.R.L. by €5.2 million, €10.9 million, €1.0 million and €0.7 million respectively and at the same time recognized a financial liability of €18.0 million which is included in long-term liabilities (Note 37).

Additionally, on the day of the acquisition, the Parent company paid Enel the amount of €517.8 million for the acquisition of the intercompany balances (Short- term loans) between the former shareholder and the Romanian subsidiaries PPC Energie S.A., PPC Energie Muntenia S.A., PPC Advanced Energy Services Romania S.R.L., PPC Blue Romania S.R.L. and PPC Trading S.R.L. and recognized total short-term loan receivables of €516.5 million (RON 2,563.1 million) without guarantees, for general corporate purposes, with ROBOR of 0.6% to 2.7% (average cost: 7.18%) and accrued interest claim of €1.3 million (RON 6.5

million). These loans on December 31, 2023 amount to €515.1 million (RON 2,563.1 million) plus €8.3 million accrued interest, the maturity of which was within 2023 and 2024 and it will be extended for one year from their expiration date by the Board of Directors Decision as of April 9, 2024 of the Parent Company.

The date of acquisition of control of the subsidiaries is October 25, 2023, the date the consideration was paid and all conditions included in the share purchase agreement with ENEL, were met. On that date, the Group acquired 78% in Retele Electrice Muntenia S.A., 51% in Retele Electrice Banat S.A., 51% in Retele Electrice Dobrogea S.A., 51% in PPC Energie S.A., 78% in PPC Energie Muntenia S.A. and 100% in PPC Advanced Energy Services Romania S.R.L., PPC Blue Romania S.R.L., PPC Energy services Co and PPC Renewables Romania S.R.L. While, the following day, the Group also acquired the minority share of FONDUL (as above). The acquisition of the minority stakes is a transaction directly linked to the acquisition of the majority stakes, as it was negotiated at the same time and would not have been completed without the acquisition of the majority holdings held by ENEL.

The acquisition of the 29 subsidiaries had the purpose to obtain control over the entire operations of Enel in Romania, integrating substantially all of its assets, liabilities and business activities and benefit from existing synergies between the acquired companies. For this reason, the acquisition of the 29 subsidiaries was accounted for as a single transaction and based on the Management's assessment, it was considered a business combination in accordance with IFRS 3 and the allocation of the acquisition costs to the individual identifiable assets and liabilities was determined, based on valuations at fair value, with the difference being considered as bargain gain of the acquisition.

The Group re-assessed whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviewed the procedures used to measure the amounts recognised at the acquisition date. As after this re-assessment, the valuation still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the bargain gain of €233.9 million was recognised in the Statement of Income of the Group.

In the context of determining the assets of the acquired subsidiaries, an intangible asset was recognized of the customer base of the supply companies PPC Energie Muntenia S.A. and PPC Energie S.A., amounting to € 27.3 million with a useful life of 5 to 8 years.

The initial accounting of this acquisition in the financial statements of the Group is considered provisional as the Group will make use of paragraph 45 of IFRS 3 which provides the possibility of final measurement of the relevant amounts for a period of up to one year from the date of acquisition. The use of this paragraph was made as the acquisition was completed very close to the year end and concerns 29 new subsidiaries with a significant amount of net assets. It will therefore complete the relevant assessment and valuation within the first half of 2024.

Finally, the acquisition agreement with ENEL contains terms for indemnification of PPC in the event that the Romanian subsidiaries are called upon to pay funds for taxes and surcharges relating to a period prior to the acquisition date and for specific legal cases.

Agreement for the acquisition of "KOTSOVOLOS"

On November 2, 2023, the Parent Company announced the signing of an agreement with Currys plc for the acquisition of the company Dixons South - East Europe Commercial and Industrial S.A with the trade name"Kotsovolos" for a price of € 200 million, an amount corresponding to the value of the business, without taking into account borrowings, the company's cash reserves and excluding leases according to IFRS 16.

The agreement for the acquisition of Kotsovolos is for PPC a strategic move of transformation and energy transition. Kotsovolos has 95 physical stores in Greece and Cyprus, of which 27 are megastores. In addition, it has an integrated nationwide supply chain network with its own warehouses, a privately owned fleet of vehicles and a large network of partners for installations of the appliances. It has a multichannel sales network which, in addition to physical stores, includes a call center and a successful e-shop (kotsovolos.gr).

Following the approval of the transaction by the Hellenic Competition Commission on March 5, 2024, the completion of the acquisition is expected within the first fortnight of April 2024.

Effects of the COVID-19 Pandemic

The COVID-19 pandemic has affected the global social and economic life in the recent years. In Greece, from mid-April 2021 the restrictive measures gradually began to be lifted, as a result of the program of massive vaccination applied, while there was a complete liberalization of the operation of stores since

2022. In May 2023, the World Health Organization (WHO) announced that COVID-19 is no longer a health emergency.

The Group's and the Parent Company's Management through continuously monitoring of the developments of the COVID-19 pandemic and especially the way of dealing with it worldwide, considers that, after the announcement of WHO, it has ceased to effect the operation, the financial position and the results of the Group and the Parent Company.

War Russia-Ukraine

The current geopolitical crisis in Ukraine, combined with the economic sanctions imposed on Russia by the European Union, the United States of America and many other countries, have created conditions of uncertainty in the economic environment at European and global level.
PPC Group does not have a relevant commercial presence in Russia and Ukraine and as a result there is no direct effect on its activities, but the indirect effect, as it developed, is particularly important.
The increased cost in the wholesale electricity market due to the unprecedented increase in the price of natural gas in 2022 was a development that indirectly affected the activities of the Group, which was, however, largely protected by the vertically integrated nature of its activities, due to its presence in both generation and supply of electricity. The aforementioned protection of the Group due to its vertically integrated nature was mitigated to some extent, as a consequence of the Temporary Mechanism of Law 4971/2022 (Article 122) for Returning Part of Income of the Next Day Energy Market.

Based on this Mechanism, which was valid during the period 8/7/2022-31/12/2023, the power generation units of the Interconnected System (except Crete) were compensated in the Pre-Day and Intra-Day Market based on regulated prices (in the event that these regulated prices were lower than the Clearing Prices that were freely set in the Pre-Day and Intra-Day Market), as defined by Ministerial Decision (practically part of their income was withheld from the Pre-Day and Intra-Day Market, with which the special account "Energy Transition Fund" was financed).

With the above Mechanism, the income of Generation in the Pre-Day and Intra-Day Market had an upper limit (cap) which arised based on the variable cost of the units (cost plus), while the costs of Supply in the same Market arised based on the Clearing Price of this Market.

As an emergency measure to strengthen the energy sufficiency of the country and reduce the supply of natural gas from Russia, the PPC Group launched within 2022 the increase of lignite production, contributing to the adequacy of the country's electrical system for the period of the energy crisis, through a revision of the mining planning and by changing the estimated withdrawal plan of the lignite units, with a slight extension of it, depending on the market conditions.
The above measures combined with geopolitical developments led to a significant de-escalation of natural gas and electricity prices during the year 2023 across Europe, including Greece. The risk of high prices thus the risk of prolongation of the energy crisis, has not been eliminated, given also the new threat of war in the Middle East.

Indirect effects from the Russian – Ukraine war may arise due to the consequent reduction of our customers' disposable income, as a result of increased energy costs and the intensification of inflationary pressures. In addition a significant decrease in electricity demand was observed in the second half of 2022 that continued during 2023.

Any overall final economic impact of the Russia-Ukraine war or the threat of war in the Middle East on the global and Greek economies and the businesses of the Group and the Parent Company cannot be estimated at present, due to the high degree of uncertainty arising from the inability of predicting the final outcome, but also due to the secondary effects listed above.
In any case, the Management of the Group and the Parent Company continuously monitors the relevant developments and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company, being in a state of increased vigilance to take appropriate precautionary measures to safeguard the liquidity and business activities of the Group and the Parent Company.

War in the Middle East

With the commence of the war within October 2023 on Israel's borders, the recently escalating attacks on commercial ships in the Red Sea and its possible spread over the wider Middle East region, concerns are raised about the prolongation of the energy crisis in Europe. PPC Group does not have a relevant commercial presence, as a result of which there is no direct impact on its activities. In any case, the Group's and the Parent Company's Management continuously monitors the relevant developments and assesses any impact on the operation, financial position and results of the Group and the Parent Company.

MAJOR RISKS - UNCERTAINTIES

The Group's and the Parent Company's activities are subject to various risks. The Group's international expansion implies a change in exposure to a wide range of risks and the possibility of new risks related to the Group's presence in new regions and the process of integrating new companies into the Group. Any of the following risks could have a material adverse effect on the Group's and the Parent Company's business, financial position or results. The risks described below are not the only risks that the Group and the Parent Company face. Additional risks and uncertainties not currently known to the Group and the Parent Company or that are currently deemed to be immaterial may also materially adversely affect in the future their business, financial position, results and cash flows. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact.

-Market risk

The Group and the Parent Company participate in the energy wholesale market in the countries where they operate both as producer and as supplier of electricity, which exposes them to market price risk stemming from fluctuations in the prices of natural gas, oil and CO_2 emission rights, which are traded in international commodity markets, as well as to the fluctuations of the electric power prices, which is traded in the markets. Significant fluctuations in the prices or quantities of electricity, natural gas, fuels and CO_2 emission rights affect, directly or indirectly through the effect on the price of the wholesale energy market, the financial position, results and cash flows of the Group and the Parent Company as well as their business activities and prospects.

In order to limit the Group and Parent Company's exposure to market risk, they have adopted risk management policies for the management of price risk in line with limits and targets assigned by the senior management. Hedging activities typically entail the use of derivatives instruments to reduce the risk. Nevertheless, their exposure to these risks has not been eliminated and they may not manage to adequately hedge against volatility in commodity prices and volatility in wholesale power market prices, either because of low liquidity in the Forward Electricity Market, or because of other reasons. Moreover, the execution of hedging activities through their participation in organized commodity exchanges is creating new needs for credit and cash settlement requirements, as well as for cash margining to cover adverse price movements or stop-loss procedures, which could result in significant liquidity needs.

-External environment risks

Macroeconomic conditions in Greece and Romania

Substantially all of the Group and Parent Company's assets and operations are in Greece and Romania and thus Greece's and Romania's economic situation is anticipated to be reflected in the Group and Parent Company's business. The Group and Parent Company's business activities and results of operations are highly dependent on residential and business demand for electricity in Greece and Romania, as well as their customers' ability to pay their electricity bills in a timely manner. Electricity consumption in Greece and Romania is heavily dependent on levels of disposable income, spending capacity and employment trends, as well as the availability and cost of funding for their industrial and commercial customers.

Any potential future deterioration in economic activity in Greece or/and Romania could result in a decrease in demand for the electricity the Group and Parent Company's supply and/or generate an increase in unpaid and overdue bills and provisions for expected credit losses, which could adversely affect the Group and Parent Company's business, financial condition and results of operations.

Geopolitical developments

In the ordinary course of the Group and Parent Company's business, they are exposed to the risk of a reduction in demand for electricity, which may occur as a result of global financial and economic uncertainty. The energy crisis and the hostilities in Ukraine and Israel have adversely affected economic activity. The imposition of sanctions, due to the war between Russia and Ukraine, has a negative impact on both energy and financial markets due to the impact on quantities and prices of energy goods, mainly electricity and gas. Any changes in global commodity prices, available cross-border capacities, material changes in electricity demand in Europe or a possible disruption of natural gas supply, could have an impact on electricity prices and a material adverse effect on the Group and Parent Company's business.

Supply chain risk

The Group and Parent Company face risks relating to the construction of their electricity generation units, including risks relating to the availability of equipment from suppliers, availability of building materials and key components, availability of key and qualified engineering personnel, delays in construction timetables and completion of the projects within budget and to required specifications. Additionally, adverse macroeconomic developments, as well as financial and/or operating problems of key suppliers and contractors may have a negative impact on the Group and Parent Company's ability to purchase liquid fuels, spare parts and materials and may increase their operating expenses. Finally, adverse developments in the Red Sea region could affect international trade and cause delays in the supply chain.

Assumptions and hypotheses risk

The Group and Parent Company have established targets for medium- and long-term financial performance, all of which assume, inter alia, the successful and timely execution of the transformation strategy and five- year business plan. The management of the Group and the Parent Company has based these targets on a number of assumptions and hypotheses that are inherently subject to significant business, operational, economic, financial and other risks, many of which are outside of the Group and Parent Company's control. Should one or more of the assumptions underlying the targets for financial performance change or prove to be incorrect, the Group and Parent Company's actual medium- to long-term financial performance could differ materially from the targeted medium- to long-term financial performance.

-Regulatory & legislative developments, political and tax risk

The Group and Parent Company's operations are subject to extensive and complex regulation, which impacts many areas of their business, including the sources of their power generation activity, the overall energy market structure, the construction and operation of electricity generation facilities, the trading of commodities and financial derivatives, market behaviour rules, present or prospective wholesale or retail competition and general health and safety and environmental matters. These rules and policies have affected and may continue to affect the Group and Parent Company's business, and any changes in law or regulation, or decisions by governmental bodies or regulators, could negatively affect their business and performance. Accordingly, the Parent Company closely monitors legislative and regulatory developments, such as:

- The revision of the European Target Model, which may cause a significant structural reform of the existing organization system of the wholesale electricity market.
- The procedures for obtaining and/or renewing licenses necessary for the operation of the Parent Company and the Group (indicatively, mining, production, distribution and trading of electric energy)
- Regulatory changes by the Hellenic and Romanian State or the Regulatory Authorities for Energy in Greece (RAEWW) and Romania (ANRE) (e.g. those concerning pricing policies of energy suppliers).
- Regulatory changes by the European Commission and other EU institutions (e.g. European rules on competition and environment, promotion of the integration of European electricity markets, development of renewable energy sources and promotion of sustainable energy investments. etc.).
- Environmental regulations based on provisions in accordance with Greek and Romanian legislation, including laws issued for the implementation of EU Directives and international agreements (e.g. regulations for exhaust emissions, mine rehabilitation, waste disposal, management and remediation of water pollution incidents).
- The tax regime (e.g. imposition of any new taxes, fees or contributions or the change in the interpretation or application of tax provisions by the tax authorities), as well as the harmonization of Greek and European tax legislation.

There are also an inherent risk that governmental or regulatory authorities will interpret or apply laws and regulations in a manner the Group and Parent Company do not expect or agree with. The Group and Parent Company have in the past disputed adverse or unfavourable decisions of administrative, regulatory and judicial authorities, and similar matters may become subject to disputes with competent authorities in the future. Adverse regulatory decisions, interpretations or administrative actions, as well as institutional resistance, could have uncertain and unexpected consequences on the Group and Parent Company's business and operations, which, in turn, could have a material adverse effect on their financial condition.

In order to manage the legal and regulatory risks, the Parent Company has strengthened its relations with national and local Authorities and regulatory bodies, adopting a transparent and cooperative approach to address and eliminate sources of instability in legislative and regulatory framework. However, the Parent Company cannot provide any assurance that it will always be in a position to fully and timely satisfy the regulatory, environmental, financial and any other requirements imposed, which could have a significant adverse effect on the Group and Parent Company's business, financial position and operating results.

Licensing risk

The Group and the Parent Company's mining, generation, distribution and supply of electricity operations require various administrative authorizations at local, regional and national levels, that can be protracted, complex and not entirely predictable. Additionally, any failure to obtain or renew the necessary licenses and permits might result in interruptions to some of the Group and the Parent Company's operations, including their ability to obtain funding for their activities. Delays, high costs or the suspension of the Group and the Parent Company's industrial activities due to their inability to obtain, maintain, or renew authorizations, may also have a negative impact on their business activities and profitability.

For the Group's renewable energy projects any failure or delay to obtain or delay in obtaining the necessary authorizations, permits or licenses, or to enter into the procurement or construction agreements or delays in establishing the connection with the Distribution Network could materially affect the timeline for increased renewable energy generation capacity and have an adverse impact on the Group and Parent Company's business, operations, prospects, financial condition and results of operations.

-Cybersecurity and information technology risk

A large portion of the Group and Parent Company's operations is based on IT systems and they are exposed to risks such as non- availability of systems, data integrity corruption, power disruptions, malicious cyber-attacks and unauthorized access to those (systems / data). In recent years, cyber-attacks have been rapidly increasing in the energy and critical infrastructure sector, both in Greece and abroad, with significant impacts on the smooth operation, reputation and compliance with regulatory obligations. At the same time, the Group's threat environment is expanding due to the Industrial and Telecommunications systems used for its business activities.

For the effective prevention and treatment of the above risks, the Group and Parent Company take measures to enhance the security of their systems by investing in tools that are considered to be top of the relevant lists of independent research and evaluation organizations of the relevant market. In addition to these, a holistic cybersecurity framework is implemented, supported by trained and experienced staff, thorough policies, standards and procedures.

However, as it is not possible to provide absolute assurance against technology failures, security breaches or malicious cyber-attacks (which could disrupt the Group's and the Parent Company's operations or harm their reputation), the Group has specialist insurance against cyber security incidents for its critical systems, meeting the relevant requirements based on its robust security measures.

-Social pressure due to increased energy prices

The Parent Company's ability to formulate its tariffs is limited by (i) current socioeconomic conditions in Greece and Romania, (ii) the ability of its customers to cope with new tariffs and pay their bills, (iii) decisions of RAEWW and/or strategic initiatives of the Greek and Romanian government and especially (iv) the form and the size of consumer support measures. If any new proposed tariff structures are not well received and accepted by customers, changes in their ability or willingness to pay their electricity bills may be negatively impacted, which could in turn negatively affect the collectability of the Parent Company's bills.

Furthermore, a significant part of the Group and Parent Company's revenue depends on regulated charges. Such regulated charges are set by RAEWW and reviewed periodically every four years. The Greek government and/or RAEWW may decide to limit or reject increases in regulated charges or may change the conditions of access to such regulated charges. Despite having adequate visibility over RAEWW's changes in regulated charges with respect to RAEWW's changes in regulated charges, any changes in regulated charges that may affect electricity distribution revenues could have a material adverse effect on the financial position of the Group and the Parent Company, as well as hinder their ability to raise equity or loan funds to finance their investment projects.

-Financial risks

The Group's and the Parent's future operating performance and ability to generate cash from operations, to make payments on and refinance their indebtedness and to fund working capital expenditure and other expenses is affected, in large part, by general economic, competitive, legislative and regulatory factors and other factors that are beyond their control. Any refinancing of the Group and the Parent Company's indebtedness could be at higher interest rates than their current debt and it may be required to comply with more onerous financial and other covenants, which could further restrict their business operations and may have a material adverse effect on their business, financial condition, results of operations and prospects.

Implementation of Investment Plan

The Group and Parent Company have significant construction and capital investment requirements. A significant increase in the costs of or delays in executing their investment plan, occurring before and/or after capital has been committed, could have a material adverse effect on the Group and Parent Company's ability to achieve their growth targets, their business, financial condition, prospects or results of operations.

Working Capital

The Group and the Parent Company face working capital risk, due to the nature of the energy market (price volatility, customer trading behavior) which may lead to additional liquidity requirements. The Group and the Parent Company may also face, following decisions by the Regulator, increased working capital requirements in relation to their payments to and from other market operators and increased capital expenditure, that could have a significant effect on their liquidity.

Credit Risk

On the date of publication of these financial statements, the Group and the Parent Company have a credit rating of BB- with stable outlook by Standard & Poor's, BB from ICAP and BB- with a stable outlook by Fitch Ratings Inc. Their ratings reflect the respective rating agencies' opinions of their financial strength, operating performance and ability to meet their debt obligations as they become due.

Interest Rate Fluctuation

The Group and the Parent Company's debt obligations consist of bank loans, bonds and overdrafts. It is their policy to have a balanced distribution of the loan portfolio between fixed and variable interest rates according to the prevailing conditions and to hedge on a case-by-case basis through derivatives, solely to mitigate risk, against the fluctuation of floating interest. All of their indebtedness is denominated in euro.

Exchange Rate

The fluctuation of the euro against U.S. dollar exchange rate may adversely impact the prices of the Parent Company's liquid fuel purchases (diesel and heavy fuel oil) and the price of natural gas purchases. As oil prices are denominated in U.S. dollars, the Parent Company is exposed to foreign currency risk in the event of an appreciation of the U.S. dollar against the euro. In order to mitigate the foreign currency risk arising from liquid fuel purchases, the Parent Company examines the possibility of undertaking hedging transactions for this risk. There is no assurance that such undertaken hedging transactions will provide full or adequate protection against these risks.

The recent activity of the Parent Company in the Romanian HE market (a member state of the European Union but not of the Eurozone), through the acquisition at the end of October 2023 of all the activities of the multinational organization ENEL in Romania, exposes it to possible exchange risk, due to the possible fluctuation of the EUR / RON exchange rate. Although the monetary policy followed by the Central Bank in Romania consists of maintaining the exchange rate within a narrow price range, a possible wide devaluation of the local currency against the Euro, will negatively affect both the value of the investment of the Parent Company, as well as the amount of the Group's operating results.

Loan Covenants

Certain agreements governing the Group and the Parent Company's existing indebtedness contain covenants that impose restrictions on the way they can operate and require the achievement - maintenance of specific financial indicators. These covenants could limit the Group and the Parent Company's ability to finance future operations and capital needs and their ability to pursue acquisitions and other business activities that may be in their interest. The Group and the Parent Company's ability to comply with these covenants and restrictions may be affected by events beyond their control, such as prevailing economic, financial and business conditions.

-Local community reaction

The Group and Parent Company may experience local opposition, which they may not be able to overcome on a timely basis, if at all, in order to obtain the necessary licenses, permits and financing for the execution of new projects. Various groups may publicly oppose certain development projects. This opposition, along with political developments, could hinder or prevent the development of such projects, which could have an adverse effect on the Group and Parent Company’s business, financial condition and results of operations.

-Risks related to the position and market share of PPC in the energy market

Over the last decade the Group and Parent Company have been subject to regulatory interventions and/or proceedings initiated by European authorities (e.g. European Commission) and/or the Greek government with respect to, among others, the reduction of the Group and Parent Company’s market share in the wholesale and supply electricity market and its position as the only vertically integrated electricity producer and supplier with exclusive access to certain types of power generation, such as lignite.

Such measures or reforms, the introduction of new laws and/or regulatory mechanisms in the electricity market or other adverse changes in the competitive landscape in the supply market and/or production, may have a negative impact on results of operation and cash flows.

The European Commission has acknowledged, in Greece’s increased surveillance report of November 2020, a continued downward trend of the Parent Company’s share of electricity supply which was 56.11% in the Interconnected System on 31 December 2023. The Group and Parent Company may be made subject to further structural, financial or other measures if they were to be found to have failed in reducing the supply market share. If any such circumstance was to occur, the Group and Parent Company’s financial condition could be adversely affected.

In February 2017, an investigation for possible abuse of the Parent Company’s position in the wholesale power market was initiated by DG Competition under Article 102 TFEU and is currently under way. Formal EU investigation procedures into the case started in March 2021. On 07.02.2024, the EU Competition DG sent a Statement of Objections to PPC regarding an alleged breach of competition rules during the period July 2013 to December 2019. PPC is cooperating with the EU throughout the case. There has been no definitive indication as to the timing of this investigation and there is no guarantee about the outcome of this investigation and/or the possibility of extending the scope of this investigation to other market segments. In case DG Competition decides that the Parent Company has breached competition law, then penalties and/ or remedies may be imposed on it, which may have an adverse impact on its business, financial condition and results of operations.

-Impairments, provisions and accounting assumptions risk

The Group and the Parent Company are exposed to risks that affect the value of their assets, such as in particular their receivables, fixed assets or their participation in the share capital of subsidiaries and related companies. In the future, the value of the Group's and the Parent Company's property, plant and equipment and their participation in the share capital of subsidiaries and related companies may be significantly impaired due to the early withdrawal of units, the obligation to maintain units in cold or strategic reserve without adequate compensation or the loss competitiveness due to legislative or regulatory changes or other circumstances beyond their control. In addition, changes in International Financial Reporting Standards (IFRS) or their application may significantly affect the value of their assets or liabilities.

-Insufficient compensation for the provision of Public Service Obligations

The companies of the Group and the Parent Company, which provide Public Service Obligations (PSOs) are entitled, as are all others Electricity suppliers who are obliged to provide said services, to receive compensation to cover the costs of providing these services.

Possible amendments in the right to receive compensation for the existing provision obligations of PSOs or changes in the approved methodology for calculating the compensation for the provision of the above PSOs or raising of objections by the European Commission regarding the hedging measure for the provision of PSOs in the Non-Interconnected Islands for the period from 17.02.2019 onwards, in accordance with the EU rules on state aid, which may lead to under recovery of their costs or to the non-recognition of the right to receive compensation for the provision of PSOs for previous years or potential introduction of new PSOs for which may not be entitled to full recovery of the relevant costs, may have negative effects on the costs, financial position, results of operations and cash flows of the Group companies and the Parent Company.

-Risks related to the lignite phase-out process

The Group and the Parent Company may incur increased costs in relation to the decommissioning of power plants and the closure and reclamation of their mines, the rehabilitation of any damages related to the operation or their plants or mines and the decommissioning of their equipment and facilities. Since they are involved in open pit mining operations, they are required by Greek law to remediate land affected by their mining operations and, further, to have in place cash reserves for works relating to open pit mine reclamation. Furthermore, as an owner and operator of electricity generation and distribution facilities, they may incur in the future significant costs and expenses in connection with the decommissioning of such facilities, which could have a material adverse effect on the Group and the Parent Company's business, results of operations, financial condition and cash flows.

-Health and safety risks

The Group and Parent Company's operations are susceptible to industrial accidents, and employees or third parties may suffer bodily injury or death as a result of such accidents. In particular, while the Group and Parent Company believe that their equipment has been well designed and manufactured and is subject to rigorous quality and assurance control tests, and that its operation and maintenance are in compliance with applicable health and safety standards and regulation, there can be no assurance that accidents will not result during the installation maintenance and operation of this equipment.

The Parent Company takes all the necessary measures to prevent accidents, as well as measures that will limit to a minimum the effects in case of an accident. In addition, the Parent Company implements a Management System for Health and Safety at Work ISO 45001, in all its Production Units and Mines of risk category A and with a staff of more than 60 people. In this context, regular health and safety inspections, both in the workplace and the contracting staff, fire safety and evacuation drills as well as general drills where all the staff of each Infrastructure participates are carried out.

-Business interruption risk

Power plants, facilities, distribution infrastructure and the information systems controlling these facilities are subject to failure, breakdowns, unplanned outages, capacity limitations, system loss, security breaches or physical damage due to natural disasters (such as storms, floods, fires, explosions, landslides, slope ruptures or earthquakes), sabotage, terrorism, human error, strikes, catastrophic accidents, IT viruses, fuel supply interruptions, problems in the transmission and distribution networks of electric energy of natural gas, criminal acts, wars and other catastrophic events.

The occurrence of any of the above is likely to shut down the operation of electricity generation or distribution infrastructure, in the Interconnected System or the Non-Interconnected Islands, which may have a direct adverse impact on the profitability of the Group and Parent Company's activities, as a loss of revenue, high remediation cost and/or obligation to indemnify third parties.

-Environmental risks

The nature of the activities of the Group and the Parent Company may affect the natural and man-made environment of their installation/operation area and are thus subject to environmental licensing. Decisions Approving Environmental Conditions (DAEC) are issued by the competent public authorities, are renewed or amended periodically and contain conditions for the systematic monitoring of their observance.

In addition, technological and scientific advancements bring changes in the legislative and regulatory framework and, therefore, impose the technical adaptation of the power generation infrastructure to them and affect the strategic, business and financial planning of the Group and the Parent Company. Compliance with environmental legislation may burden the Group and the Parent Company with additional costs, especially when it is necessary to implement preventive or remedial measures. In some cases, environmental reasons may require the limitation or even termination of existing activities or projects. In addition, in the normal course of carrying out their business activity, the Group and the Parent Company are exposed to legal disputes with an environmental starting point.

Non-compliance with the legislative and regulatory environmental framework or non-compliance with the conditions of environmental licenses entails the imposition of administrative sanctions (which can range from the imposition of a monetary fine to the revocation of the license to operate a power generation infrastructure), the raising of civil claims and the attribution of criminal liability to the Group and Parent Company and expose them to negative publicity and significant damage to their reputation.

-Transformation risks

The Group and Parent Company face risks that are associated with expanding their operations, integrating newly acquired subsidiaries or participating in joint venture projects where they have granted protective rights to minority shareholders or which they do not manage or otherwise control. Acquisitions and participations in joint ventures may subject them to liabilities of which they are unaware of or have not correctly assessed or against which they have not obtained full legal protection. While the Group and Parent Company intend to undertake due diligence reviews in relation to acquisitions and joint ventures, such reviews may not reveal all existing or potential risks and liabilities. In addition, as a result of the above acquisitions, mergers and participations, a new business structure will emerge, with an expanded scope of work compared to the past, the effective management of which will require the transformation of the current administrative structures, corporate governance processes, business processes (e.g. procurement processes, customer management, etc.) and information systems, which has significant financial and human capital requirements.

The Group and the Parent Company have committed to implement one of the largest investment plans in Greece, including investments in RES with a total capacity of approximately 10.0 GW. The Group and Parent Company expect to finance a substantial part of these capital investments out of the cash flows from operating activities as well as the increase of the Parent Company's Share Capital in 2021. However, if these sources are insufficient, additional external sources of funding may need to be sought. Although the Group and Parent Company have entered into long-term financing agreements for major projects and, historically, the European Investment Bank has financed a major part of generation and Distribution Network projects, no assurance can be given that they will be able to raise the financing required for the planned capital investments on acceptable terms or at all. In such a case, they may have to reduce their planned capital investments.

In order to maintain and expand the Group and Parent Company's business, they need to train, retain and recruit executive management and qualified technical personnel. In cases where employees, with specialized skills and experience, leave the Group and the Parent Company, they may have difficulty in replacing them. Any difficulties in retaining or recruiting a sufficient number of experienced, capable and reliable personnel with appropriate professional qualifications, especially in senior and middle management positions, or in finding qualified professional and technical staff, could limit or delay efforts to develop and affect the business activities of the Group and the Parent Company.

-Sustainability targets and obligations

Group and Parent Company's strategy is in line with the European Union's and Greece's ambitious medium- and long-term objectives for climate neutrality by 2050, including the new and most immediate target for reducing greenhouse gas ("GHG") emissions and increasing RES capacity and use by 2030. To this end, the Group and Parent Company support the "Green Deal" in power generation, via the acceleration of the decommissioning of all their lignite units and respective mines, expanding and establishing RES as their dominant energy generation technology and assisting in the advancement of electromobility in Greece.

Although, the Group and Parent Company target increasing the proportion of their total installed capacity generated by renewable sources and intend to satisfy the Sustainability Performance Target in respect of the year ended 31 December 2023, there can be no assurance of the extent to which the will be successful in doing so or that any future investments they make in furtherance of this target will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance. Adverse environmental or social impacts may occur during the design, construction and operation of any investments the Group and Parent Company make in furtherance of this target or such investments may be criticized by activist groups or other stakeholders, which may cause harm to their reputation.

In addition, meeting the Group and Parent Company's sustainability targets may limit the options available to them operationally and commercially, as not all potential courses of action in relation to investments and business opportunities will be in alignment with such targets.

If the Group and Parent Company fail to meet their sustainability targets, which may coincide with regulatory requirements, they may be exposed to sanctions, it may harm their relationship with their existing shareholders and bondholders, as well as discourage new investors, customers and potential business partners. Moreover, given that an increasing number of financiers incorporate sustainability-linked requirements in their financing arrangements, the Group and Parent Company's inability or failure to meet such requirements could make it more difficult for them to obtain financing on favourable terms or trigger contingent obligations in any such financing arrangement, which they may enter into in the future.

In light of the above, being subject to sustainability-related obligations may carry consequences, which could, have an impact on the Group and Parent Company's business, financial position and results of operations.

-Climate change risk

Climate change and the societal and political response to it may have a significant impact on the Group and Parent Company's activities. According to the guidance issued by the "Task Force on Climate-related Financial Disclosures" (TCFD), the Group and Parent Company classify climate-related risks into two major categories: risks related to the transition to a lower-carbon economy and risks related to the physical impacts of climate change.

Risks related to the transition to a net-zero GHG emission economy include risks related to the adoption of strategies and decisions to prevent and mitigate the effect of climate change (such as the introduction of regulatory incentives and penalties, carbon pricing systems, energy efficiency solutions and low carbon products and services). The implementation of policies to promote carbon reduction may significantly impact the operations and value of the Group's thermal plants. While the Group is actively implementing its decarbonization strategy and the adjustment, in scientific terms, with the target of the Paris Treaty (1.5˚C temperature increase compared to pre-industrial levels), the Group remains dependent on its conventional generation units for the bulk of its electricity production. If the Group and Parent Company are not successful in the rollout of their renewable pipeline, which is included in their portfolio, they will face challenges from the anticipated hostile regulatory environment and strong competition from greener and more modern electricity producers.

Risks related to the physical impacts of climate change include risks that are triggered by changes in mean temperatures, changes in wind, rainfall and solar radiation patterns as well as increase of the sea level. The extreme weather events caused by climate change could also significantly affect the consumption of energy, the conventional and renewable generation, as well as the resilience and performance of the Distribution Network.

The revenues of the Group and the Parent Company reflect the seasonality of electricity demand and may be adversely affected by significant fluctuations in climatic conditions. In addition, changes in hydrological conditions may lead the Group and the Parent Company to make up for the reduced electricity produced by their hydroelectric plants, especially during periods of increased demand, by using other means of energy production at a higher cost or by resorting to the wholesale market at higher prices.

While the Group and Parent Company follow and regularly assess such risks and their response to them at both management and Board of Directors level, they may not be able to predict, mitigate or adapt to the medium or long-term physical changes associated with some climate change risks.

-Legal and regulatory risks

General Data Protection Regulation

The General Data Protection Regulation ("GDPR") implements stringent operational requirements for processors and controllers of personal data. The Group and the Parent Company operate in an sector in which they process a considerable amount of personal data and therefore are inevitably exposed to the risk of non-compliance. Any inability to adequately address data protection and/or privacy concerns, even if unfounded, or comply with applicable privacy or data protection laws, regulations and policies, could result in additional cost and liability to the Group and the Parent Company, damage their reputation, and adversely affect their business.

Litigation risk

The Group and the Parent Company are defendants in a significant number of legal proceedings arising from their operations which, if determined unfavorably, could have a material adverse effect on their business, financial position and results, or reputation. In addition, the Group and the Parent Company are one of the largest listed industrial groups in Greece, with complex activities and operations across the country in heavily regulated industry sectors. Violations of such legislations, including rules and regulations of regulatory authorities, entail, among others, administrative fines and criminal sanctions for the Board of Directors, employees and utilities that are subject to those rules.

-Counterparty risk

The Group and Parent Company are exposed to the risk that counterparties that owe them financial instruments, energy or other commodities as a result of market transactions will not fulfil their obligations. The Group and Parent Company also face the risk of potential default or delay by their counterparties, which include their partners, contractors, subcontractors and suppliers.

Furthermore, the Parent Company may experience difficulties or delays in collecting outstanding debt from Low, Medium and High Voltage customers. The inability of customers to pay in full and timely amounts billed in relation to their electricity consumption, the increased availability of competitors' offers, or the outcome of negotiations with Medium and High Voltage industrial customers in key economic sectors in Greece on financial and other terms for extending their contracts, may have an adverse effect on the Group and Parent Company's business, financial condition and results of operations.

Any default by their counterparties may affect Group and Parent Company's financial results, the cost and completion of their projects, the quality of their services, or expose them to reputational risk, business continuity risk and the risk of loss of important contracts, as well as to substantial additional costs, particularly in cases where they would have to pay contractual penalties, to enter into alternative hedging arrangements or honor the underlying commitment at then-current market prices, to find alternative counterparties or complete the respective projects by their own means.

-Asset protection risks

The Group and the Parent Company have an extensive network of facilities (mining facilities, power plants, distribution infrastructure, administrative buildings), that cover a large area and are geographically dispersed. The Group and Parent Company's physical assets are vulnerable to a range of threats such as theft, vandalism, security breaches, sabotage and terrorism. The above threats can lead to significant financial losses as well as risks to the safety and operation of the Group and the Parent Company. The Parent Company implements a comprehensive physical security program that includes relevant policies and procedures, monitoring systems, regularly trained security personnel, and emergency response procedures to minimize the risk of loss or damage to its physical assets.

-Risk from potential undertaking of social security liabilities

Despite the fact that the Group and the Parent Company estimate that they have no obligation under existing laws to cover any potential future differences between the total income of EFKA and the payment obligations assumed by the Hellenic State relating to the Group and the Parent Company's retired personnel, there can be no assurance that the existing social security laws will not change, or that the Group and the Parent Company will not be required in the future, by law or otherwise, to contribute or provide significant additional funds or assets to EFKA.

Balances and Transactions with Related Parties

PPC balances with its subsidiaries as of December 31st, 2023 and December 31st, 2022 are as follows:

	December 31, 2023		December 31, 2022	
(Amounts in '000€)	**Receivables**	**(Payables)**	**Receivables**	**(Payables)**
Subsidiaries				
PPC Renewables S.M.S.A	5,278	(222)	2,879	(92)
HEDNO S.A.	219,742	(383,406)	140,193	(248,802)
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	5	-	5	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	5	-	5	-
SOLAR ARROW ONE S.M.S.A	139	(1,224)	51	-
ARCADIAN SUN ONE S.M.S.A.	7	(167)	7	-
ARCADIAN SUN TWO S.M.S.A.	2	-	2	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	1	(227)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	2	(584)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(14)	-	-
SOLARLAB S.M.S.A.	-	(247)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	159	(927)	-	-
CARGE S.A.	638	(503)	711	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	38,987	-	-	-
PPC Finance Plc	41	(171)	-	(118)
PPC Elektrik	-	(16)	151	-
PPC Bulgaria JSCO	-	-	-	-
PPC Albania	-	(18)	4	
EDS AD Skopje	36,418	(990)	54,115	-
Eds doo Belgrade	-	(18)	-	-
EDS International SK S.R.O..	-	(952)	-	-
PPC Belgium	147	-	-	-
PPC Energie SA	315,571	-	-	-
PPC Energie Muntenia SA	212,803	-	-	-
PPC Trading S.R.L	5,806	-	-	-
PPC Advanced Energy Services Romania S.R.L	2,091	-	-	-
PPC Blue Romania S.R.L	5,133	-	-	-
Total	**842,975**	**(389,686)**	**198,123**	**(249,012)**

The above transactions and balances do not include the dividend distributions of the subsidiary HEDNO to the Parent Company (Note 5).

Also, the Parent Company signed for the first time in 2023 power purchase agreements (PPA) (Electricity long positions) with the subsidiary companies Alexandroupolis Electricity Production S.A., Arkadikos Helios Ena M.A.E., SOLARLAB M.A. E. with a total value of €21.3 million and the related companies Amyntaio F.V. Park Tessera M.A.E., Amyntaio F.B. Park Seven M.A.E., Amyntaio F.B. Parko Okto M.A.E., Amyntaio F.B. Park Nine M.A.E. with a total value of €4.4 (Note 46.4).

Additionally, from the acquisition of the subsidiaries in Romania, the Parent company recognized on December 31, 2023 short-term loan receivables from subsidiaries amounting to €515.1 million (RON 2,563.1 million) plus €8.3 million of accrued interest (Note 3.6).

Due to the absorption of the lignite subsidiaries Lignitiki Megalopolis S.A. and Lignitiki Melitis S.A. from the Parent Company on June 1, 2022, on December 31, 2022 there are no receivables and payables with the Parent Company.

Guaranties in favor of subsidiaries/associates

As of 31.12.2023 there is a corporate guarantee of the PPC S.A. to PPC RENEWABLES SINGLE-MEMBER S.A, for an overdraft facility of up to €3 million, of which an amount of €360 thousand has been used, for the issuance of letters of guarantee.

As of 31.12.2023, the Parent Company is a guarantor in loans of the subsidiary company EDS AD Skopje for working capital of € 33 million. The amount of € 9.9 million was disbursed by EDS Group as working capital while an amount of €6.7 million has been used to issue letters of guarantee.

On February 21, 2022, bank deposits of €21 million the Parent Company were pledged on behalf of a loan of the subsidiary EDS and they remain as collateral on December 31, 2023.

Within 2023, the Parent Company has issued letters of guarantee confirming the Producer Licenses R/L totaling €137.9 million on behalf of PPC Renewables S.M.S.A.

Also, the Parent Company has issued letters of guarantee amounting to €2.35 million, €1.81 million and €0.69 million in favor of the associate companies AMYNTEO SOLAR PARK EIGHT SINGLE MEMBER S.A., AMYNTEO SOLAR PARK SEVEN SINGLE MEMBER S.A. and AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. in the framework of the 15-year power purchase agreements with financial settlement signed between the parties on June 2, 2023. These contracts will be in effect in a future date when certain conditions will be met. The above guarantees are valid until June 6, 2024 and will be further renewed following the terms of the power purchase agreements.

On 19.9.2023 it was decided by the Board of Directors of the Parent Company, the provision of a corporate guarantee in favor of the company METKA - EGN LTD, amounting to €228 million in the context of the Share Purchase Agreement between the Company METKA - EGN LTD and the subsidiary PPC Renewables for the acquisition of the option to purchase from the latter of 100% of the share capital of SOLAR REVOLUTION and SUNLIGHT VENTURE S.R.L after the 30.06.2023 supplement to this, to cover the relevant financial obligations of PPC Renewables S.M.S.A.

The Transactions of the Parent Company with subsidiaries for the year ended December 31, 2023 and December 31, 2022 are as follows:

	December 31, 2023		December 31, 2022	
(Amounts in '000€)	**Invoiced to**	**Invoiced from**	**Invoiced to**	**Invoiced from**
Subsidiaries				
PPC Renewables S.M.S.A.	7,157	(1,491)	4,565	(3,044)
HEDNO S.A.	1,435,887	(1,644,557)	975,558	(1,374,825)
LIGNITIKI MEGALOPOLIS S.A.	-	-	52,002	(363)
LIGNITIKI MELITIS S.A.	-	-	31,647	-
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	36	-	35	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	34	-	33	-
SOLAR ARROW ONE S.M.S.A	517	(5,948)	508	-
ARCADIAN SUN ONE S.M.S.A.	75	(1,780)	73	-
ARCADIAN SUN TWO S.M.S.A.	19	-	19	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	6	(1,747)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	27	(6,324)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	1	(229)	-	-
SOLARLAB S.M.S.A.	-	(247)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	152	(927)	-	-
CARGE S.A.	9	(503)	-	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	1,073	-	-	-
PPC Finance Plc	-	(53)	-	(47)
PPC Elektrik	-	(221)	-	(178)
PPC Bulgaria JSCO	-	-	1	-
PPC Albania	-	(216)	-	(216)
EDS AD Skopje	31,167	(17,388)	41,398	(1,700)
Eds doo Belgrade	461	(108)	-	-
EDS International SK S.R.O..	8,331	(61)	-	-
PPC Belgium	106	(109)	-	-
PPC Energie SA	4,082	-	-	-
PPC Energie Muntenia SA	2,655	-	-	-
PPC Trading S.R.L	92	-	-	-
PPC Advanced Energy Services Romania S.R.L	17	-	-	-
PPC Blue Romania S.R.L	57	-	-	-
Total	**1,491,961**	**(1,681,909)**	**1,105,839**	**(1,380,373)**

Significant transactions and balances with other companies into which the Greek State participates

The following table presents transactions and balances with companies HELLENiQ ENERGY Holdings S.A. and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively, and into which the Greek State participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A., and LARCO S.A. are presented. The below tables include also accrued receivables and payables and accrued income and expenses.

The Group's and the Parent Company's balances as of December 31, 2023 and December 31, 2022 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	1.1.2023– 31.12.2023		**1.1.2022 – 31.12.2022**	
(Amounts in '000€)	**Invoiced to**	**Invoiced from**	**Invoiced to**	**Invoiced from**
HELLENiQ ENERGY Holdings S.A.	-	179,752	-	316,838
DEPA	-	344,163	-	1,556,387
DAPEEP S.A.	2,408,634	(341,529)	4,883,984	(347,250)
HEnEx S.A.	-	(3,432)	-	(2,678)
IPTO S.A	600	(175,751)	59,245	(111,139)
ENEXCLEAR S.A.	2,686,198	(4,267,660)	6,039,054	(10,457,909)
LARCO S.A.	(512)	-	27,322	-

	December 31, 2023		**December 31, 2022**	
(Amounts in '000€)	**Receivables**	**(Payables)**	**Receivables**	**(Payables)**
HELLENiQ ENERGY Holdings S.A.	-	(41,882)	-	(88,134)
DEPA	-	(39,028)	-	(119,977)
DAPEEP S.A.	586,621	(56,968)	474,910	(59,134)
HEnEx S.A.	-	(9)	-	(7)
IPTO S.A.	15,006	(12,680)	14,625	(18,629)
ENEXCLEAR S.A.	23,818	(31,918)	43,693	(61,345)
LARCO S.A.	355,075	-	367,542	-

PPC's total receivables from LARCO S.A., relating to electricity bills, are fully covered by a provision.

In addition to the above-mentioned transactions, PPC enters into commercial transactions with many state-owned entities, both profit and non for profit, within its normal course of business (sale of electricity, services received, etc.). All transactions with state-owned entities are performed at arm's length terms and are not disclosed, with the exception of transactions that the Group and the Parent Company enter into with the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) and the companies in which HCAP S.A. participates.

The Group's and the Parent Company's balances as of December 31, 2023 and December 31, 2022 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP		PARENT COMPANY	
	December 31, 2023		December 31, 2023	
(Amounts in '000€)	**Receivables**	**(Payables)**	**Receivables**	**(Payables)**
ATHENS INTERNATIONAL AIRPORT S.A.	1,383	-	1,335	-
ELTA S.A.	208	(3,694)	-	(3,599)
ELTA COURIER S.A.	1	(71)	-	(22)
EYDAP S.A.	5,939	(49)	5,939	(3)
ETVA INDUSTRIAL PARKS S.A.	420	(38)	420	(34)
THESSALONIKI INTERNATIONAL FAIR S.A.	94	-	94	-
ODIKES SYNGKOINONIES S.A.	8,822	(1,149)	8,822	-
PUBLIC PROPERTIES COMPANY S.A.	7,258	-	7,258	-
URBAN RAIL TRANSPORT S.A.	1,134	-	1,134	-
C.M.F.O. S.A.	118	(5)	118	-
O.A.S.A. S.A.	4	-	4	-
E.Y.A.TH. S.A	3,851	-	3,851	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	-	(1)	-	(1)
GEA OSE S.A	11	-	2	-
AEDIK	16	-	16	-
HELLENIC SALTWORKS S.A.	12	-	12	-
TOTAL	**29,271**	**(5,007)**	**29,005**	**(3,659)**

It is noted that "Receivables" and "Payables" with the companies E.YD.AP. S.A. and E.Y.A.TH. S.A. are reported as of 30.06.2023. Since then, these companies ceased to be subsidiaries of HCAP S.A.

	GROUP		PARENT COMPANY	
	December 31, 2022		December 31, 2022	
(Amounts in '000€)	**Receivables**	**(Payables)**	**Receivables**	**(Payables)**
ATHENS INTERNATIONAL AIRPORT S.A.	1,683	(11)	1,642	(11)
ELTA S.A.	983	(3,148)	-	(3,041)
ELTA COURIER S.A.	2	(343)	2	(293)
EYDAP S.A.	10,843	(54)	10,843	(12)
ETVA INDUSTRIAL PARKS S.A.	803	(27)	803	(21)
ODIKES SYNGKOINONIES S.A.	10,311	-	10,311	-
PUBLIC PROPERTIES COMPANY S.A.	6,699	-	6,699	-
URBAN RAIL TRANSPORT S.A.	19,224	-	19,224	-
C.M.F.O. S.A.	137	-	137	-
O.A.S.A. S.A.	5	-	5	-
E.Y.A.TH. S.A	7,029	-	7,028	-
GEA OSE S.A	2	(1)	-	-
AEDIK	7	-	7	-
HELLENIC SALTWORKS S.A.	-	(1)	-	(1)
TOTAL	**57,728**	**(3,585)**	**56,701**	**(3,379)**

The transactions made by the Group and the Parent company with HCAP S.A. and the companies in which participates for the years ended December 31st 2023 and December 31st 2022 are as follows:

	GROUP 1.1.2023 – 31.12.2023		PARENT COMPANY 1.1.2023 – 31.12.2023	
(Amounts in '000€)	**Invoiced to**	**Invoiced from**	**Invoiced to**	**Invoiced from**
HCAP S.A.	20	-	20	-
ATHENS INTERNATIONAL AIRPORT S.A.	694	(151)	447	(151)
ELTA S.A.	3,045	(11,448)	4	(11,426)
ELTA COURIER S.A.	11	(81)	11	(72)
EYDAP S.A.	21,565	(71)	21,551	(49)
ETVA INDUSTRIAL PARKS S.A.	1,798	(153)	1,798	(91)
THESSALONIKI INTERNATIONAL FAIR S.A.	1,401	(55)	1,401	(54)
ODIKES SYNGKOINONIES S.A.	6,110	(5)	6,106	-
PUBLIC PROPERTIES COMPANY S.A.	3,068	(2)	3,067	(2)
URBAN RAIL TRANSPORT S.A.	46,381	(526)	46,381	(524)
C.M.F.O. S.A.	2,213	-	2,213	-
O.A.S.A. S.A.	106	-	106	-
CENTRAL THESSALONIKI MARKET S.A.	125	-	125	-
CASINO PARNITHA	11	-	11	-
E.Y.A.TH. S.A.	14,753	(4)	14,744	-
HELLENIC SALTWORKS S.A.	331	-	331	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	5	-	5	-
GAIA- OSE S.A.	23	-	23	-
A.E.DI.K	32	-	32	-
TOTAL	**101,692**	**(12,496)**	**98,376**	**(12,369)**

It is noted that invoicing "from" and "to" with the companies E.YD.AP. S.A. and E.Y.A.TH. S.A. concerns the period from 01.01.2023 up to 30.06.2023. Since then, these companies ceased to be subsidiaries of HCAP S.A.

	GROUP 1.1.2022 – 31.12.2022		PARENT COMPANY 1.1.2022 – 31.12.2022	
(Amounts in '000€)	**Invoiced to**	**Invoiced from**	**Invoiced to**	**Invoiced from**
HCAP S.A.	37	-	37	-
ATHENS INTERNATIONAL AIRPORT S.A.	1,811	(106)	1,590	(106)
ELTA S.A.	8,561	(11,589)	8	(11,538)
ELTA COURIER S.A.	19	(353)	19	(318)
EYDAP S.A.	64,006	(219)	63,917	(167)
ETVA INDUSTRIAL PARKS S.A.	3,221	(58)	3,221	(53)
THESSALONIKI INTERNATIONAL FAIR S.A.	2,945	(91)	2,945	(81)
ODIKES SYNGKOINONIES S.A.	10,923	(10)	10,922	-
PUBLIC PROPERTIES COMPANY S.A.	4,701	(2)	4,701	(2)
URBAN RAIL TRANSPORT S.A.	72,010	(2)	72,007	-
C.M.F.O. S.A.	3,758	-	3,758	-
O.A.S.A. S.A.	120	-	120	-
CENTRAL THESSALONIKI MARKET S.A.	588	-	588	-
E.Y.A.TH. S.A.	44,113	(6)	44,108	(1)
HELLENIC SALTWORKS S.A.	674	-	674	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	9	-	9	-
GAIA- OSE S.A.	41	-	41	-
A.E.DI.K	56	-	56	-
TOTAL	**217,593**	**(12,436)**	**208,721**	**(12,266)**

Management remuneration

Management Members remuneration (Board of Directors and General Managers) for the year ended December 31st, 2023 and December 31st, 2022 is as follows:

	GROUP		COMPANY	
(Amounts in '000€)	**2023**	**2022**	**2023**	**2022**
Remuneration of the Board of Directors' members				
- Remuneration of executive members	2,080	989	1,630	580
- Remuneration of non-executive members	417	235	-	-
- Compensation / Extraordinary fees and other benefits	1,088	594	866	500
- Employer's Social Contributions	271	184	128	96
- Free of charge stock awards	1,349	-	858	-
	5,205	**2,002**	**3,482**	**1,176**
Remuneration of the Deputy Chief Executive Officers and General Managers				
- Regular remuneration	3,968	2,698	2,768	1,814
- Employer's Social Contributions	427	414	288	304
- Compensation / Extraordinary fees	2,268	1,380	1,421	922
- Free of charge stock awards	2,850	-	2,850	-
	9,513	**4,492**	**7,327**	**3,040**
Total	**14,718**	**6,494**	**10,809**	**4,216**

Remuneration to members of the Board of Directors does not include standard salaries and employer's social contribution, relating to the representatives of employees that participate in the Parent Company's Board of Directors. Also, it does not include the benefit of electricity supply based on the PPC personnel tariff to the executive members of the Board of Directors, the Deputy Chief Executive Officers and the General Managers.

Remuneration Policy

On December 14, 2022, the Extraordinary General Meeting of the shareholders of the Parent Company approved the new Remuneration Policy of PPC S.A. which is a supplement to the regulations of the Remuneration Policy, as it was formulated pursuant to the relevant Decisions of the Company's General Assembly of June 4, 2021. Additionally, on December 14, 2023, the Extraordinary General Meeting of the shareholders of the Parent Company approved the amendment of the Remuneration Policy of PPC S.A.

>Free of charge stock awards program

For the period 2020-2025, it was decided to provide an additional reward incentive for the executives of PPC S.A. and PPC Renewables S.M.S.A. for their contribution to the achievement of the Group's medium-term goals in the form of 4 rolling cycles of the equity settled stock awards program and the framework for granting them was determined based on the provisions of article 49 of N4548/2018. While the Board of Directors was authorized to determine the Key Performance Indicators which will be linked to market conditions for each cycle of the free of charge stock awards distribution program.

The 4 cycles are as follows: 1st cycle 01/01/2020 to 31/12/2021 with distribution of shares in 2022, 2nd cycle 01/01/2021 to 31/12/2022 with distribution of shares in 2023, 3rd cycle 01/01/2022 to 31/12/2023 with distribution of shares in 2024 and the end of the fourth cycle 01/01/2023 to 31/12/2024 with distribution of shares on December 31, 2025, the end date of the program.

In August 2023, the shares corresponding to the first and second cycles were distributed free of charge to the beneficiaries after the determination of the key Performance Indicators and the approval of their achievement by the Board of Directors of the Parent company on July 18, 2023, a date which constitutes the grant date of the free of charge shares.

The maturity date of each cycle was defined as the last day of each cycle. The cost of the free of charge distribution of the shares for cycles a' and b' amounted to € 7.2 million and € 6.6 million for the Group and the Parent Company respectively and is included in the payroll cost in the Statement of Income.

With the Board of Directors meeting of the Parent Company from July 18, 2023, the key Performance Indicators for the specific provision were determined and as a result, the Parent Company determined the fair value of the Rights to distribute shares for free on this date (grant date) for cycles c' and d' with vesting period of rights from 01/01/2022 to 31/12/2023 and from 01/01/2023 to 31/12/2024. The number of shares per cycle was set at 464,000 shares (by taking into account the achievement of the sustainability and sustainable development clause) in accordance with the remuneration policy.

The expense for cycle c' which was recognized in the amount of € 5.5 million and € 5.0 million for the Group and the Parent Company respectively and the expense for cycle d' which was recognized in the amount of € 3.2 million and € 2.9 million for the Group and the Parent Company respectively, reflects the vesting period of the rights and the Group's best estimate of the number of equity securities that will ultimately vest. The total cost of the Free of charge stock awards increased the payroll cost by €8.7 million and €7.9 million in the Statement of Income, the investment in the subsidiary PPC Renewables by €0.8 million for the Parent Company and at the same time increased Other reserves by €8.7 million of the Group and the Parent Company.

The cost of these benefits was determined based on the fair value of the related rights , using the Monte Carlo valuation model. In this model, a zero-risk discount rate of 3.78% (c' cycle) and 3.36% (d'cycle) was used and took into account the future dividend distribution of the Parent company (Note 31). For all the cycles, the cost of the Free of charge stock awards amounted to € 15.9 million and € 14.7 million for the Group and the Parent Company respectively and is included in payroll cost (Note 8) in the Income Statement.

Within the framework of the above free of charge shares distribution programs, the Group and the Parent Company had purchased own shares within 2022 based on the provisions of article 49 of Law 4548/2018 (Note 28).

>Additional incentive (bonus)

With the revised Remuneration Policy of PPC S.A. from December 14, 2023, the new salaries (regular/additional incentive) of the members of the Board of Directors and its Committees as well as the salaries of the senior and top executives of the Company were determined.

The amount of the additional incentive for 2023 amounted to €8.6 million (2022: €4.7 million) and €5.1 million (2022: €3.2 million) respectively and is included in the Payroll cost of the Group's and the Parent Company's Income Statement for the year ended December 31, 2023.

Detailed Information according to Article 4 par. 7 and 8 of Law 3556/2007, as currently in effect

The Company, according to article 4 par. 7 and 8 of L. 3556/2007 is obliged to include in the present Report, analytical information regarding a series of issues, as follows:

1. Share Capital Structure

The share capital of the Company as of 31.12.2023 amounted to nine hundred forty seven million three hundred sixty thousand (947,360,000) euros, divided into three hundred eighty-two million (382,000,000) common registered shares, with a nominal value of two euros and forty eight cents (€ 2.48) each.

Until the preparation of this Statement, no change has occurred in the share capital of the Company.

All Company shares are common, registered, with voting rights (with the exception of any treasury shares held by the Company), and are listed on the organized Market of the Athens Stock Exchange The structure and the formation of the Company's share capital are presented in detail in article 5 of the Company's Articles of Incorporation. From each share, all rights and obligations stipulated by the Law and the Company's Articles of Association emanate. Each share provides for one (1) voting right.

2. Restrictions on transferring Company shares

There are no limitations regarding transferring of Company shares in relation to its Articles of Incorporation or other regulatory provisions.

3. Significant direct or indirect participations within the meaning of Articles 9 to 11 of Law 3556/2007 31.12.2023

Regarding significant participations (over 5%) in the share capital and voting rights of the PPC S.A. within the meaning of the provisions of Articles 9 to 11 of Law 3556/2007, as of 31.12.2023:

- the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) held 34.12% of the shares and voting rights,
- Selath Holdings S.à r.l. held 10.0% of the shares and voting rights,
- while the total participation of "Helikon Long Short Equity Fund Master ICAV" in the voting rights (namely, the sum of voting rights attached to shares and voting rights through financial instruments) amounted to 6.97%, according to the notification of Helikon Investments Limited dated 24.5.2023; and
- Goldman Sachs Group, Inc. with a total participation of 5.18% in the voting rights of PPC [namely, the sum of voting rights attached to shares and voting rights deriving from financial instruments (Securities Lending], according to the announcement of Goldman Sachs Group, Inc. dated 21.12.2023.

The relevant information on the number of shares and voting rights held by persons with significant shareholdings has been obtained from the share register maintained by the Company, which is updated by Axialine of the Athens Stock Exchange, as well as from the notifications that have been received under law (Market Abuse Regulation) by the Company on behalf of its shareholders.

4. Shares with special control rights

No shares are granting special control rights, stricto sensu.

5. Limitations on voting rights

According to the Company's Articles of Incorporation, there are no limitations on voting rights.

6. Rules for appointment and replacement of Board members and the amendment of the Articles of Incorporation

The rules stated by the Company's Articles of Incorpotation regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Incorporation, do not differ from those stipulated by L. 4548/2018 as it is in effect.

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7. Duties of the Board of Directors with regard to the issuance of new or the purchase of own shares

According to Article 6 par. 2 a) and b) of the Company's Articles of Incorporation

"During the first five-year period as of the entry into force of the company's Articles of Incorporation, the Board of Directors shall have the right, upon resolution taken in accordance with the majority requirements of article 24 of Law 4548/2018:

a) To increase the share capital through issuance of new shares. The amount of the increase cannot be more than triple the amount of the original share capital or of the share capital which shall have been paid up on the date of the decision-making by the General Meeting on the renewal of the relevant power of the Board of Directors. The above power may also be granted to the Board of Directors upon resolution of the General Meeting, for a period of time not exceeding five years. In this case, the share capital can be increased to an amount which cannot be more than triple the share capital existing on the date that the power for the increase of the share capital was delegated to the Board of Directors.

b)To issue bonded loan, convertible into shares, by its resolution or otherwise by resolution of the General Meeting taken in accordance with the simple quorum and majority requirements, for an amount which cannot be more than triple the paid-up share capital. In such case, the provisions of article 24 of Law 4548/2018, as applicable, shall apply.

The powers of the Board of Directors referred to above may be renewed by the General Meeting for a period not exceeding five (5) years per each renewal."

The provisions of articles 49 to 51 of Law 4548/2018, as in force, provide for the Company's right to purchase own shares, under the responsibility of the Board of Directors, following approval by the General Meeting of Shareholders and pursuant to the requirements specified in the above articles.

There is no special provision in the Company's Articles of Incorporation, concerning the competence of the Board of Directors or of the General Meeting for the purchase of own shares.

In detail, the own shares acquisition program is mentioned in Notes 7 & 26 of the 2023 Financial Statements.

8. Agreements between the Shareholders of the Company

No agreements between shareholders of the Company have been disclosed to the Company

9. Significant agreements that become effective, are amended or are terminated in the event of change in control

A significant part of PPC loan agreements provide that in case the Hellenic Republic's participation in the share capital of the Company falls below 34,1%, or in case the Hellenic Republic ceases to control the Company in any way whatsoever, this may lead to Mandatory Prepayment or may constitute an Event of Default of these loans.

Apart from this, there are no other agreements that are to be amended or terminated in the event of a change of control.

10. Significant agreements made by the Company with Board members or the Company's personnel.

There are no agreements of the Company with the members of its Board of Directors or its personnel, which provide for the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause, or of the termination of their term or employment, due to a public offering.

NON-FINANCIAL REPORT

Introduction

The present Non-Financial Report (referred to as "NFR” hereafter) presents information concerning the management and performance of the PPC Group, organized into thematic sections outlined by the EU Directive 201/95/EU and Law 4548/2018 (articles 151 and 154). The following sections are arranged following Announcement No. 401/13-02-2024 from the Hellenic Capital Market Commission, which outlines the structure for annual financial reports for 2023 from companies whose securities are traded on the Athens Stock Exchange.

Specifically, the Group's NFR includes information to the extent required for **understanding the progress, performance, position, and impact of its activities**, in relation to:

- Environmental issues
- Labour issues
- Social issues
- Combatting corruption and issues relating to bribery
- Respect for human rights and
- Supply chain issues

The NFR also includes:

1. Brief description of the Company's business model

2. The **primary risks** related to these issues and associated with the Group's activities

3. Policies and Due diligence procedures, as well as their outcomes and Non-financial Performance Indicators pertaining to the aforementioned issues. This section also includes Climate Change related issues (Strategic Goals, significant impacts, risks, and opportunities).

4. The purpose of the financial information presented.

5. Information concerning priorities related to non-financial reporting subjects within the framework of the European Securities and Markets Authority's (ESMA) announcement of common European supervisory priorities for the 2023 annual financial reports:

- Disclosures under Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council dated June 18, 2020, establishing a framework for facilitating sustainable investments and of the Commission Delegated Regulation 2021/2139 and Commission Delegated Regulation (EU) 2021/2178 supplementing Regulation (EU) 2020/852.
- Disclosures of climate-related targets, actions, and progress.
- Greenhouse gas emissions - Scope 3 GHG emissions.

The content of this NFR has been meticulously prepared, taking into account the GRI Standards, the Athens Stock Exchange ESG Reporting Guide 2022 (https://www.athexgroup.gr/web/guest/esg-reporting-guide, and internal indicators monitored by the Company.

It is important to note that this Report relates to the financial year ended on 31 December 2023. For completeness, comparative figures from the financial year ending ended on 31 December 2022, are also provided.

The NFR extensively covers the activities of the PPC Group, encompassing operations in Greece of the Parent Company “Public Power Corporation S.A.” (PPC S.A.), including the subsidiaries “HEDNO S.A.” and “PPC RENEWABLES S.M.S.A.” Furthermore, a dedicated section has been included at the end of this report, presenting the Non-Financial Performance of the member companies of the multinational ENEL Group in Romania, the acquisition of which was completed by PPC on the 25th of October 2023.

In anticipation of the implementation of the Corporate Sustainability Reporting Directive (CSRD), PPC Group has taken proactive measures to transition and comply with the upcoming requirements. In the 2022 Sustainability Report, the Group conducted a Double Materiality Analysis, following the guidelines outlined in the forthcoming regulatory framework of CSRD (currently in the process of transmission to the Greek parliament), which will become mandatory for reports in the year 2024. PPC Group systematically examined its value chain and extended invitations to stakeholders to participate in an impact assessment survey concerning sustainability-related issues. This survey encompassed both the parent company (PPC S.A.) and significant subsidiary companies (HEDNO S.A. and PPC RENEWABLES S.M.S.A.). The insights generated from this survey played a crucial role in identifying the material issues of the Group.

I. PPC Group’s Non-Financial Report excluding the Group’s activities in Romania

1. Business Model

[ATHEX A-G1: Business Model]

Established in 1950 as a public sector enterprise, PPC was initially entrusted with the task of providing electricity to the entire country. Over time, the organisation underwent transformation into public limited company (PCLC) and became publicly listed on the stock exchange. Throughout this evolution, the State’s influence on PPC remained pronounced, especially regarding its Public Service Obligations. By the end of 2021, following the reduction of the State's indirect shareholding to 34.1%, the Company ceased to be directly controlled by the State. Consequently, PPC became subject to laws and regulations applicable to companies of the wider Public Sector.

Nevertheless, given PPC's significant involvement in the strategically important utility sector, it remains a company of considerable public interest. Its operations exert a substantial impact and are influenced by a multitude of stakeholders.

Over the past four years, PPC has undergone a rapid transformation from a vertically integrated public utility company primarily focused on solid fuel electricity generation to a Multinational Conglomerate. Today, the Group incorporates numerous private sector entities and operates across various competitive energy markets, both domestically and internationally.

Within the scope of its expanding activities, PPC, with a Decision of the Extraordinary General Meeting of Shareholders on 14-12-2023, proceeded with the necessary amendment of the Company’s Articles of Association. This move reflected a transformation into the trading of technology products, provision of information technology services, and provision of financial and investment services.

PPC currently stands as a Multinational Group of Companies comprising (a) PPC S.A. at its core, engaging in Power Supply, Power Generation from conventional and hydroelectric sources, Energy Trading and E-Mobility, (b) key subsidiaries HEDNO S.A. (Distribution) and PPC RENEWABLES S.M.S.A., with the latter leading the transition towards "green" electricity generation through Renewable Energy Sources and Storage and (c) subsidiaries in South-Eastern Europe active in the production, trading, and distribution and electromobility, and (d) Fibergrid, which operates in the wholesale telecommunications market in Greece. In 2023, specifically on October 25th, PPC S.A. proceeded with the acquisition of the multinational Enel Group companies in Romania, thereby expanding the potential of the Group's core subsidiaries.

The recent structural changes within the Company are closely aligned with shifts in PPC's activities and reflect the new Strategic Plan formulated in December 2019. This plan is based on three key pillars: the implementation of the "Green Deal" in electricity generation, Digitalization & Operational Efficiency and the expansion into new value-added activities and products with a customer-centric approach.

The rapid advancement of renewable energy sources (RES) and storage systems, both through independent initiatives and strategic partnerships and acquisitions, alongside the deployment of energy-saving solutions across consumer segments, underscore PPC's commitment to promoting the energy transition. Additionally, initiatives like services provided by the PPC Blue E-Mobility highlight efforts towards the electrification of other energy sectors, further bolstering socio-economic development.

By establishing an integrated business model, anchored in these three pillars, PPC is actively progressing towards becoming an economically and environmentally sustainable energy company. The strategic vision of PPC prioritizes value maximization while conscientiously fulfilling its social responsibilities within the National Economy and mitigating the environmental impact of its operations.

PPC’s business model rests on three fundamental pillars:

1. **Implementation of the "Green Deal" in electricity generation** involves the phased withdrawal of lignite power plants and corresponding mines, prioritizing the adoption of Renewable Energy Sources (RES) as the primary power generation technology. The comprehensive plan for lignite phase-out encompasses the decommissioning of lignite plants with a net installed capacity of approximately 3.4 GW. This de-lignification strategy is executed with utmost consideration for PPC employees, local communities, and environmental preservation, while also ensuring the country's energy sufficiency. In alignment with the principles of a just transition, the Company has initiated both planning and implementation of a range of new development projects while also focusing on the maintenance and modification of existing ones. An exemplary instance is the successful execution of the district heating project, demonstrating the PPC’s commitment to providing sustained support to local communities.

   The plan entails substantial investments in Renewable Energy Sources (RES) and storage systems, facilitated through its subsidiary, PPC RENEWABLES S.M.S.A. Additionally, investments are allocated for storage units with the objective of increasing the installed capacity to approximately 9.5 GW by 2026.

2. **Digitalization and operational efficiency** to achieve synergies in cost reduction and revenue increase by leveraging new technologies across all sectors, including:

   - Digital development of PPC through process digitalization and automation models aiming at simplifying existing operations and introducing new digital customer channels and products.
   - Digitalization of activities and infrastructures within the electricity Distribution Network through investments in upgrades utilizing tools such as smart meters, circuit breakers, GIS systems, etc.
   - Utilization of Cloud technologies to optimize infrastructure costs and transition to a data-centric operation across the entire spectrum of business activities, from infrastructure management to commercial services.
   - Adoption of technology to ensure the information and network security of the company, recognizing its status as a Critical National energy infrastructure. This includes implementing best practices to responsibly safeguard individuals involved, such as customers and society as a whole.
   - Fostering a digital culture among PPC's human resources by introducing modern collaboration, communication, and interaction tools, thereby creating a modern and technologically advanced environment for collaboration.

3. **Expansion into new value-added activities and products with a customer-centric approach**, spanning both the retail electricity market and emerging business sectors. PPC's strategy and ethos revolve around providing energy solutions, technology, and infrastructure to pave the way for a future that prioritizes environmental stewardship and enhances the quality of life for all. The Company aspires to evolve from merely an energy supplier to an energy consultant, positioning itself alongside customers to offer guidance and information on energy-saving practices and sustainability initiatives. Simultaneously, PPC aims to educate customers on pivotal energy-related topics. With an unwavering commitment to delivering exceptional customer experiences, the Company endeavours to cater to an increasingly diverse array of customer needs. This entails expanding the portfolio of services offered to encompass a broader spectrum of solutions, ensuring customer satisfaction remains paramount.

More specifically, PPC prioritizes the efficient development of essential infrastructure for the electrification of transport and heating. Given the anticipated rapid growth of electric vehicles worldwide, driven by the decreasing cost relative to conventional vehicles, the Company is focused on expanding its presence in this market. PPC's objective is to lead in the provision of electric vehicle charging services in Greece. To achieve this goal, the Company aims to penetrate new market channels with publicly accessible charger installations and develop new value-added e-mobility services with a customer-centric approach. Through its subsidiary PPC Blue, the PPC Group actively contributes to the proliferation of electric vehicles in Greece by investing in necessary infrastructure, particularly the installation of public charging stations. Notably, compared to 2022, there has been a doubling of charging points and locations, with the total number of charging points nationwide reaching 2,000.

Acknowledging the limitations in sectors that cannot be easily electrified, PPC recognizes the potential of "green hydrogen" in achieving a zero-emission world. This recognition led to the establishment of a joint venture company, Hellenic Hydrogen, in partnership with MOH, focused on the production of green hydrogen.

Furthermore, PPC is dedicated to developing and launching value-added services, along with integrated consulting services addressing energy upgrading and energy-saving concerns at the end-user level. The Company has successfully modernized all digital service channels and enhanced capabilities, while also rapidly executing plans for the comprehensive renewal of physical stores across Greece. PPC has undertaken a systematic approach to design an integrated service aimed at informing, promoting, and installing photovoltaic energy generation systems on rooftops through its myEnergy Solar initiative. This initiative provides customers with an excellent solution for accessing green and affordable energy. Notably, myEnergy Solar has been available in the market since early 2023.

Additionally, PPC S.A. offers the innovative service, PPC myEnergy HeatPump, as a solution to enhance energy efficiency in homes. This service is tailored to assist consumers in upgrading the energy performance of their residences by utilizing heat pumps for efficient heating and cooling. By adopting PPC myEnergy HeatPump, customers can achieve energy savings and reduce electricity bills, thus benefiting from an integrated approach to improving energy efficiency and conserving energy within their households.

Moreover, through myEnergy Coach, PPC provides a digital energy-saving advisor that empowers consumers to monitor electricity consumption in their homes or businesses and assess its distribution among electrical appliances. Customers receive personalized advice and recommendations for energy and cost savings, including insights into the benefits of replacing outdated appliances with modern, high-efficiency devices.

In October 2023, PPC achieved a significant milestone by completing the acquisition of the Enel Group's companies in Romania, marking the first major expansion abroad. This acquisition represents a pivotal moment in PPC's development strategy, as it gains access to a substantial portfolio of renewable energy sources, comprising both operational assets and projects in development. Furthermore, the acquired companies possess leading positions in the Romanian market across distribution and trading activities.

Following the acquisition, the customer base now stands at almost 9 million customers. Additionally, the total installed capacity of Renewable Energy Sources (including hydroelectric) for the Group, rises to approximately 4.4 GW. The Regulated Asset Base of the Distribution segment experiences a notable 40% increase. Of significance, all electricity generation from the Enel Group companies in Romania is derived from renewable energy sources (RES). This development contributes to a higher proportion of "green EBITDA" within PPC's EBITDA and leads to improvements in relevant Environmental, Social, and Governance (ESG) indicators.

Furthermore, PPC is advancing with the construction and operation of a nationwide fiber optic network platform, aimed at connecting with major high-speed broadband service providers. This initiative represents a new revenue stream for the company. Following the successful completion of the pilot phase, the full-scale implementation of the project is set to commence, with the goal of serving 3 million households by 2026. To oversee this endeavour, PPC has established the subsidiary, Fibergrid.

In November 2023, PPC announced its agreement with Currys plc for the acquisition of Kotsovolos, a retail chain specializing in electrical and electronic devices and technology products. The completion of this acquisition is anticipated in the first half of April 2024, which is poised to expedite PPC's transformation into an integrated provider of products and services.

For the implementation of the aforementioned initiatives, PPC has established a robust organizational structure and adopted new policies and procedures aligned with best international practices. These efforts aim to foster an environment of proper Corporate Governance and ethical behavior, ensuring the sustainable development of the Group and maximizing its value. In this new era, PPC's strategic philosophy revolves around "Creating Shared Value." This entails the generation and measurement of shared value among the company, society, and the environment. This approach stems from PPC's new business model, the transformation of its value chain and operations, and the cultivation of a new corporate culture. Within this framework, the Company is actively developing targets related to Environmental, Social, and Governance (ESG) criteria. Additionally, PPC places significant emphasis on enhancing ESG disclosures to improve ratings from international assessment agencies such as CDP, MSCI ESG Rating, Sustainalytics, Institutional Shareholder Services (ISS), and EcoVadis.

To achieve these objectives, PPC actively engages in and monitors important frameworks of principles, commitments, and recommendations. These include the Task Force on Climate-related Financial Disclosures (TCFD), the Science-Based Targets initiative (SBTi), and the UN Global Compact, among others. Through participation in these frameworks, PPC sets objectives and develops action plans aimed at facilitating the transformation of the Group towards sustainability. The prioritization of sustainable development and Environmental, Social, and Governance (ESG) issues is informed by periodic materiality analyses conducted by the Company. Additionally, PPC aligns its efforts with the United Nations Sustainable Development Goals (SDGs), focusing on those goals where the Group can have the greatest impact. These pillars serve as the foundation for shaping the Group's long-term sustainable development strategy. These guiding principles establish the framework for the present Non-Financial Information Report and inform the selection of corresponding indicators to be disclosed in the annual Sustainability Report.

Identification of Major Risks Related to Non-Financial Issues
PPC, in addition to financial risks, recognizes non-financial risks associated with environmental and climate change, human capital, and societal factors. These risks have the potential to significantly impact the Company's reputation and the relationship with stakeholders.

The most significant identified risks can be summarized as follows:

- **Risks associated with climate change.**
- **Risks related to extraordinary events** such as natural disasters, adverse weather conditions, pandemics, fires, wars, terrorist actions and strikes.
- **Risks related to cybersecurity and Information Systems.**
- **Risks related to non-compliance with the EU General Data Protection Regulation (GDPR).**
- **Risks associated with regulatory and legislative developments in Greece and in the EU.**
- **Risks related to health and safety.**
- **Environmental risks.**
- **Risks associated with the recruitment and retention of specialized personnel.**
- **Risks related to reactions from local communities.**

A detailed report on all risks pertaining to both the Group and the Parent Company is provided in the Annual Report of the Board of Directors, which is included as an integral part of the Annual Financial Report for the financial year 2023.

Policies and Results of the Due diligence procedures/Non-Financial Performance Indicators

The Company has implemented Codes, Policies, and Processes to effectively address corporate risks and manage compliance and sustainable development issues. These measures undergo periodic review to ensure alignment with relevant best practices.

2. Environmental Issues
[ATHEX A-E2: Climate change risks and opportunities]
[ATHEX SS-G2: Critical risk management]

Issues related to Climate Change
Strategy

PPC Group is committed to developing a strategic plan in line with the objectives of the Paris Agreement (COP21) and the Glasgow Climate Pact (COP26) concerning the limitation of the average global temperature increase to 1.5 degrees compared to pre-industrial levels. The Group in line with the ambitious medium- and long-term climate neutrality goals of the European Union and Greece by 2050.

In this context, PPC Group has focused strategy on the development of renewable energy sources (RES). This strategy is supported by the necessary storage and green hydrogen. Simultaneously, the Company is proceeding with the gradual withdrawal of the lignite plants while PPC Group is working on the electrification of other energy sectors, such as transport and buildings – starting with e-mobility and heat pumps – and investing in smart grids.

The new environmental performance resulting from the lignite phase-out, as well as from the new low-emission production model, with a horizon of net-zero emissions by 2040, will form the basis for the sustainable development of PPC Group and the improvement of the competitiveness.

Risks and opportunities related to Climate Change
[ATHEX A-E2: Climate change risks and opportunities]

Shaping the strategy of the Group involves a detailed analysis of the risks and opportunities associated with it, including the potential impacts of climate change. Therefore, PPC Group's strategic planning is based on a detailed short-, medium-, and long-term analysis of all risks and opportunities arising from the development of electricity systems, including risks related to climate change.

To identify the opportunities related to climate change and the risks associated with both climate change and energy transition, PPC has adopted an approach aligned with the guidelines by the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board.

In this context, and in order to establish a systematic approach, the Parent Company has developed a Corporate Risk Management Framework, integrating processes for identifying, assessing, and controlling risks related to climate change into the strategic adoption and decision-making processes to prevent and mitigate the company's impact. According to this framework, responsibility for risk management and monitoring runs through all organizational levels of the Company (three lines of defense model) with clearly defined responsibilities for all involved stakeholders, Simultaneously, it establishes the creation of specialized Risk Management Committees with the participation of the senior management (Audit Committee, Risk Management Committee and Energy Management Committee).

Risks and opportunities related to climate change with potential impact on the Group's and the Parent Company's business activities are divided into 2 categories:

(a) risks related to the transition to a zero-carbon footprint economy (energy transition risks) and

(b) risks arising because of changes in climate conditions (natural risks). These changes relate both to an increase in the frequency and intensity of extreme weather phenomena (severe phenomena) and to longer-term changes in climate conditions, which are more gradual but structural (e.g., steady increase in temperature and/or increase in drought and decrease in rainfall throughout the year). The natural phenomena scenarios are based on the projected climate changes associated with the 'Representative Concentration Trajectories' (RCPs) as presented in the 6th Assessment Report of the 'Intergovernmental Panel on Climate Change' (IPCC).

Risks or opportunities associated with the transition to a zero-carbon economy include policy risks (such as energy efficiency requirements, carbon pricing mechanisms, sustainable land use), legal risks (such as climate change non-compliance/adjustment), technological, market and reputational risks. For the analysis of the aforementioned risks, medium and long-term analyses and simulations were conducted, considering scenarios summarized in Table 1. These scenarios account for the evolving mix of installed capacity and generation, the flexibility requirements of the system, the evolution and adaptation of the systems of both the Greek and neighbouring markets, as well as market issues such as the expected evolution of wholesale market prices, balancing markets as well as the price evolution of the various technologies (RES, energy storage etc.).

The Company acknowledges that implementing policies to reduce carbon emissions would significantly affect the operations and value of its thermal power plants. To address these impacts, the Company is actively transforming its portfolio. This transformation focuses on developing renewable energy sources (RES), battery storage, and green hydrogen. Concurrently, the Company is gradually phasing out its lignite-fired power plants. Additionally, efforts are underway to electrify other energy sectors, starting with electrification and heat pumps, and investing in smart grids.

The PPC Group has set ambitious targets, aiming to reduce CO_2 emissions intensity by 74% (Scope 1 and 2, 3 (category 3)) and decrease Scope 3 emissions by 42% by 2030 compared to 2021, as well as a target for zero net carbon footprint (Net Zero) by 2040. The strategic plan aligns with the objectives of key international agreements such as the Paris Agreement (COP21), the Glasgow Climate Pact (COP26), and the Agreement of the 28th United Nations Climate Change Conference (COP28) in Dubai. These agreements aim to limit the increase in the global average temperature to 1.5 degrees compared to pre-industrial levels. The technological diversification of PPC's portfolio aims to mitigate the impact of changes to a single variable. Additionally, transitioning to clean energy helps the Company address challenges posed by the regulatory environment and competition.

However, the climate change scenarios identified significant opportunities (Table 1) in new or increasingly interesting business activities. These include the development of projects and services related to the growing market for e-mobility, electrification of heating, increased penetration of photovoltaics to residential consumers, demand response contribution, green hydrogen production, and technologies for providing system flexibility and storage services.

The decisions of the Group and the Parent Company are consistent and interconnected with the above analysis as reflected in the Group's business plan, with tangible actions – investments for the exploitation of the changing conditions and the synchronized and smooth transformation of the Group with the energy transition. Specifically, the Group has increased the installed capacity of renewable energy sources to 4.6 GW in 2023 from 3.4 GW in 2021, while PPC RENEWABLES S.M.S.A. was selected through tenders conducted by the Regulatory Authority for Energy, Waste and Water (RAEWW) for the installation and operation of energy storage stations with a capacity of 98 MW. The acquisition of the former Enel Romania companies strengthened the Group's presence in renewable energy sources and networks, enhancing the resilience against the risks of energy transition. In the same direction, the establishment of the Hellenic Hydrogen, in collaboration with Motor Oil Hellas, contributes to the production of green hydrogen. Additionally, PPC offers products and services that contribute to the efficient and economical electrification of other sectors, such as heat pumps, electromobility services (DEI Blue), heat pump installations (myEnergyHeatPump), photovoltaic system installations (myEnergySolar), and digital energy-saving advisors (myEnergyCoach).

Risks related to the natural impacts of climate change on the increase in extreme weather phenomena (natural hazards) include acute natural hazard risks resulting from specific phenomena such as storms, floods, extreme temperatures (heat waves – extreme cold waves) and the chronic natural risks, associated with longer-term climate changes such as continued increase in average temperatures, changes in wind patterns, increased rainfall, droughts, sea level rise and reduced water availability.

For the analysis of the above risks, PPC conducted stress test scenarios with reduced generation, and disturbances in electricity consumption for different durations and periods (Table 1). The analysis revealed that extreme weather events resulting from climate change could significantly impact power generation from both conventional and RES power plants, as well as damage the power plants and affect resilience and performance of the distribution network. Moreover, changes in hydrological conditions may lead the Group and the Parent Company to compensate for reduced power produced from hydroelectric plants, especially during periods of increased demand, by resorting alternative, higher-cost generation methods or by purchasing power from the wholesale market at elevated prices.

Based on the above findings, to mitigate the impacts and enhance the resilience of the power plants and the network, the Group and the Parent Company have incorporated practices for continuous monitoring, assessment of natural risks. Additionally, the Company has established procedures to increase resilience and (e.g., protection systems for wind turbines in case of very strong winds) as well as to respond to emergency needs (e.g., drafting Emergency Response Plans for thermal power plants), and to accelerate the restoration of damages.

Table 1: Overview of risks and opportunities
[ATHEX SS-G2 Critical risk management]

Scenario	Risk/Opportunity	Time Frame	Impact	Management
Extreme natural phenomena	Risk of extreme phenomena (heat waves, floods, fires, etc.)	Short-term (2024-2026)	Intense phenomena increase the risk of prolonged asset unavailability and infrastructure operation disruption.	The Group adopts best management practices to restore services as quickly as possible. Moreover, it invests in enhancing the resilience and flexibility of infrastructure.
Long-term climate changes	Structural changes in weather conditions	Medium- and long-term (2026-2040)	Changes in climate conditions can lead to changes in demand and electricity generation profiles from various technologies.	The technological diversification of the Group's portfolio limits the impact of changes from a single variable. In addition, to ensure that activities consider weather conditions and climate phenomena, the Group has adopted a series of practices, including weather forecast, real-time monitoring of meteorological data and analysis of long-term climate scenarios.
Energy transition-Market	Changes in market conditions including: • commodities pricing • consumption standards for electricity consumption • competition	Short-, medium-, and long-term (2024-2040)	Through quantitative and qualitative analysis and the evaluation of a series of energy transition scenarios, the Group assesses the impact of the following market trends on both the energy system and the functions: • Competitiveness in the cost of renewable energy sources compared to fossil fuels. • Electrification of other energy sectors. • Consumer behaviour modelling and adoption of technologies such as rooftop photovoltaic systems .batteries, electric vehicles, and heat pumps. • Competitive environment and products.	PPC maximizes opportunities by implementing a strategy cantered on energy transition. This strategy emphasizes rapid expansion in RES within the electricity sector and prioritizes the electrification of other energy sectors, beginning with heating and road transport.

Scenario	Risk/Opportunity	Time Frame	Impact	Management
Energy transition - policies	Policies and regulatory frameworks: Policies on CO_2 emission values and emission limits, energy transition incentives, decarcbonization targets, larger targets for RES penetration rates, flexibility, and resilience.	Short- , Medium- and long-term (2024-2040)	Energy transition policies have the potential to significantly impact the scale of the decarbonization market in terms of the installation of green technologies and may consequently increase the return on investments. However, these policies could also restrict the role of certain technologies that currently hold a significant share of the electricity market, such as gas-fired power plants.	PPC mitigates risks by reducing emissions from power generation facilities. Furthermore, the Group's business plan, emphasizing investments in renewable energy sources (RES), networks, digitization, and consumer-centric initiatives, enables the Company to manage potential risks and capitalize on opportunities associated with energy transition and decarbonization targets. Regarding existing technologies in PPC's portfolio that require adaptation for a place in a zero-carbon world, such as gas-fired plants, PPC explores technological solutions available for repurposing these assets, such as Carbon Capture and Storage (CCS).
Energy transition - technologies	New technologies, products and services are emerging to aid achieving decarbonization targets. Opportunities to increase profit margins and crating more room for investments, thanks to higher penetration of new technologies in both wholesale and retail sectors.	Short-, medium-, and long-term (2024-2040)	In addition to the penetration of renewable energy sources and storage into the electricity market, electrification trends in transportation and household consumption will potentially impact PPC's business activities.	Thanks to the Group's position, opportunities for new business activities and services in power distribution are enhanced.

Actions to address climate change within 2023

In the context of reducing CO_2 emissions from thermal power plants and addressing climate change, the Group implements actions and programmes that include the following:

- Investments in the replacement of old thermal power plants with new ones of modern technology and high efficiency.
- Further development of large hydroelectric and renewable energy projects, including hydroelectric power.
- Promoting energy saving actions and rational use of electricity.
- Mine rehabilitation projects, experimental crops on restored land, etc.
- Investments in the e-mobility sector.
- Investments in the field of energy storage.
- Development of commercial electricity products that reward recycling (participation in "The Green City" program).
- Support for educational initiatives aimed at promoting sustainable development (Carbon Farming Schools, tree planting).
- Provision of integrated solutions to customers to reduce their carbon footprint (e.g., rooftop solar panels).

In particular:

Actions of PPC S.A. within 2023

The efforts for the modernization of the generation potential of PPC S.A continued. Specifically:

- The Group has commenced the commercial operation of the new and modern Lignite Unit V at the Ptolemaida Power Station, boasting a capacity of 660 MW, according to the protocol of the constractor. This unit ensures district heating for the city of Ptolemaida.
- The Ministry of the Environment and Energy has granted environmental approval for the energy storage project at the Kardia Power Plant. This project involves implementing electrical energy storage using modern condensation technology, with the capability to store electrical energy as inertia.
- The Group continued the implementation of post-lignite use preparation programs, focusing on renewable energy projects and land rehabilitation initiatives in lignite mining areas. These efforts include landscaping activities such as tree planting, agricultural cultivation, as well as the removal of facilities and equipment.
- Construction and operation works continued for two new hydroelectric power plants with a combined capacity of 190.6 MW (Mesochora 2x80 MW+1.6 MW & Metsovitiko 2x14.5 MW).
- In 2023, the electricity consumption of the buildings and PPC S.A. stores throughout the country was covered by GreenPass Guarantees of Origin from the generation of the Company's hydroelectric power plants, amounting to approximately 7.5 GWh.
- The GreenPass Guarantees of Origin available from PPC to the customers in 2023 amounted to approximately 1.4 TWh for Corporate Customers, 679 GWh for Residential Customers, and 5 GWh for Commercial Customers.

Greenhouse gas emissions

According to Greece's latest National Inventory Report (NIR) submitted to the Secretariat of the United Nations Framework Convention on Climate Change covering the period 1990-2021, greenhouse gas emissions from the combustion of fossil fuels for electricity and heat generation in the year 2021 amounted to 20.2 million tonnes of carbon dioxide equivalent (CO_2eq). This amount represented approximately 26.1% of the total national emissions (77.5million tonnes of CO_2eq).

The total CO_2 emissions from thermal units covered by the Emissions Trading System (ETS) are estimated at 9.73 million tonnes of CO_2 eq for 2023, a decrease compared to the 14.81 million tonnes of CO_2 emitted in 2022 (a decrease of 34.3%).

Finally, the emissions from thermal production units of PPC in small Non-Interconnected Islands are not covered by the Emissions Trading System (ETS) and lack accredited verification. However, they are internally calculated using the same methodology applied to units within the ETS. For 2023, these emissions were estimated at 0.04 million tonnes of CO_2.

Atmospheric Quality Measurement Stations

PPC operates a network of 31 Atmospheric Quality Measurement Stations (AQMSs), across the areas near its power plants and mines. These stations also monitor air quzlity and meteorological parameters. The network is continuously expanded as needed. Within this framework, the competent bodies receive systematic reports on atmospheric quality in the wider area of PPC's activity, through annual and semi-annual Atmospheric Quality Reports, as required by Environmental Terms Approval Decisions. Additionally, reports on atmospheric emissions are submitted regularly. In cases of exceeding air emissions or equipment failure, immediate information is provided within 24 hours.

In 2023, as in previous years, there was no requirement for the Crucial Environmental Issues Management Team to convene. This team comprises personnel from the General Departments of Production and is tasked with the ongoing monitoring of air quality measurement results and the development of a tailored strategy to address and minimize any exceedances of permissible limits to the extent possible.

Table 2: PPC atmospheric quality monitoring stations in the wider areas of Power Plants and Mines

Location	Number of stations	Measured air pollutants
North System	9	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Lavrio	1	SO_2, NO_X, PM_{10}
Aliveri	1	SO_2, NO_X, PM_{10}
Komotini	1	NO_X
Chania	3	NO_X
Linoperamata	3	SO_2, NO_X, PM_{10}
Atherinolakkos	3	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Rhodes	3	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Kos	1	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Samos	1	SO_2, NO_X, PM_{10}
Chios	1	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Lesvos	1	SO_2, NO_X, PM_{10}, $PM_{2,5}$
Megalopolis	3	SO2, NOX, PM10, $PM_{2,5}$
Total	**31**	

Voluntary initiatives

In 2023, the Sustainable Development Department, under the supervision of the Sustainability Committee, coordinated various voluntary actions and initiatives. These efforts involved collaboration with other units of the Company and major subsidiaries (such as HEDNO S.A. and PPC RENEWABLES S.M.S.A.). The initiatives aimed to monitor and enhance the corporate transition toward sustainable development based on Environmental, Social, and Governance (ESG) criteria. Some of these initiatives included:

1. The commitment to the global initiative “Science Based Targets initiative” (SBTi), which supports businesses in setting scientifically validated targets to reduce greenhouse gas emissions in accordance with the scientific requirements for addressing climate change. As part of this commitment, the Company submitted both short-term and long-term emission reduction targets to SBTi for approval, adhering to the applicable SBTi criteria. This action marks the Group’s second step in participating in the global effort to limit temperature increase to 1.5°C following the commitment undertaken.
2. PPC’s assessment by the international non-governmental organization Carbon Disclosure Project (CDP) was upgraded by four grades. Specifically, the advancement from “D-“to “B-“ in areas concerning climate change mitigation and adaptation largely stems from the Group’s enhancements in critical areas such as strategy, governance, and risk and opportunity management practices.
3. Response to the “Task Force on Climate Related Financial Disclosures (TCFD)” initiative by developing a guide for actions based on TCFD recommendations. This guide is structured into four main thematic categories aligned with the framework of recommendations: Governance, Climate Strategy, Risks – Opportunities, and Disclosures.
4. The Group’s commitment to the ten general principles of the UN Global Compact, the largest voluntary corporate sustainability initiative covering human rights, working conditions, environmental protection, and anti-corruption. In the first quarter of 2024, PPC responded to the voluntary submission of its first "Communication on Progress report."
5. Recognition of material issues utilizing the double materiality approach as defined in the CSRD and ESRS standards. The analysis aimed to identify potential risks and opportunities that may positively or negatively impact the current or future financial performance, position, and/or cash flows of the company.
6. By joining CSR Europe, PPC leverages the network and resources of the European network to solidify the leadership position in sustainability practices. This affiliation enables PPC to identify opportunities for collaborations that could advance the contribution to the Sustainable Development Goals (SDGs) and create shared value for society, the planet, and the economy.
7. Development of ESG criteria tailored to the needs of the Group’s supply chain and assessment of suppliers.
8. The Group’s attainment of the bronze award from the international organization EcoVadis achieved in the inaugural participation, underscores the effectiveness of the sustainability management practices to both internal operations and across the value chain.
9. The identification, assessment, and management of risks and opportunities arising from climate change by the Group, along with continuous monitoring of changes in climate conditions and policies implemented to address the climate crisis,
10. Participation as signatories in the Reward Value's Principles of Responsible Remuneration. This aims to support the Group in improving the remuneration policy in terms of sustainable development and to accelerate a positive global transition, enhancing progress based on the principles of the UN Global Compact SDGs.
11. The development of specialized ESG indicators to monitor structural transformation projects undertaken by the company, such as coal phase-out, ensures effective tracking of sustainability impacts and progress.
12. The participation of the Group in the “Women’s Empowerment Principles” initiative, an action by the United Nations for the empowerment of women under the motto “Equality Means Business”.
13. The implementation of significant corporate responsibility actions, organisations etc. based on the philosophy of Creating Shared Value (CSV) between the company, society, and the environment.
14. Participation and engagement in national and international forums focusing on Sustainable Development and ESG criteria, such as CSR Europe, Global Compact Network Hellas, CSR Hellas, the ESG Committee of the Hellenic Federation of Enterprises (SEV), and other initiatives promoting sustainability and best practices within the broader business ecosystem, aiming to improve maturity levels in supply chain and distribution network matters.

In 2023, PPC took part in the research conducted by the international organization Great Place to Work aiming to evaluate the company's work environment by comparing it with similar companies in the Greek market. Additionally, PPC conducted an Employee Satisfaction Survey within the PPC Group, gathering insights and ideas on shaping the future.

Finally, in 2023, PCC was recognized as one of "The Most Sustainable Companies in Greece 2023" and received the Bravo Sustainability Dialogue & Awards, thereby enhancing the corporate identity through achievements, performance, and actions in Sustainable Development.

Lignite Phase-out

The Group is committed to the withdrawal of the lignite-fired power plants and the corresponding mines through an intensive decommissioning plan for all Lignite Units. However, the lignite plant decommissioning programme due to the energy crisis, the extension is being modified, and PPC has set a new completion target by the end of 2026. Depending also on market conditions for as long as the energy crisis lasts.

The table below shows the lignite phase-out plan:

Table 3: Lignite phase-out plan

TPPs: Decommissioning – To date
Decommissioning of the units at Kardia Thermal Power Plant (Units 1 and 2 in 2019 and Units 3 and 4 in 2021), Amynteo (Units 1 and 2 in 2020) and Megalopolis (Units 3 in 2023) with a total capacity of 2,112 MW.
Technical decommissioning of these units through neutralization and cleaning of areas and facilities, such as plumbing systems, to ensure safe handling and removal of equipment.
Staff transfer scheme, with staff of the Thermal Power plants being transferred to other positions based on predetermined objective criteria (category/area of specialization, evaluation, place of residence, age).
Re-training staff when needed when transferred to other positions.

TPPs: Rehabilitation – To date
Completion of the rehabilitation works for Liptol NPP (Projects worth approximately EUR 5.9 million), around 16% completion (works worth ~EUR 3.0 million) of the rehabilitation works for Ptolemaida TPP. Approximately 6% completion (projects worth around EUR 1.1 million) of restoration works in Amyntaio lignite-fired power plant and approximately 4% completion (projects worth around EUR 1.1 million) of restoration works has been achieved in Megalopolis I lignite-fired power plant.
Six (6) Rehabilitation Studies have been submitted to the Directorate for Environmental Permitting in the context of compliance with the approved environmental terms and conditions for Thermal Power plants. To date, five (5) rehabilitation studies have been approved.
The domestic and European market have been engaged through the full activation of the Supplier Market Survey (RFI), along with the approval of the optimal strategy for Contractor Selection Processes for the restoration works of TPP. Additionally, the contractor selection process for the demolition works of TPP Phase 1 has commenced, marking significant progress in the company's operational plans and project implementation.
A procedure has been established to approve plans to disassemble Thermal Power plants to coordinate and align the Departments involved with existing and proposed new activities. To date, 6 dismantling plans have been approved.

Mines: Decommissioning – To date
Mining operations have ceased at the Kardia Field Mine in Ptolemaida, the Amynteo Mine in Amynteo, and the Achada and Kleidi Mines in Florina, marking the completion of mining activities at these locations.
A staff transfer scheme has been implemented within the Western Macedonia Lignite Center Department, facilitating the transfer of mine personnel to other positions based on predetermined objective criteria (category/area of specialization, evaluation, place of residence, age).
Re-training staff where needed when transferred to other jobs.

Mines: Rehabilitation – To date
The dismantling contract for four silos (total weight ~4,800 tons) at the Amyntaio mine has begun, with a value of approximately EUR 700,000. The dismantling contract for excavator E5 (~550 tons) at the Kardia mine has also begun and is valued at around EUR 100,000. These projects are expected to be completed by the end of 2024, followed by recycling of the materials. Furthermore, two dismantling contracts for two excavators (~8,000 tons) and a conveyor belt system (~2,500 cubic meters of concrete) at the Amyntaio mine, totaling approximately EUR 1.5 million, are set to commence within 2024. Additionally, a demolition contract for building infrastructure (~2,500 cubic meters of concrete) with a total value of about EUR 70,000 is anticipated. Upon completion, the materials from these projects will also be recycled.
1,600 ha were rehabilitated in 2021 and 2022 at the Amynteo, Kardia, and Mavropigi mines. 6,500 hectares were restored within 2023 at the mines of Amyntaio, Kardia, Mavropigi, and Megalopoli.
Landscaping works covering 4,500 acres at the Megalopoli mine, with a budget of approximately EUR 2 million, have been successfully finalized. These efforts were undertaken to prepare the land for the establishment of photovoltaic parks with a combined capacity of around 940 MW.
The Framework Agreement of Article 155(4) of Law 4759/2020, encompassing 9,700 km^2 slated for reclamation by PPC to the Greek government by 2026, has been ratified. As of Q1 2024, approximately 50% of these hectares are prepared for transfer by PPC for new purposes.
The transfer of 100% of shares of METALIGNITIKI (a special purpose vehicle with assigned mine assets) from PPC to the Greek government has been successfully finalized. In return, the Greek government assumes responsibility for funding the environmental restoration of the relevant assets, with costs amounting to the value of the transaction, approximately EUR 162 million. These expenses will be covered by the funds allocated through the Recovery and Resilience Facility (RRF).
The Framework Agreement of Article 155 par. 3 of Law 4759/2020 has been signed by PPC. Under this agreement, PPC commits to conducting the necessary contractor selection procedures to develop special urban planning schemes. These schemes will adhere to the guidelines and specifications provided by the Ministry of Development and Investments.

TPPs & Mines: Utilization of Materials and Equipment from Withdrawn Means of Production (WMP) – To date
The decommissioning process for each TPP involves comprehensive disposal of equipment, optimizing environmental management and achieving economies of scale.
The Board of Directors has endorsed the Management Policy, which will be detailed further through new procedures like the WMP Permanent Guidelines. These will ensure efficient monitoring and mass disposal of materials and equipment, aligning with circular economy best practices.
Equipment donations to third parties or use as exhibits in PPC museums or exhibitions of materials/equipment that may be representative of PPC's industrial heritage – this is a key alternative.
Plans are in progress for managing materials from the Ptolemaida, Aliveri, and Lavrion TPP depots, aiming for disposal within 2024.

Research Projects of Environmental Interest in which the Group participates:

PPC S.A.

In the context of the sustainable development policy, PPC S.A. participates in a series of research programmes for the protection of the Environment. In particular, the current research projects in which it participates are the following:

- **REDESOX:** Design and installation of a hybrid industrial arrangement for the capture of gas pollutants from lignite combustion, through the recovery and activation of solid by-products and non-reactive materials from dry deposition. https://www.redesox.gr/
- **intelWATT**: Smart water processing technologies for water conservation in combination with simultaneous energy production and material recovery in energy-intensive industries. https://www.intelwatt.eu/
- **ATLANTIS:** Interdisciplinary feasibility study for the conversion of coal mines into hybrid pumped-hydro power storage of excess energy. https://www.atlantis-project.eu
- **Green deal CO_2:** Promotion of investments in fuels through an economic and energy efficient integration of energy processes in closed facilities of coal-fired thermal power plants. https://www.greendealco2.com
- **LIFE CO_2 to CH4:** Development of an innovative and viable industrial process by creating a mobile unit for hybrid energy storage based on CO_2 capture and renewable energy sources. https://co2toch4.eu
- **POMHAZ:** Improving risk assessment and risk management of abandoned coal mines. https://www.pomhaz-rfcs.eu/
- **EV4EU:** Electrification stands as a pivotal initiative within PPC's low-carbon footprint services framework. The program aims to implement bottom-up management strategies with a user-centric focus on Vehicle-to-Everything (V2X), fostering conditions for the mass adoption of electric vehicles and contributing to the goal of complete decarbonization by 2050. https://ev4eu.eu/
- **EVCHAIN**: Development of a platform for Peer-to-Peer transactions during Electric Vehicle Charging, considering the economic, social, environmental, cultural, and managerial framework of participating enterprises. https://www.ev-chain.gr/
- **HYSCALE**: Installation of a high efficiency electrolyser prototype for green hydrogen production from Renewable Energy Sources (RES). https://www.hyscale.eu
- **TRIERES**: Establishment of a hydrogen ecosystem in Greece (hydrogen valley), linking green hydrogen production units with potential off-taker businesses, technological providers, academic and research institutions, public sector entities, and local government organizations. https://www.trieres-h2.eu/
- **Battery2Life**: Integration of second-life batteries into hybrid energy systems and development of a management system for green electric vehicle charging using energy sourced from RES, minimizing reliance on the grid.
- **iDesignRES**: Comprehensive and optimized design of elements within an energy portfolio integrating Renewable Energy Sources and other low-carbon energy sources, utilizing open-source toolkits.
- **Di-HYDRO**: Enhancement of sustainable energy production through the development of digital and smart decision-making tools for hydroelectric stations, ensuring their central role in a greener future. https://dihydro-project.eu/

- **D-HYDROFLEX**: Development of digital technologies to increase flexibility and sustainability of hydroelectric installations. https://d-hydroflex.eu/
- **iAMP-Hydro:** Aims to develop hardware and software solutions and apply digital solutions to optimize the operation of existing hydroelectric projects.

Environmental Management

Environmental Management Systems

The continuous improvement of the environmental performance of the Group is warranted through the implementation of Environmental Management Systems in critical areas of activity. Specifically, PPC has certified Environmental Management Systems according to ISO 14001:2015 at the Western Macedonia Lignite Centre and in the power, generation plants (Table 4), which collectively cover 99% of the electricity generated by PPC.

Table 4: Certified power plants with an ISO 14001:2015 Environmental Management System – Data for the year 2023

Lignite plants	Natural gas plants	Oil plants	Complex Hydroelectric power plants
Agios Dimitrios Meliti Megalopoli	Keratea – Lavrio Komotini Aliveri Megalopoli V	Atherinolakkos Chania Linoperamata Soroni – Rhodes Kattavia-Rhodes Lesvos Chios Limnos Samos Ikaria Kos Karpathos Paros Thira Milos Skyros	Aliakmon Arachthos Acheloos Nestos Ladonas (HPP) Plastiras

In 2023, it is noteworthy to mention:

- The successful completion of the Surveillance Inspection of the Environmental Management Systems (EMS) for all Power Generation Plants of PPC S.A., as well as of the Western Macedonia Lignite Centre, according to ISO 14001:2015 has been confirmed through the Surveillance Audit conducted by Independent Certified Bodies.
- The Environmental Management System (EMS) of the Plastiras Hydroelectric Plant was certified for the first time according to ISO 14001:2015 (03.04.2023).
- Initiation of the development and implementation of the Environmental Management System at the under-construction Mesochora Hydroelectric Plant.
- The initiation of the process for the certification on “Energy Management System, according to ISO 50001:2018”, with the collection of employee participation within the Company.
- Successfully completed the annual surveillance of the ISO 50001:2018 certified Energy Management System (EMS) at the Lignite Centre of Western Macedonia.

The following table presents a summary of the data of certified stations of PPC SA.

Table 5: Certified Plants Information of PPC S.A.

	2023	2022
Total Number of Plants with certified Environmental Management System	**30**	**29**
Lignite centres (West Macedonia)	1	1
Thermal Power Plants (TPPs)	12	12
Hydroelectric Complexes and Independent Hydroelectric Power Plants	4+2	4+1
Autonomous and Local Power Plants	11	11

Non-Financial Performance Indicators

Greenhouse gas emissions for electricity generation [CO_2][5]		
(In million tons)	**2023**	**2022**
PPC S.A.[6]	9.73	14.80[7]

For PPC S.A., the calculation and the verification of total greenhouse gas emissions (Scope 1,2 and 3) under ISO 14064 is underway.

Greenhouse Gas Emissions [CO_2] -KPI Syndicate Loan Bond		
(In Mt)	**2023**	**2022**
PPC S.A.	9.77[8]	14.86

[5] The table refers to emissions from installations covered by the European Union Emissions Trading System (EU ETS).
[6] The referenced emissions for the year 2023 by PPC S.A. will be finalized in March 2024, following the completion of verifications.
[7] In the 2022 Non-Financial Report, emissions were based on provisional financial data of the Company, as they had not been finalized. Following verifications, in the 2022 Sustainable Development Report, the indicator has attained the value of 14.81.
[8] The referenced emissions for the year 2023 by PPC S.A. are based on provisional financial data of the company as well as an estimation of the direct CO_2 emissions from Power Generation Units not covered by the European Union Emissions Trading System (EU ETS). Data will be finalized for the EU ETS Installations after the verification process.

The financial burden for compliance with the requirements of the European Emissions Trading Scheme (surrender of emission allowances equal to verified emissions of CO_2), is analyzed as follows:

Greenhouse Gas Emissions [CO_2] -KPI Syndicate Loan Bond		
(In Mt)	**2023**	**2022**
PPC S.A.	826	1,038

HEDNO S.A.

HEDNO S.A has defined the guiding principles for Environment and Climate Change based on the following six pillars:

- Protection and Management of the Environment
- Reduction of greenhouse gas emissions
- Resilience and Adaptation to Climate Change
- Conservation of Natural Resources
- Provision of low-emission electricity
- Sustainable Materials Management

Adaptation Study of HEDNO S.A. to the 5°C Temperature Increase Scenario

In December 2023, a study was conducted outlining the framework for developing the adaptation plan of HEDNO S.A. to a climate scenario of a 5°C temperature increase. The study defined methodological steps based on valid international and European reports on climate change adaptation, guiding principles, standards, and best practices of Distribution Network Operators in other countries. Additionally, it considered data related to the infrastructure and operations of HEDNO S.A.

Guide to Best Practices for Climate Change Risk Management, Disasters, and Crises

In December 2023, a manual guide containing guiding directives, recommendations, and good practices was delivered by a competent Working Group to assist the personnel of HEDNO S.A., responsible for managing emergency situations, in enhancing and continuously improving the capacity for risk management, disasters, and crises related to climate change (such as extreme weather events and extensive wildfires). The manual aims to ensure enhanced preparedness, effective response, and successful adaptation of HEDNO S.A. to such crises.

Link to the Emergency Response Coordination Centre (ERCC) of the Ministry of Climate Crisis and Civil Protection

In early July 2023, HEDNO S.A. established a permanent communication link with the ERCC. This link facilitates communication between ERCC and the competent Coordination Group of HEDNO S.A. for timely updates on any events that may affect the Electricity Distribution Networks (e.g., forest fires). The objective of this initiative involved the provision of detailed information to HEDNO S.A. regarding the severity and evolution of the situation. The ultimate goals are to ensure timely information to the local Operational Centres of HEDNO S.A. for readiness and immediate response in case of an event, as well as coordination of actions between ERCC and HEDNO S.A. in the field, if required.

Investments in Distribution Centres and other medium and low voltage Substation projects continued

Investment surged notably in 2023, totalling approximately 13% higher than in 2022, reaching EUR 14.53 million. Additionally, investments in Branded Network Projects (Replacements) remained at a similar level compared to 2022, around EUR 1.22 million.

The following projects have demonstrated remarkable progress:

- Expansion of the Arachthos HVC with a 3rd Transformer: Ongoing (Commenced in March 2023).
- Strengthening of 5 Substations to increase Renewable Energy penetration (Florina, Skydra, Spercheiada, Eordaia, Meliti HVC): In progress (Commenced in April 2023 – EIS completed at the Florina Substation).
- Strengthening of 4 Substations to increase Renewable Energy penetration (Magiko, Megara, Domolou, Trikala HVC): In progress (Commenced in July 2023).
- Expansion of the Mykonos Substation with a 3rd Substation Transformer: Completed in June 2023.
- Upgrading of the Pylos Substation: Replacement of both 25MVA transformers with new ones, each with a capacity of 50MVA, has been completed.
- GIS Substation in Thira: In progress.
- Reconstruction and upgrading of the Kerkyra II Substation: Reconstruction of the 150kV Substation is in progress. One side of the Substation has been completed, and a 40/50 50MVA transformer has been installed, replacing the existing 25MVA one.
- Addition of MV poles in various Substations primarily for RES needs – Addition of poles has been completed in the Substations (Chalkida II, Kopaida, Keramoto, Kozani, Aktio, Achladi, Kavala).
- Construction of a new submarine MV interconnection Plaka – Spinalonga (Commenced in June, completed in November 2023).
- Upgrading of the MV network of the islands of the Northern Aegean (Commenced in September 2023).
- Relocation of the HV network within the Hellenikon – Ag. Kosmas Metropolitan Pole (Completed in March 2023).

Investments in Projects to strengthen and modernise the existing network continued.

During 2023, the Distribution Network witnessed significant growth and modernization initiatives. This included an increase in the number of overhead and other MV/LV Distribution Substations, expansion of both overhead and underground MV and LV Networks, and the installation of numerous switchgear elements in MV. These efforts aimed to enhance the Network's modernization and improve its operational capacity.

Key components of the Distribution Network, such as HV/MV substations, Medium and Low Voltage distribution lines (both overhead and underground), and MV/LV transformers, saw substantial growth in 2023. This growth was driven by increased investment, especially in repetitive projects. Specifically, for the repetitive projects in 2023, the following changes were observed in the primary components of the Distribution Network:

- Increase - extension of the MV aerial network by 804 km.
- Increase - extension of the MV underground network by 713 km.
- Increase - extension of the LV aerial network by 474 km.
- Increase - extension of the underground LV network by 334 km.

Furthermore, significant efforts were directed towards improving the qualities of the Network to enhance resilience, safety, and reliability. Particularly noteworthy improvements were achieved in the low voltage network during 2023:

- The LV network with bare conductors was reduced by 1,486 km.
- The LV network with twisted cables was correspondingly increased by 1,960 km.

Simultaneously, in 2023, HEDNO S.A. conducted extensive tree pruning, including tree felling, while strictly adhering to prescribed safety distances from the Network. This initiative, coupled with the clearance of vegetation in close proximity, not only bolstered the Network's resilience to climate change but also played a role in forest protection.

The connected renewable energy sources to the Network increased.

In 2023, 1,039 MW of RES were installed, a figure roughly equivalent to that of 2022. The total number of new RES connections in 2023 reached 9,679, nearly doubling compared to the previous year.

Integration of E-mobility into the Distribution Network

HEDNO S.A. actively promotes the advancement of E-mobility by facilitating access and connection to the Distribution Network for all users. Additionally, efforts are made to identify and analyse best methods to utilize the flexibility offered by this emerging load.

In compliance with this objective, HEDNO S.A. participated and continues to participate in various initiatives, including several European research projects in the fields of energy, electromobility, and smart grids (EV4EU, ERIGrid 2.0, Parity). The company contributed to the Smart & Sustainable Island pilot program, implemented by the Greek government and the VW Group in Astypalea, by installing 2,000 smart meters and exploring their optimal integration into the Network to facilitate the penetration of electromobility. Additionally, HEDNO S.A. expanded its commitment to electromobility by integrating it into its vehicle fleet, acquiring 400 fully electric vans, 90 plug-in hybrid SUVs, and 30 hybrid superminis. Furthermore, the company provided active support to urban transport organizations in Athens and Thessaloniki to plan their charging infrastructure for the 400 new buses they will acquire.

Efficiently integrating e-mobility into the Distribution Network and maximizing the use of renewable energy sources are crucial steps toward achieving zero environmental pollution and combatting climate change.

Research Programs of Environmental Interest in which HEDNO S.A. participated.

In 2023, HEDNO S.A. continued the corporation with the NTUA and NECCA, partners of the European Research Project “LIFE-IP AdaptInGR – Boosting the implementation of adaptation policy across Greece”, to develop adaptation indicators for Climate Change. The LIFE-IP AdaptInGR program will pilot-test the national monitoring and evaluation system for climate change adaptation actions and policies. The system will include a set of indicators for monitoring and evaluating adaptation to climate change in each climate-vulnerable sector, including the Energy sector.

In addition, in 2023, the Research and Innovation Department of HEDNO S.A. participated in the execution of research projects, which are funded by the European Union and contribute to the EU’s vision for a net zero economy by 2050.

- **X-FLEX**: Development of a set of information and communication technology (ICT) tools and solutions aimed at harnessing the flexibility offered by energy storage systems of various technologies, demand response mechanisms, controlled Renewable Energy Source (RES) plants, and emerging energy market mechanisms at a network level.
- **PLATONE**: Utilization of blockchain technology to create a platform that meets the needs of electricity distribution network operators.
- **PARITY**: Provision of an interactive framework designed to enhance the resilience and efficiency of the electricity grid. This framework will facilitate the integration of more Renewable Energy Sources (RES) while incorporating new Active Network Management (ANM) functionalities.
- **IELECRIX**: Adoption of an approach centered around consumers and their involvement in the electricity market through the Energy Communities. It aims to accelerate and streamline the integration of Renewable Energy Sources (RES) into electricity distribution networks, facilitating the transition to cleaner energy sources.
- **ERIGRID 2.0**: Extension of research services and tools within European research infrastructures to validate smart energy networks, with a particular focus on integrating the electricity network as the foundational component.
- **CENTAVROS**: Initiating preliminary studies for the infrastructure within the port of Volos, specifically focusing on Onshore Power Supply (OPS)/Cold Ironing, renewable energy sources (RES), and energy management systems. Conducting a techno-economic analysis to secure funding and facilitate the implementation of these studies.
- **CIPORT:** Designing of preliminary studies for the infrastructure within the Piraeus port, specifically focusing on Onshore Power Supply (OPS)/Cold Ironing, renewable energy sources (RES), and energy management systems. Conducting a techno-economic analysis to secure funding and facilitate the implementation of these studies.

- **ENFLATE**: Development of a collaborative platform equipped with tools to facilitate the establishment of consumer-driven business models for energy services. Leveraging the flexibility potential of consumers and integrating these services into other sectors such as health and transportation to offer multi-sector services.
- **EV4EU**: Development of an innovative technologies to facilitate the seamless integration of a large number of Electric Vehicles (EVs) into the existing energy system infrastructure. This includes exploring smart and/or bi-directional charging solutions to enhance the efficiency and effectiveness of EV integration.
- **ONENET:** Definition of the blueprint for a unified electricity market across Europe.
- **R2D2**: Enhancing the resilience and reliability of existing Energy Systems to mitigate the impact of various threats on critical infrastructure, safeguarding stakeholders and end customers from potential disruptions and damages.
- **SYNERGIES**: Development of innovative technologies aims to leverage energy data through the establishment of an Energy Data Space
- **SYNERGY**: Introduction of a new reference architecture and a Big Data platform that aims to utilize primary and secondary data from diverse sources. This initiative assists electricity stakeholders in enhancing data accessibility and improving the intelligence of energy optimization processes. Innovative data exchange models are leveraged to enhance decision-making capabilities.
- **DATAMITE**: Development of an innovative framework for the utilization and economic exploitation of electricity data, as well as for their more efficient operation.
- **OPENTUNITY**: Creation of a flexible energy ecosystem which aims to enhance the management of electricity networks and foster the development of a local flexibility market. This initiative involves collaboration with Transmission System Operators and Distribution Network Operators, with a pilot implementation planned in the Mediterranean region of Attica.
- **SINNOGENES**: Innovative energy storage technologies are being explored in a Greek pilot project on the island of Ikaria. This project aims to provide supplementary services to the System Operator, increase electricity generation from the Hybrid Power Station of Ikaria, and enhance the efficient management of the network. Digital Twins are being utilized to analyze and optimize these initiatives.
- **COCOON**: Protection against cyber threats in the context of a collaborative approach between the transmission and distribution networks of electricity, a pilot implementation in the Chalkidiki Prefecture.
- **CRAVE-H2**: Electrical connection of a hydrogen production and storage station in the Lasithi Prefecture, Crete.
- **ALTITUDE**: Development of an innovative product for automatic digitization, inspection, and recognition of faults in medium and high voltage overhead lines and their elements, using unmanned aerial vehicles (drones) and machine learning algorithms. This will be piloted on the island of Lesvos.
- **InterConnect**: Development of energy applications for consumers and interface framework with Distribution Network Operators platforms, aiming for greater production and absorption of electricity from RES, more efficient management of demand peaks, and involvement of end consumers in the European Union’s decarbonization effort.
- **ASTERIx-CAESar**: Modeling of thermal-electric power plants and electricity storage systems on the islands of Crete and Rhodes.
- **EVELIXIA**: Design and development of integrated energy-saving systems and efficient use of energy in the building sector, and provision of flexibility services to Distribution Network Operators (pilot implementation in the Kozani Prefecture).
- **CRETE VALLEY**: Establishment of a Renewable Energy Sources Valley functioning as a "Living Lab" (REV-Lab) in Crete, aiming to evolve into a decentralized renewable energy system. It integrates state-of-the-art ICT technologies, interoperable and open digital solutions, social innovation processes, and accessible business models.
- **ALFION INFRA**: Implementation of the infrastructure e for three positions (OPS-Onshore Power Supply or SSE-Shore Side Electrification) for electrical connection between the terrestrial network and ships berthed in the port of Igoumenitsa. This ensures a smooth supply of electrical energy to the ships.

PPC RENEWABLES S.M.S.A.

In 2023, as part of the Group's commitment to further reduce greenhouse gas emissions and enhance the use of renewable energy sources in the energy mix, PPC RENEWABLES S.M.S.A. and the Intrakat Group signed a binding Framework Cooperation Agreement for the joint development of a Renewable Energy Portfolio (RE) with a total capacity of up to 2.7 GW. Under this agreement, the Intrakat Group is expected to transfer six RE projects to PPC RENEWABLES S.M.S.A., two of which are already operational or awaiting operation and the remaining four are under development, with a total capacity of approximately 164 MW. At the same time, PPC RENEWABLES S.M.S.A. is expected to enter as a shareholder with a 49% stake in holding companies of the Intrakat Group that own a portfolio of projects under development, totalling approximately 1.6 GW, while the agreement may be expanded under certain conditions.

In addition, during 2023, PPC RENEWABLES S.M.S.A. signed an agreement with the Kopelouzos and Samaras groups to acquire 100% of the shares of "Thrakiki Wind 1 SA" which holds the Production License for the Offshore Wind Park (OWP) with a capacity of 216 MW off the coast of Alexandroupolis. This Offshore Wind Park falls within the provisions of Article 174 of Law 4964/2022 for the Pilot Implementation of Offshore Wind Parks, and it is planned to be installed in the maritime area off the coast of Alexandroupolis as the permanent location.

In relation to the international operations, in 2023, PPC RENEWABLES S.M.S.A. entered into agreements by signing an agreement with European subsidiaries of the LUKOIL Group to acquire 100% of Land Power SRL, which operates a wind farm in Romania with a total installed capacity of 84 MW. Located in the Dorobantu and Topolog areas, which boast the highest wind potential in the country, the wind farm generates over 200 GWh of clean energy annually. PPC RENEWABLES S.M.S.A. was selected as the preferred buyer after a competitive process involving international companies. The completion of the acquisition is expected in the first quarter of 2024.

Additionally, in 2023, the electrification of the Wind Park in the "Aeras" area of the Municipality of Mouzaki and the "Afentiko" area of the Municipality of Argythhea with a capacity of 27.6 MW was completed. Furthermore, the Small Hydroelectric Plant (MHP) of Makrochori II with a capacity of 4.84 MW in the "Rapsomaniki" settlement of the Municipality of Alexandreia, Imathia Regional Unit, was electrified.

Moreover, in 2023, the electrification of several projects owned by companies that are fully owned subsidiaries of PPC RENEWABLES S.M.S.A. was carried out. Specifically, in July 2023, the electrification of PV stations with a total capacity of 50 MW in the "Megales Lakkes" area of the Municipality of Megalopoli, owned by ARCADIKOS HELIOS 1 S.M.S.A. and ARCADIKOS HELIOS 2 S.M.S.A., took place. In August, the electrification of a 200 MW PV station in the "Lignite Center of Western Macedonia" area owned by HELIAKO VELOS 1 S.M.S.A. was completed. In December, the electrification of a 65 MW PV station in the "Agios Christoforos 1" area near Ptolemaida owned by SOLARLAB S.M.S.A. was completed. Additionally, construction continued the PV stations PTELEONAS 1, PTELEONAS 2, CHARAVGI 1, and CHARAVGI 5, which are owned by the same company and have a combined capacity of 94 MW. These stations are located in the Municipality of Eordaia and Kozani, Kozani Regional Unit, with an expected completion date in March 2024. It is worth noting that the five PV stations, owned by SOLARLAB S.M.S.A. and totalling 159 MW, have been deemed eligible for funding from European funds under the Recovery and Resilience Facility (RRF).

Regarding the PV Station PPC Ptolemaida mine, which is owned by PHOEVE SINGLE MEMBER S.A., a wholly owned subsidiary of PPC RENEWABLES S.M.S.A., the construction contract for this 55 MW capacity project was signed in July 2023. The project includes the installation of single-axis tracker systems to support double-sided PV panels, as well as the necessary connection works to integrate it into the System. The PV Station is located in the Municipalities of Eordaia and Kozani, Regional Unit of Kozani. Furthermore, this project has already been deemed eligible for funding from European funds under the Recovery and Resilience Facility (RRF).

Similarly, construction continued the Doukas Wind Park with a capacity of 26 MW, developed by the 100% subsidiary of PPC RENEWABLES S.M.S.A., WIND PARK DOUKAS SINGLE MEMBER S.A. in "Dukas" area in the Municipalities of Kastoria and Amyntaio, Western Macedonia Region. Furthermore, construction is ongoing for the Koukouli Wind Park, which has a capacity of 13.2 MW. This wind park is being developed by the WIND PARK KOUKOULI SINGLE MEMBER S.A., a wholly owned subsidiary of PPC RENEWABLES S.M.S.A. It is located in the "Koukouli-Grivas" area of the Municipality of Voio, in the Western Macedonia Region. The construction of both Wind Parks is expected to be completed in 2024.

Moreover, in 2023, construction began on eight PV stations with a total capacity of approximately 490 MW, developed by PPC RENEWABLES S.M.S.A. in collaboration with the German group RWER through the company METON ENERGIAKI S.A., as part of their joint development of PV stations with a total installed capacity of up to 2 GW. The construction of these PV stations is expected to be completed by 2024.

The Company is further pioneering in the development of Hybrid projects, as in 2023 it won the competition of the Regulatory Authority for Energy (RAE) within the framework of the pioneering program 'Astypalaia, a smart and sustainable island' for the development of a Hybrid Renewable Energy Station, which will consist of new RES power plants combined with electricity storage facilities.

Lastly, in 2023, PPC RENEWABLES S.M.S.A. successfully participated and won the competition held by RAEWW for the installation and operation of energy storage stations. This achievement includes two projects with a combined capacity of 98 MW, marking the first competitive bidding process for the allocation of investment and operational support for electrical energy storage stations.

Research Programmes of Environmental Interest in which PPC RENEWABLES S.M.S.A. participated

Within 2023, the Company participated in the following research programmes:

iAMP-Hydro – Intelligent Asset Management Platform. iAMP-Hydro aims to develop hardware and software and implement digital solutions to optimize the operation of existing hydropower projects.

INSULAE – Maximizing the impact of innovative energy approaches in the EU islands: INSULAE's main goal is to promote the development of innovative solutions for decarbonizing the islands of the European Union.

LIFE CO_2toCH$_4$ – Demonstration of a mobile unit for hybrid energy storage based on CO_2 capture and renewable energy source: The LIFE CO_2toCH$_4$ project aims to develop and demonstrate an innovative, integrated, and sustainable industrial process for simultaneous energy storage and the capture and utilization of CO_2 (CCU). PPC RENEWABLES S.M.S.A. is the coordinating partner of the project.

The "**30 Renewable Islands by 2030**" program- The initiative aims to identify and offer technical support to thirty (30) islands and island clusters over a three-year period, with the goal of achieving complete energy independence by 2030 through the adoption of 100% renewable energy sources. Among the selected islands are Astypalaia, Lesvos, and Ikaria, where PPC RENEWABLES S.M.S.A. actively participates as a member of the transition team for each respective island.

3. Labor Issues

[ATHEX C-S2 Female Employees]
[ATHEX C-S3 Female employees in management positions]
[ATHEX C-S7: Collective bargaining agreements]
[ATHEX A-S3: Gender pay gap]
[ATHEX A-S4: CEO pay ratio]

Policies and Due diligence procedures

PPC S.A.

PPC acknowledges the paramount importance of its human capital as the most valuable asset of the Company. The performance and dedication of its employees are pivotal in fostering core competencies and gaining competitive advantages.

Embracing responsible human resources management practices, PPC ensures the cultivation of a contemporary work environment characterized by equal opportunities and mutual respect, free from any form of discrimination. The company is dedicated to prioritizing the health and safety of its employees by instituting appropriate Occupational Health and Safety Management Systems and conducting pertinent training programs.

PPC Staff Regulations comprehensively govern various aspects including the rights and responsibilities of employees, terms of employment contracts, workplace relationships, and the enforcement of disciplinary procedures, among other key provisions.

The revised Recruitment Policy of PPC S.A. was ratified through Board of Directors' Decision No. 131/22-11-2022, prompted by Article 185 of Law 4964/2022 and the cessation of the Company's recruitment under the jurisdiction of the Supreme Council for Civil Personnel Selection (ASEP). Crafted with precision, the new Recruitment Policy is designed to attract proficient and capable candidates adept at navigating the evolving market challenges, thereby bolstering the pursuit of development objectives, and facilitating its swift evolution. This policy aims to fulfil vacant positions by engaging external candidates who apply for roles at various personnel levels, encompassing both open-ended and fixed-term agreements, addressing temporary, intermittent, or seasonal staffing requirements.

Given the progressive development of the Personnel Recruitment Policy and the constant enhancement of existing procedures and regulations, it became apparent that updating our Executive Recruitment Policy was crucial. Aligned with market-leading practices, this update is geared towards bolstering the Company's competitiveness and agility in securing top-tier executives possessing the precise skills for each role. Hence, the Executive Recruitment Policy was also endorsed through the Board of Directors' Decision No. 131/22-11-2022. This policy aims to appoint external candidates to vacant executive positions, ensuring a thorough selection process for each specific role.

As per the outlined Policy, external candidates are eligible to assume executive roles solely if no internal candidate possessing the requisite expertise, knowledge, skills, and experience meets the criteria for the position. Furthermore, the Executive Recruitment Policy is founded on principles of equality and non-discrimination, emphasizing the promotion of diversity in alignment with internationally recognized human rights. The overarching goal is to foster an inclusive, equitable, and impartial recruitment process, thereby upholding the values of fairness and equality across all organizational levels.

Additionally, the policy encompasses provisions for the recruitment of relatives of deceased employees due to work-related fatalities, as well as for filling vacancies by members of large families, individuals with disabilities, and their relatives.

Over the five-year period from 2019 to 2023, the Company hired four relatives of employees who had tragically lost their lives in work-related accidents.

As of 31.12.2023, PPC employed 135 individuals with disabilities, 206 employees who were part of large families, and 69 relatives of persons with disabilities.

PPC's Employees and Executives Training Policy is designed to meticulously analyse and pinpoint training requirements, ensuring alignment with job descriptions, organizational strategic priorities, and goals, as well as individual empowerment needs.

Furthermore, the policy entails the design, organization, and execution of a comprehensive Training Plan, including the careful selection of both trainees and trainers and staying updated on emerging trends and advancements in specialized areas relevant to the Company's activities, evaluating those training programs to ensure quality and effectiveness, and continuously enhancing them. Additionally, the policy oversees and ensures the seamless operation of Internal Schools and Educational Structures, along with maintaining their equipment to facilitate optimal learning experiences.

Members of the Board of Directors, along with members of its Committees, receive remuneration in accordance with the applicable **Remuneration Policy**. The revised policy was endorsed during the Extraordinary General Meeting of Shareholders on 14.12.2023 and is readily accessible on the Company's website.

The Company employs an **Evaluation System** spanning from the Assistant Manager level to ordinary employees. This system incorporates defined evaluation criteria, performance grading per criterion utilizing bar scales, weighting factors assigned to each criterion, alignment of assessed behaviours with strategic objectives, and transparent disclosure of assessment outcomes to employees. This approach ensures that employees have a clear understanding of the requirements and expectations pertaining to their roles, thereby striving for optimal performance. Furthermore, executives from the Assistant Manager level and above undergo evaluation through the PPC Executives' Variable Remuneration System (EVRS PPC), which serves as an Appendix to the Company's Compensation Policy. This system evaluates executives based on their attainment of predefined goals.

Lastly, the Company extends further benefits to its employees. These include access to a group health/life insurance policy, provision of food vouchers, opportunities for loans and financial aids, allocation of special leaves beyond standard entitlements, provision of a mobile phone device and line, eligibility for reduced electricity consumption tariffs, subsidies for nursery care costs, support for employee training through camps and financial assistance, and recognition through excellence prizes awarded to the children of employees.

HEDNO S.A.

Personnel, remuneration, and procurement policies of HEDNO S.A. are governed by articles 3 to 9 of Law 4643/2019 (Government Gazette vol. A' no 193/03-12-2019).

In terms of educational activities, the SAP system is utilized at the system level for recording purposes. Simultaneously, the Moodle platform is employed, where all courses are uploaded in electronic format (e-learnings).

To address educational requirements, once communicated by the different Divisions and Departments, the People Development & Rewards Department conducts an analysis to identify the most suitable approach for fulfilling these needs. This analysis encompasses evaluating whether to utilize internal resources or engage external partners to meet the identified educational needs effectively.

Since 2023, an initiative has been initiated to document lesson plans for all training programs. Additionally, endeavours are underway to seek certification for training programs through the National Accreditation System (ESYD) whenever feasible.

In 2023, the groundwork for establishing a Centre of Training and Lifelong Learning at HEDNO S.A. was initiated, with completion expected by 2024.

Furthermore, the revised Remuneration Policy for Board Members, Committees, and Executives of HEDNO S.A., alongside the Executive Recruitment Process, was approved during the Company’s Extraordinary General Meeting of Shareholders on 19.12.2022. Subsequent amendments were made during the Minutes of the 70th/22.12.2023 Extraordinary General Meeting of the Company’s Shareholders.

Furthermore, in 2022, the Company established Rules of Operation, encompassing provisions concerning corporate governance matters.

Lastly, HEDNO S.A. operates an employee evaluation system guided by the Special Regulation on Evaluation Sheets. This regulation is accessible to all employees through the Company's internal intranet for their reference.

PPC RENEWABLES S.M.S.A.

Since 2018, the Company has implemented a Human Resources Evaluation System (Decision BoD/341/1/13.04.2018). This system is designed to assess the skills of its human resources relative to their assigned duties and level of responsibility. It also serves to identify training needs, evaluate performance, and correlate performance with remuneration and benefits. Furthermore, executives undergo evaluation based on target setting, in accordance with the Remuneration Policy.

The remuneration for Members of the Board of Directors is established according to the revised Remuneration Policy. This policy was endorsed during the Extraordinary General Meeting of Shareholders on 20.12.2022.

The Board of Directors of PPC RENEWABLES S.M.S.A. has embraced the Recruitment Policy of PPC S.A. This policy is strategically aligned with the operational objectives for the forthcoming years. Its primary goal is to attract competent and proficient candidates capable of navigating the evolving market landscape and facilitating the company's growth aspirations. To effectively attract and select individuals with the requisite skills for each role, the following key principles must be ensured:

- Effective identification of human resource needs.
- Identification of appropriate methods for attracting and selecting the right people.
- Effective utilization of suitable recruitment methods to fill vacancies with suitable candidates.
- Alignment of candidate expectations with company expectations and requirements.
- Adherence to the principle of equal opportunities and equal treatment.
- Promotion of corporate reputation through providing the best candidate experience.

- Gathering necessary documentation.
- Providing a comprehensive compensation and benefits package in accordance with company policies.

Non-Financial Performance Indicators

[ATHEX C-S2 Female Employees]
[ATHEX C-S3 Female employees in managerial positions]
[ATHEX C-S7: Collective Labor Agreements]
[ATHEX A-S3: Gender pay gap]
[ATHEX A-S4: CEO pay ratio]

Indicator/Company	**PPC S.A.**[9]		**HEDNO S.A.**[10]		**PPC RENEWABLES S.M.S.A.**[11]	
(amounts in thousands euros)	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Total number of employees as of 31.12	7,130	7,070	5,885	5,642	159	44
% Female employees in the Company	29.50%	27.80%	25.09%	26.07%	45.28%	31.8%
% of female employees in managerial positions	35%	31.7%	35.53%	32.08%	6.9%	2.3%
% of active employees covered by Collective Labour Agreements	90.6%	97.2%	81.93%	93.65%	33.96%	79.5%
Pay Gap between male and female employees (%)	7.9%	3.43%	0.06%	12.63%	11%	25.28%
Pay ratio of CEO (including employer contributions)	6.80	6.02	2.69	5.03	9.48	3.37
Pay ratio of CEO (without employer contributions)	8.08	7.10	2.68	5.75	7.62	5.03

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[9] **PPC S.A.**
-The total count of employees excludes those with Fixed Term Contracts lasting up to 8 months, individuals with 60 daily wage contracts, employees on secondment to insurance institutions, and those transferred to PPC RENEWABLES S.M.S.A.
-The gender pay gap within PPC S.A. is not a result of discriminatory remuneration practices based on gender. Remuneration structures consider allowances tied to job position characteristics, impacting total regular compensation. For instance, positions in mines and power plants, predominantly filled by male employees, may influence these discrepancies.
- The total count of employees encompasses PPC staff with open-ended contracts, executives under three-year contracts, PPC RENEWABLES S.M.S.A. personnel assigned to PPC, personnel seconded to insurance companies, temporary staff on 8-month contracts, temporary staff with 60-day contracts during the year, OAED-IEK trainees, and student trainees.
[10] **HEDNO S.A.**
- Gender Pay Gap and CEO Pay Ratio indicators are calculated using data solely from the total gross salaries of regular personnel, including executives, drawn from the 2023 costings.
- The calculation for the percentage of women in managerial positions was based on statutory positions and relevant duties assignments (such as Assistant Director, Head of Unit, and executives of higher levels), rather than the indicator's defined criteria (i.e., 10% of employees with the highest total remunerations). If the proposed measures by HEDNO S.A. are implemented, the calculation will encompass not only employees in managerial roles but also others, primarily technicians, the majority of whom are men. These individuals may receive increased remunerations due to factors like overtime and increments. The calculated percentage of women, using the same methodology, amounts to 10.73%.
[11] **PPC RENEWABLES S.M.S.A.**
-As of 31.12, the total number of employees comprises the following: In 2023, there were 89 individuals with a dependent employment relationship, with an additional 10 employees assigned by PPC S.A. Moreover, 32 employees from PPC S.A. (BOK RES) rendered support services to PPC RENEWABLES S.M.S.A. during 2023. Additionally, the total count of employees includes 28 external partners.
- As of 31.12 the total number of employees also considers that in 2022, 33 individuals were hired with a dependent employment relationship, and 11 employees were transferred to the company from PPC SA.

Occupational Health and Safety

Policies and Due diligence procedures

PPC S.A.

The health and safety of employees is of paramount importance to PPC S.A. The Company's recently updated **Occupational Health and Safety Policy**, accessible on the Company's website https://www.dei.gr/el/dei-omilos/anthropino-dynamiko/ygeia-kai-asfaleia-stin-ergasia/politiki-yae/) is committed to implementing all necessary measures and allocating resources to ensure the protection of personnel's lives, physical well-being, and mental health.

According to the policy, fostering a healthy and safe workplace for all employees, associates and visitors is central to the business strategy of PPC. The Company is committed to continuously enhancing the work environment, improving the quality of work performed, and prioritizing the satisfaction and well-being of employees across all units.

The Management and all levels of hierarchy are committed to the following:

- Compliance with regulatory requirements of applicable legislation on occupational health and safety, as well as with the company's procedures and regulations.
- Prevention and elimination of occupational hazards at their source through scientific and systematic risk assessment in workplaces.
- Ensuring health conditions and preventing occupational injuries and diseases to eliminate accidents.
- Systematic information dissemination to workers regarding workplace risks and training them on rules, regulations, and safe working practices.
- Cultivating an internal culture that fosters safe working behaviour.
- Continuous improvement of working methods and means to reduce hazards by providing employees with advanced personal and collective protective equipment.
- Imposing obligations on external partners to comply with health and safety measures and adopt a responsible policy.
- Collaboration with relevant authorities and neighbouring industries to implement joint health and safety measures and procedures to prevent large-scale industrial accidents.
- Consulting with employees' representatives and trade unions on the implementation of occupational health and safety rules.

The Occupational Health and Safety Department, tasked with addressing these concerns, has achieved certification with the ELOT EN ISO 9001:2015, EN ISO 45001:2018, and ELOT EN ISO 14001:2015 certificates for its integrated Quality, Environment, and Occupational Health and Safety Management System. Furthermore, the Department is licensed as an External Protection and Prevention Service Provider, empowering the Company to deliver protection and prevention services to both internal and external clients of the PPC Group.

The Company employs a substantial workforce comprising occupational physicians, safety technicians, nursing staff, and auditing physicians, underscoring its commitment to fostering a culture centred on occupational safety. Notably, the company conducts personnel emergency response and preparedness training, safety measure training programs, and ensures the distribution of all necessary Personal Protective Equipment (PPE). It also conducts measurements of harmful factors in the workplace and carries out occupational risk assessment studies. Additionally, third-level Health & Safety Inspections are conducted by Joint Inspection Committees, comprising executives from the Occupational Health and Safety Department and the General Departments.

The Company offers psychological and social worker services to its employees, demonstrating a strong commitment to their well-being. Furthermore, the Company maintains a high level of awareness regarding the timely dissemination of information and implementation of measures in response to epidemic viruses.

HEDNO S.A.

The company diligently implements all necessary measures and possesses the requisite resources to safeguard the life and health of its personnel, contractors' personnel, visitors, and anyone accessing its units and facilities.

The Occupational Health and Safety Department is responsible for overseeing health and safety matters, with a focus on fostering a safe working environment and continuously improving work methods by providing necessary equipment. The Department's goal is to prevent occupational hazards, minimize work-related accidents, and promote overall well-being by systematically informing employees about workplace hazards and providing adequate training on safe working practices.

In compliance with the legislative framework, the Occupational Health and Safety Department employs a sufficient number of safety technicians and occupational physicians. These professionals provide consultation on the implementation of safe working methods and the adoption of necessary protective measures. The department's primary focus is on shaping and promoting a safety culture within the Company.

PPC RENEWABLES S.M.S.A.

PPC Renewables S.M.S.A. is in complete alignment with the Health and Safety Policy of its parent company, PPC S.A. It has adopted and effectively implemented Health and Safety procedures of the Group. Moreover, PPC Renewables S.M.S.A. has established an agreement with OHSD/PPC, a licensed External Prevention and Protection Service Provider (EPPSP). This partnership entails consultation on occupational health and safety matters, continuous support for hazard assessment, emergency response planning, legislative compliance, and more while it offers Occupational Physician services to PPC RENEWABLES S.M.S.A.

Moreover, the Company has established a Quality, Occupational Health and Safety Policy, which integrates procedures such as P.10 (Occupational Health and Safety Risk Identification and Employee Safety Management Process), P.11 (Procedure for Preparing and Responding to Emergencies) and P.08 (Procedure for Identifying and Monitoring Legislative and Other Requirements) into the integrated Quality, Health Safety & Environment System in accordance with ISO 9001, ISO 14001, ISO 45001 standards.

Non-Financial Performance Indicators

Indicator/Company	**PPC S.A.**		**HEDNO S.A.**		**PPC RENEWABLES S.M.S.A.**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Total Number of Employee Accidents[12]	80[13]	63	93[14]	86	-	1
Total number of employee accidents according to ESAW [15]	38	30	38	37	-	-
Total number of fatalities involving employees	-	-	-[16]	-	-	-
Total number of fatalities involving staff of contractors	-	-	1	3[17]	-	-

[12] Total number of accidents, not identical to the ESAW methodology, for PPC S.A., HEDNO S.A. and PPC RENEWABLES S.M.S.A. The total Number of Accidents for 2022 is sourced from the Sustainability Report of the same year (p.176) as accidents not included in the ESAW methodology were not reported in the 2022 NFR.

[13] This represents the total number of injuries, non-fatal incidents of PPC S.A. employees (regular and temporary staff). Includes incidents during travel to and from work and incidents with zero days of absence. The number excludes pathological incidents (which is an additional 44).

[14] 73 of those accidents caused absence from work.

[15] The methodology is based on the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition" which is also followed by the European Agency for Safety and Health at Work (ESAW) EU - OSHA and EURELECTRIC. The number of accidents has included all accidents that have occurred during the work of regular and seasonal/temporary staff and have caused an absence from work of more than three (3) calendar days. Accidents on the way to and from work and pathological incidents, which are (statistically) treated separately, have not been included.

[16] Death from pathological causes.

[17] Fatal accidents (3 deaths in total).

4. Social Issues

Policies and Due diligence procedures

For PPC Group, contribution to local communities is deeply intertwined with business activities. This commitment ensures a sustainable future not only for local communities and stakeholders but also for the Group itself.

Considering sustainability priorities and social issues, PPC Group Companies actively respond through a combination of social actions, business model integration, and operational strategies. These initiatives encompass developing local communities and economies, alleviating poverty through sponsorships and donations, promoting quality education and professional orientation for young individuals and undertaking environmental actions aimed at improving local and broader environmental conditions. These efforts are guided by the principle of Creating Shared Value for all stakeholders—society, environment, and economy. Additionally, the Group organizes activities consistently over time, spanning health, sports, culture, and education domains, with the overarching goal of maximizing long-term positive impact.

Furthermore, the Group is dedicated to continually enhancing the policies and practices to generate a positive impact. This commitment involves integrating frameworks, techniques, and social innovation tools and ensuring their effective implementation. Practices include the development of suitable strategies, meticulous planning and execution of actions, thorough due diligence procedures, as well as setting targets and measuring outcomes of social innovation initiatives. These efforts are designed to optimize actions associated with the PPC value chain, thereby maximizing the Group's contribution and social impact, both directly and indirectly.

Customer-centric approach - Care for vulnerable customers

PPC S.A.

PPC remains responsive to the demands of our era, continuously enhancing its services to provide prompt and efficient solutions to its customers. A testament to this commitment is the improvement of PPC's products, highlighted by the introduction of the new electricity product for residential users, myHome 4All. This innovative offering incentivizes energy-saving behaviours by rewarding consumers. Additionally, recognizing the diverse needs of businesses, PPC S.A. introduced the new variable products myBusiness 4All and myBusiness 4All+, catering to consumers with energy consumption levels up to 10 MWh and over 10 MWh respectively. Moreover, to promote sustainable energy practices, PPC developed photovoltaic installation products such as myEnergy SolarNet and myEnergy SolarShare. These offerings empower consumers to become energy producers themselves, whether for self-consumption or for supplying energy to the national grid.

In 2023, the first experiential pavilion made its debut at Golden Hall, aiming to educate children about sustainability, responsible development, and fostering a green mindset. This innovative space also offered information and showcased PPC products to interested visitors. Furthermore, the ongoing upgrade and refurbishment of PPC stores across the country continued, with a focus on enriching the customer-company relationship and enhancing overall quality of life for customers.

PPC's initiatives were further bolstered by strategic partnerships aimed at rewarding customers and simplifying their daily lives. The introduction of the myRewards Miles and myRewards Coupons programmes is designed to empower customers to maximize the benefits of their association with PPC. These programs seek to provide additional value and convenience to customers, fostering stronger connections and enhancing overall satisfaction.

In 2023, consultation continued to be a cornerstone of the strategic approach through the PPC myEnergy communication platform. This platform offers guidance on energy and sustainability matters, along with digital energy-saving tools like PPC myEnergyCoach. The focus was on initiatives promoting new customer services aimed at enhancing accessibility and streamlining processes, exemplified by myDEI and E-contract. These efforts underscore PPC's commitment to providing comprehensive support to its customers while advancing sustainability goals.

Lastly, recognizing the challenges confronted by its consumers amidst the energy crisis, PPC fully executed the State's support measures. This entailed incorporating subsidies for eligible customers in both electricity and natural gas sectors. Additionally, PPC extended favourable solutions to facilitate bill payment, including interest-free instalment options through credit cards and favourable settlement programs tailored for customers experiencing severe economic hardships. These measures exemplify PPC's commitment to supporting its customers during challenging times and ensuring their well-being remains a top priority.

HEDNO S.A.

HEDNO S.A. provides a diverse range of services to customers. As part of the Company's Digital Transformation initiative, consumers are empowered to manage their needs conveniently through dedicated applications accessible via the company's website. Through these applications, consumers can effortlessly submit requests related to property electrification, cancel existing requests, or undertake various actions concerning their current connection. These actions encompass applying for night-time electricity, requesting power increases, submitting communication requests, and even applying for charging stations, photovoltaic systems on their roof, or exploring and applying for other types of Renewable Energy Sources (RES) and Combined Heat and Power (CHP) stations.

Since 2021, the "Online Damage Report" feature has undergone enhancements, enabling consumers to promptly report any hazardous situation on the network. This includes incidents such as broken power poles, fallen trees on the network, or foreign objects affecting the network's integrity. Reports of such dangerous situations are swiftly transmitted to the appropriate technical service, expediting the repair process, and ensuring the safety and reliability of the network.

As an alternative to accessing services via the HEDNO S.A. platform, consumers have the option to download the My DEDDIE App on their mobile devices, including smartphones and tablets. Through this user-friendly app, they can conveniently register their meter readings and report any faults in their electricity supply. This streamlined process provides consumers with easy access to essential services while enhancing their overall experience with HEDNO S.A.

In 2023, the online application for electric vehicle charging requests underwent significant enhancements, introducing new features such as dynamic fields, registration checks, and information messages. These improvements were aligned with developments in the Registry of Infrastructure and Electrification Market Operators, enhancing the cross-referencing capability of information. Additionally, a mobile application was developed to mirror the features available on the web application. As a result, the application process has been streamlined, enabling customers to submit their requests with greater ease and efficiency.

A total of 1,053 applications were submitted, with 214 of them pertaining to Medium Voltage. Leveraging the quality of incoming information, statistical data has been extracted concerning the type and power of chargers installed on the Network. This data aids in preparing the Network more promptly and efficiently to provide direct customer service for new electrification connections. Moreover, an algorithm has been developed to identify delays in the implementation of electric vehicle charging requests, with plans for further enhancements in efficiency anticipated in 2024.

Furthermore, in the first half of 2021, the HEDNO S.A. website introduced a digital assistant named "Kyros." This digital assistant accepts visitors' queries and offers answers and guidance through continuously updated and enriched content covering all categories of provided services. Operating successfully, Kyros serves as an immediate and effective information and guidance tool for interested citizens. In 2022, the digital assistant was further enhanced with web chat, Messenger, Facebook, and Viber options, expanding its accessibility and usability across various platforms.

Finally, in early 2022, the new telephone line 800 400 4000 commenced operations, offering free-of-charge telephone services for information provision, request handling, and reporting of faults/electricity outages. This new number provides nationwide coverage and calls made to it, whether from a landline or a mobile phone, are not subject to any charges. The Customer Service and Fault Reporting Call Centre of HEDNO S.A. operates 24/7 and offers support in both Greek and English languages. Throughout the year 2023, the Call Centre received and answered a total of 3,996,802 calls.

Non-Financial Performance Indicators

The table below depicts the amounts allocated to donations and sponsorships, support to local communities and bodies/organisations:

Indicator/Company	**PPC S.A.**		**HEDNO S.A.[18]**		**PPC RENEWABLES S.M.S.A.**	
(amounts in thousands euros)	**2023[19]**	**2022[20]**	**2023[12]**	**2022**	**2023[12]**	**2022**
Social Contribution-Amounts allocated to donations and sponsorships, support to local communities and bodies/organisations	10,212.5	6,441.5	1,032	874.7	148	149.06

The table below depicts the frequency of service interruptions for the year 2023 according to the data provided by HEDNO S.A.:

Index/Financial year	**2023[21]**	**2022**
System Average Interruption Frequency Index (SAIFI) (number of interruptions per customer)	1.83 interruptions/customer	1.81 interruptions/customer
System Average Interruption Duration Index (SAIDI) (annual interruption time in minutes per customer)	138 minutes/customer	137.99 minutes/customer

5. Combatting Corruption and issues relating to bribery

Policies and Due diligence procedures

PPC S.A.

PPC S.A. is committed to upholding ethical standards and combating corruption through its Code of Ethical Conduct, **Anti-Corruption** and **Bribery Policy**, and other components of its "**Ethical and Business Conduct Program**" (referred to as the Program). The company unequivocally rejects all forms of corruption and any actions or oversights that could undermine its reputation and credibility.

[18] Sponsorships are presented with the inclusion of a 2% screening fee.
[19] The amounts refer to donations-grants accounted for from 01.01.2023 to 31.12.2023.
[20] The data includes contributions from companies Lignitiki Megalopolis Monopotiki S.A. and Lignitiki Melitis Monopotiki S.A., as they were merged with the parent company PPC S.A. in 2022.
[21] The indicator values for 2023 have been calculated. However, please note that these values may be subject to change as the company is still in the process of further processing the data.

Throughout 2023, PPC S.A. focused on enhancing transparency and legal compliance within its operations, aiming to foster a culture of ethics and integrity.

- The Company implemented training initiatives for both its existing executive personnel and newly recruited employees.
- The Company established a Network of Compliance Correspondents, often referred to as "train the trainers." This network serves as a cooperative platform connecting the Business Units/Divisions & Departments of the Company with the Compliance Management Department. The primary goal is to raise awareness about compliance matters among the various units and departments, enabling more effective prevention and resolution of such issues. This initiative is anticipated to be adopted at a group level, ensuring consistency and alignment across the organization.
- Moreover, a consultation line (**Help Line**) was developed to provide employees with enhanced support on Compliance and Business Ethics issues.
- The Conflict-of-Interest Policy (No. 75/17.10.23 Board Resolution) was revised to expand its coverage and enhance mechanisms for early detection and monitoring of such occurrences within the organization. Notably, this included the establishment of a **Conflict-of-Interest register** managed by the Compliance Management Department. The register includes assessments of declared situations and recommended measures by the Compliance Management Department. Additionally, a digital platform for submitting and registering Conflict-of-Interest declarations of responsible individuals was developed and implemented for the first time in the 2023 Annual Statements.

Furthermore, the revised policy incorporates specific provisions to ensure compliance with the "Ethical and Business Conduct" Program's Policies, which serve as the company's internal regulatory framework for Counterparty Selection. For instance, counterparty selection in the Regulations for Works, Supplies, and Services of PPC S.A. (RWSS/PPC) now requires counterparties to sign a Certificate of Recognition of the Company's Code of Conduct. It also mandates the declaration of the absence of any conflict of interest throughout the counterparty selection process, both by employees involved in the process and bidding suppliers. Additionally, candidates with convictions related to corruption, bribery, participation in criminal organizations, terrorist activities, child labor, money laundering, fraud, or labor law violations sanctions are excluded from consideration.

The Company actively implements measures to prevent and combat money laundering and terrorism financing, as outlined in Law 4557/2018 and the company's Anti-Money Laundering Policy. To evaluate the effectiveness of these procedures, a sample audit was conducted.

Furthermore, in 2023, sample audits were carried out in operational areas to gauge compliance with the Program's Policies (ongoing monitoring) and to strengthen the effective implementation of the Company's Policies.

In cases of corruption that are brought to attention, whether through a complaint or following an investigation conducted by a Head of Unit and/or the Internal Audit Department, the Company takes disciplinary action against the involved employees in accordance with the provisions outlined in Chapter F of the Staff Regulations. Due to the seriousness of the misconduct attributed to employees in such cases, the CEO reports these disciplinary proceedings to the Primary Disciplinary Board, which has the authority to impose sanctions as specified in the Staff Regulations (Articles 26 and 32 of the Staff Regulations). Incidents of misconduct that constitute criminal offenses are reported to the appropriate judicial authorities. It should be noted that the Enforcement Policy & Report/Complaint Handling Procedure complements the aforementioned procedure with additional provisions (in proportion to those outlined in the Staff Regulations), in order to address potential violations by employees/executives whose contracts are not subject to PPC's Staff Regulations.

In accordance with the Enforcement Policy & Report/Complaint Handling Procedure, in 2023, the Whistleblowing Officer, an officer within the Compliance Management Department, received reports via the reporting channels of the Company regarding violations of Policies, the Revised Code of Conduct, and the Rules of Operations.

The Company remains committed to developing and implementing mechanisms and procedures to enhance the effectiveness of actions aimed at promoting integrity and transparency, combating corruption, and increasing awareness among its employees and partners.

HEDNO S.A.

Since May 2021, HEDNO S.A. has a Code of Conduct in place, which was recently replaced in December 2023 by a more detailed version. Under the previous Code of Conduct, critical aspects included those outlined in Article 11 regarding bribery issues, as well as Articles 3, 8, 9, 10, 16, 18, and 20 concerning business ethics in general. These Articles contained provisions addressing anti-bribery issues and broader business ethics and conduct.

Regarding the recently adopted Code of Conduct of HEDNO S.A., key provisions include Article 15 on corruption, Article 16 on gifts and hospitality, Article 10 on transparency and reliability, and Article 17 addressing theft, fraud, and plagiarism. Additionally, other relevant provisions from the Code of Ethical Conduct, such as Article 2 on compliance with laws and regulations, Article 12 on relations with third parties, and Article 19 on conflict of interest, are considered particularly significant.

Additionally, the recently adopted Operating Regulations of HEDNO S.A. (August 2022) contain significant provisions related to business ethics and anti-bribery issues. Notably, articles 21 - 24 focus on the Company's Internal Audit System, article 26 addresses Conflict of Interest, and article 27 pertains to money laundering and financing of terrorism. Currently, the Company does not have standalone or distinct policies or codes specifically dedicated to business ethics or anti-bribery. However, it's important to highlight that the Anti-Corruption and Anti-Bribery Policy of the BPA is in the final stages of development.

PPC RENEWABLES S.M.S.A.

PPC RENEWABLES S.M.S.A. operates under a Code of Conduct that includes the following policies:

1. Anti-Corruption and Anti-Bribery Policy,
2. Conflict of Interests Policy,
3. Policy against Violence and Harassment at Work,
4. Human Rights Policy,
5. Enforcement Policy & Report/Complaint Handling Procedure and

Non Financial Performance Indicators

Indicator/Company	PPC S.A.		HEDNO S.A.		PPC RENEWABLES S.M.S.A.	
	2023	2022	2023	2022	2023	2022
Criminal court convictions for matters falling under the criminal offences of corruption, abuse of power, embezzlement, theft, fraud, bribery, accepting bribery, fraud, forgery, false certification or falsification of documents, use of false certification and official secrecy violation (number of court decisions [22]	1[23]	-	-	-	-	-
Employees on whom the Company has imposed disciplinary sanctions in relation to offences of corruption, abuse of power, embezzlement, theft, breach of trust, bribery, accepting bribery, fraud, forgery, false testimony or falsification of documents, use of false certification and official secrecy violation (number of employees)[24]	-	4	2	-	-	-

6. Respect for Human Rights
[ATHEX C-S6 Human Rights Policy]
[ATHEX C-G6 Data security policy]

Policies and Due Diligence Procedures

PPC S.A.

PPC is committed to upholding and defending human rights, firmly denouncing child labour, forced and compulsory labour, along with any kind of discrimination. The emphasis on human rights in the workplace mainly involves:

- Providing equal opportunities in the recruitment, placement, training, remuneration, and promotion process within the Company (Code of Conduct § 1 and 2),
- Ensuring the health and safety of its employees (PPC Health and Safety at Work Policy and Code of Conduct § 3) and its contractors' employees (Management Decisions),
- Compliance with applicable legislation on remuneration, working hours, overtime and allowances for PPC's management, executives and staff (Remuneration Policy of Board Members and its Committees, and the Recruitment and Remuneration Policy of Corporate Executives, PPC Staff Regulations, PPC enterprise-specific collective labor agreement, etc.),

[22] These are final judgments of criminal courts. The indicator applies on employees carrying out their duties within the Company. The indicator refers to regular, temporary, or seasonal personnel excluding seconded staff, contractors and their personnel.
[23] According to the criminal court, PPC's damages amounted to €3,323,845.55.
[24] The disciplinary sanctions imposed in 2023 are applicable to employees who did not hold any managerial position within the hierarchical structure.

- Freedom of association and collective bargaining (collective labor agreements, etc.),
- Prohibiting the employment of individuals under the age of 18,
- Condemning discrimination, harassment, offensive or inappropriate behavior, unfair treatment, or reprisals of all kinds (PPC Staff Regulations, Chapter D, article 19 and article 26 par.3 Code of Conduct§ 13).: The Company has in place a Policy against Violence and Harassment at Work, in compliance with Law 4808/2021 for labor protection, which was approved by the Board of Directors' Decision No18/01.03.2022,
- Ensuring a work-life balance for its employees (PPC Staff Regulations, Collective Labour Agreements, Management Decisions, etc.),
- Providing incentives to stimulate enhanced employee performance, increase productivity and reduce absenteeism (CEO Decision).

Board of Directors' decision No 54/6.6.2022 established the Human Rights Policy of the Company:https://www.dei.gr/el/dei-omilos/i-dei/etairiki-diakivernisi/kodikes-kanonismoi-kai-politikes/

The Policy establishes a framework for promoting and safeguarding human rights, both within the Company and in its broader sphere of influence.

The Policy reflects PPC S.A.'s firm commitment to zero tolerance towards human rights abuses. It aims to avoid violations by those within its purview and to steer clear of dealings with third parties who have been reliably accused (at least through an initial court ruling) of such violations. Additionally, the Policy aims to enhance the understanding and commitment of employees and all associated parties, towards upholding and protecting human rights across all aspects of the operations of the Company, as well as within its subsidiaries.

The Policy is binding for:

i. Members of the BoD
ii. Executives
iii. Employees with dependent employment contracts, service providers under salaried or non-salary contracts, project contracts, independent services and temporary employment contracts, trainees, interns and volunteers, and employees of third-party service providers.

PPC S.A. ensures collaboration with suppliers and other third parties that uphold similar operational policies. The Company takes proactive measures and strongly advocates for, respects, and safeguards human rights, including:

- Life, Health, and Safety at work
- Appropriate working conditions
- Freedom of association and collective bargaining
- Prohibition of Discrimination/Violence and Harassment at work
- Child Labour
- Slavery, forced labour, and human trafficking
- Personal Data Protection
- Anti-corruption
- Protection of the Environment
- Local Community Rights
- Disciplinary practices

Employees are expected to adhere to the principles and regulations outlined in the Policy. Any breach of the Policy is not tolerated and may lead to sanctions as per the prevailing regulatory and legislative framework.

Each employee who becomes aware of a breach of this Policy by another employee shall report that, in accordance with the provisions of the Company's "Sanctions and Whistleblowing Policy".

In terms of **non-discrimination** in employee promotions:

- in 2014, women occupied 17% of managerial positions of the Company, while in 2023 they held 35%, representing an increase of 105.9%
- in 2014, women accounted for 31.5% of middle managers, while in 2023 the corresponding percentage amounted to 47%, representing an increase of 49.2%
- the percentage of women among all graduates from which the Company's managers are selected, was approximately 36% in 2021. By 2023, this figure increased to 39%

Cybersecurity

In 2023, the Company underwent a major cybersecurity transformation. This effort led to a substantial enhancement of the corporate information security framework and systems. The upgrades were made to align with regulatory obligations and to adhere to industry best practices and standards, such as NIS, ISO27001, and NIST CSF. The framework is designed to protect the confidentiality, integrity, and availability of the Group's Information Technology (IT), Industrial (OT), and Telecommunications (Telecom) systems. The framework includes the key security requirements for the following areas and is supported by the corresponding processes:

- Cybersecurity risk assessment
- Cybersecurity risk management of the supply chain
- User authentication and access control management
- Security of systems and applications throughout their life cycle
- Detection and management of threats, security gaps, and vulnerabilities in systems and networks
- Incident monitoring in systems and networks and management of security incidents
- Awareness- and training of its personnel and partners regarding information security.

Personal Data Protection

PPC places a strong emphasis on safeguarding the privacy and security of personal data for both employees and stakeholders. In accordance with the General Data Protection Regulation (GDPR) EU 2016/679 and L. 4624/2019, the Company has implemented a comprehensive set of Policies and Procedures to rigorously protect the personal data of its employees, customers, and partners. Specifically:

- By Decision No. 147/23-11-2021, the Board of Directors approved the updated Personal Data Protection Policy.
- A series of communication and training activities have been carried out to raise awareness of data protection issues.
- Preparation and updating of Data Protection Impact Assessment (DPIA) studies, respecting the methodology/mechanism of the French Data Protection Authority (CNIL) for critical business processes.
- A special procedure for the drawing up of a Data Processing Agreement (DPA) has been included in the Regulations on Works, Procurements and Services.

Freedom of Association

PPC endorses employees' right to form and join unions. Employees are involved in numerous unions, enabling reciprocal communication with the Company’s Management. Key employment policies are the main subject of negotiations between the Management of the Company and these unions. There are two major Federations in the Company— the General Federation of PPC Electricity Sector Personnel and the Electricity Industry Workers’ Federation — in addition to 29 first-level unions.

Moreover:

- Employees-unionists are protected by relevant legislature (regarding transfers and postings of employees).
- Trade union participation is supported through designated leaves, in addition to those mandated by relevant labor laws, as outlined in the Collective Labor Agreement.
- Enterprise-specific collective labor agreements are signed, usually with a 3-year duration, following collective bargaining (in effect from 24.3.2021 with a 3-year duration).

HEDNO S.A.

HEDNO S.A. introduced a Code of Conduct in May 2021, which has recently been replaced (December 2023) by a more comprehensive and detailed version. Notably, the previous Code of Conduct contained critical provisions related to human rights protection in Articles 2, 3, 8, 13, and 14. The newly adopted Code of Conduct for HEDNO S.A. emphasizes several key areas, including human rights (Article 3), working conditions (Article 4), health and safety (Article 5), social responsibility and accountability (Article 6), prohibition of violence and harassment at work (Article 14), and protection of personal data (Article 21). These provisions, along with other relevant articles, contribute to shaping the Company’s ethical framework. Additional areas covered by the Code include compliance with legislation, environmental considerations, continuous improvement, and innovation.

Furthermore, relevant provisions related to this issue are also included in Articles 29 and 30 of the recently adopted (August 2022) HEDNO S.A. Regulations on training of the Company's executives and sustainable development. At present, HEDNO S.A. does not have separate/distinct policies/codes in the field of human rights, although significant additional regulations in these fields are contained, as mentioned above, in the recently adopted Code of Conduct.

Personal Data Protection

HEDNO S.A. has a Data Security Policy, briefly described on the website https://deddie.gr/en/oroi-xrisis-asfaleia/politiki-prostasias-prosopikon-dedomenon/
The main data protection standards which the Company recognizes and/or commits to are:

- GDPR,
- NIS,
- ISO 27001:2013 [25]and,
- National Cyber Security Strategy (2020-2025).

PPC RENEWABLES S.M.S.A.

Since 2022, the Company has adopted a Human Rights Policy by decision of its Board of Directors.

PPC RENEWABLES S.M.S.A. has publicly displayed the Data Security Policy on the website of the Company (ppcr.gr/en/privacy-policy). Regarding data security, the Company has a Backup Policy for digital data and informs stakeholders about the processing of personal data.

Non-Financial Performance Indicators

Indicator/Company	PPC S.A.		HEDNO S.A.		PPC RENEWABLES S.M.S.A.	
	2023	2022	2023	2022	2023	2022
Court convictions on incidents of human rights violations in the workplace (number of incidents) [26]	-	-	-	-	-	-
Employees subject to disciplinary penalties by the Company for incidents of human rights violations in the workplace (number of employees)	-	-	-	-	-	-

[25] The Company follows ISO 27001 and the renewal of the certification is pending.
[26] The index refers to final judicial decisions of criminal courts and pertains to employees/contractors of the Company in the course of their duties as employees of the Company.
Note that in the data for 2022, the value zero (0) for the indices was represented by the symbol "-".

7. Responsible Supply Chain

Policies and due diligence procedures

PPC S.A.

PPC S.A. engages in contractual agreements with suppliers, to meet the material and service needs of the Company, as well as to execute technical projects. Whenever possible, PPC S.A. prioritizes local suppliers, aiming to support and foster the growth of local economies.

After completing the Company's Share Capital Increase on 16.11.2021 and subsequently changing the composition of its Share Capital, with the Greek State now holding a 34.12% stake, PPC is no longer subject to several provisions, including Directive 2014/25 and Law 4412/2016, as amended. However, Article 9, paragraph 4, of Law 4643/2019, which states that contracts for works, procurements, and services of PPC S.A. are awarded in accordance with the Company's 'Regulations on Works, Procurements, and Services,' remains into effect. Consequently, starting from 2022, the procedures for awarding procurements, services, and works are carried out based on the provisions outlined in the Regulations on Works, Procurements, and Services of PPC (Decision no. 4/09.02.2022 of the PPC Board of Directors), the Procurement Manual (Decision No. 58/06.06.2022 of the PPC Board of Directors and its 1st Amendment, No. 1/13.04.2023), and the Template Contract Documents (Decision number 70/2022 of PPC's CEO). These documents serve as the internal framework for concluding PPC contracts. The complete text of the Regulations on Works, Procurements, and Services, which govern the awarding procedures, can be found on the Company's website at https://eprocurement.dei.gr/pages/information/).

The procedures for selecting contractors are divided into: Single-Stage Selection Procedures and Multi-Stage Selection Procedures.

The Company maintains regular communication with key suppliers to exchange information regarding the performance of supplied equipment, and to share knowledge with them. The main procurement categories encompass materials such as spare parts and fixed support equipment, services, works, liquid fuels, lignite (sourced from third parties), natural gas, procurement of electricity, and greenhouse gas emission rights.

To ensure compliance with labour and insurance legislation for their employees, PPC includes a general clause in all contracts, which stipulates that repeated non-compliance may lead to contract termination and exclusion from future tender procedures. For each payment made to a contractor (in the aforementioned cases specified in the contract), PPC requires evidence of the contractor fulfilling their labour obligations towards their staff and paying the corresponding employer's contributions. This approach ensures that the Company engages in contracts with contractors who adhere to labour laws and provide insurance coverage for their employees, as mandated by relevant legislation. In 2023, PPC S.A. experienced no incidents of labor law violations by collaborating contractors, specifically:

In relation to contracts overseen by the Supply Chain & Corporate/Commercial Operations' Procurement Department, no instances of labor law violations by contractors were reported in 2023. Similarly, the Telecommunications Procurement Department did not encounter any incidents of labor law violations by collaborating contractors in 2023. The same applies to the Production Operations Procurement Department. Furthermore, no cases of labor law violations by collaborating contractors were identified in 2023 for projects under the responsibility of the Hydroelectric Projects Engineering-Construction Department, as well as for the West Macedonia Lignite Center, the Megalopolis Lignite Center, and the Thermal Projects Engineering-Construction Department.

HEDNO S.A.

The procurement procedures for materials, works, and services will be conducted in accordance with the updated and effective Regulations on Works, Procurements, and Services of HEDNO S.A. as of August 2022. These procedures prioritize transparency and objectivity.

Competitive nagotiative procedures with a budget exceeding €60,000, the Company utilizes the sourceONE platform by cosmoONE for electronic tendering.

Selection procedures outlined in the Regulations of 2022 encompass various methods such as the Open Procedure, the Restricted Procedure, the Negotiated Procedure, the Competitive Dialogue, the Innovation Partnership. Moreover, special economic operator selection systems have been introduced, already in 2021, including the procedure for calling economic operators to participate in prequalification systems for specific categories of materials such as Centrifugal Concrete Poles, MV Measurement Transformers and Synthetic Insulators was launched.

The digitalization of procurement processes is consistently pursued by the Company, with notable examples including the implementation of digital signatures, electronic circulation and approval of tender documents via applications, as well as the introduction of tools such as electronic auctions, which enable the achievement of highly competitive prices. Additionally, the use of Business Intelligence tools for analysing expenses and monitoring performance indicators throughout the tendering and procurement processes helps identify areas for improvement, reduce time and cost parameters, and overall streamline and optimize procedures.

The collaboration of the Company with contractors is governed by strict compliance with labour and insurance legislation for employed personnel, which is ensured by the terms of the contracts agreed upon.

Additionally, on 21.11.2022, Decision No. 197/2022 was issued by the Board of Directors regarding the establishment of committees to assess the adequacy or corrective measures by financial entities related to procurement procedures for project contracts, supplies, and services. This decision includes all the safeguards for the integrity and accountability of the participants.

The aforementioned Committee provides its concurring opinion with reasoned judgment, taking into account the adequacy of corrective measures or self-cleansing measures taken by the financial entity. These measures aim to demonstrate compliance with the prevailing legislation and, by extension, the integrity and reliability thereof, notwithstanding the existence of a relevant reason for exclusion ground.

The principle of "know your supplier" was applied the previous year for the procurement of critical materials. This was done through a supplier selection registry based on specific criteria. The purpose was to expand participant involvement and limit risk by allocating quotas to all economic entities whose materials were deemed compatible with the company's standards.

The operation of the Supply Chain is primarily based on the principles of transparency, objectivity, and equal treatment of economic operators. Adapting to rapid technical, economic, and regulatory developments has made it imperative to revise our organizational model to better serve the purposes of the Company.

At the regulatory level, two significant projects were completed in 2023:

A. The analysis and acquisition of the Company's Procurement Manual[27], which mainly focuses on three levels:

1) the strategic approach to suppliers, through extensive market research aimed at maximizing the possible benefit for the Company from strategic partnerships with suppliers, ensuring not only the quality of the products/services but also their timely delivery.
2) the continuous evaluation of all economic operators contracting with the Company, and
3) the standardization of procurement processes at all stages.

All of the above are achieved through Key Performance Indicators (KPIs), archetypes, spend analysis, etc., for each procurement type.

[27] The implementation of the Procurement Manual is expected to be completed within 2024.

B. Next stage for 2024: Revision of the current Regulation on Works, Procurements, and Services aiming at optimizing and simplifying the procedures for completing projects through the development of special contract award systems in agreement with the national and EU legal framework (Directive 2014/25) and the nature of HEDNO S.A.'s activities.

The operation of the Company’s ERP information system is being redesigned. Specifically, the SAP MM module for supply chain management. This redesign aims to optimize the systematic monitoring of the procurement cycle.

Finally, the comprehensive implementation of labour and insurance legislation, as well as legislation regarding health and safety in the workplace, applies not only to the Company itself but extends as an obligation to every contractor as a central policy of the Management. Towards this, the selection of contractors follows a strict set of evaluation criteria, leading to the exclusion of those who do not meet the established strict criteria, protecting the integrity and reputation of the Company. The unwavering implementation of the above resulted in zero incidents of violation for the year 2023.

PPC RENEWABLES S.M.S.A.

In 2022-2023, the selection procedures for contracting parties in Works, Procurements, and Services contracts were guided by the Regulations on Works, Procurements, and Services of PPC RENEWABLES S.M.S.A. (The latest version of these regulations was approved by the Board of Directors of the Company in February 2022 and is available on the website of the Company at this link: https://ppcr.gr/images/eprocurement_v2_final.pdf).

The subject of the aforementioned Regulations is the procedures preceding the conclusion of contracts for works, procurements and services of the Company, irrespective of the amount. The procedures, utilized by the Company for selecting its contractors, can be carried out in one or multiple stages, in accordance with the guidelines provided in the Regulations and relevant documents. Additionally, the relevant calls for the initiation of the procedures may be published or sent to selected Interested Parties.

During the implementation of the Selection Procedures, the Company upholds the principles of transparency, equal treatment and non-discrimination of the interested parties, protection of fair and free competition, protection of the environment, and sustainable development. The Company strives to ensure the efficiency of the contracting procedures.

In 2023, PPC RENEWABLES S.M.S.A. did not encounter any incidents of labour law violations by collaborating contractors.

Purpose of the non-financial information

PPC S.A. sets out the content of the non-financial disclosure issues, following the recommendation of the European Securities Markets and Authority (ESMA) and the Securities and Exchange Commission (SEC), included in the SEC's Announcement No.: 401/13/02/2024 regarding the significance of disclosures related to climate and environmental issues for participants in the financial market.

In alignment with the guidelines of the EC, PPC Group S.A. provides the following information on the priorities concerning non-financial reporting issues:

1. Disclosures under Article 8 of the Taxonomy Regulation

PPC S.A. has conducted a thorough analysis and classification of environmentally sustainable activities across the organization and its subsidiaries, including HEDNO S.A., PPC RENEWABLES S.M.S.A. and PPC's activities in Romania, to comply with the Taxonomy Regulation of the European Union (2020/852).

In this context, the Group has incorporated technical data and existing life cycle assessments and evaluations, to identify and gauge the environmentally sustainable business activities and related economic performance, including those of the primary subsidiaries.

Further information is provided in the following subsection "III. Report on the European Union's Taxonomy Classification".

2. Climate-related disclosures of targets, actions, and progress

PPC S.A. prioritizes climate change mitigation and adaptation by reevaluating the sustainability framework. The process included the update of the Sustainable Development Strategy, which is based on the established "Creating Shared Value" (CSV) framework. A key objective within this strategy is to **achieve a zero-carbon footprint (Net Zero) by 2040**, among other goals.

To accomplish this objective, the Group is committed to transitioning towards a low-carbon economy and advancing the development of renewable energy sources, in line with the commitments of the Paris Agreement and the Glasgow Treaty. The target is to limit the rise in average global temperatures to 1.5°C above pre-industrial levels.

In particular, the Group is advancing the lignite phase-out programme, enhancing the deployment of Renewable Energy Sources (RES), and ensuring the effective integration of electromobility within the Distribution Network. Simultaneously, the Group is prioritizing the creation of green hydrogen and the electrification of sectors such as transport and building, in addition to investing in smart grid innovations. These efforts serve as the cornerstone for sustainable growth and enhancing the competitiveness of the Group.

To achieve a net-zero carbon footprint, the Group has established both short-term (2030) and long-term (2040) emission reduction targets. These targets have been submitted for validation by the International Science-Based Targets Initiative (SBTi), which evaluates whether they align scientifically with the necessary reductions to limit the temperature increase to 1.5°C above pre-industrial levels.

Specifically, the stated objectives of the Group are as follows:

- Reduction of total emissions intensity (Scope 1, 2, and 3 (cat.3)) by 74% by 2030.
- Reduction of indirect emissions from other indirect sources, not directly owned or controlled by the Group (Scope 3), by 42% by 2030.
- Achieving a zero-carbon footprint (Net Zero) in all Scopes (Scope 1, 2 & 3) by 2040.

The year 2021 has been established as the baseline for these targets.

PPC S.A. utilizes a methodology in line with the Task Force on Climate-related Financial Disclosures TCFD guidelines of the Financial Stability Board, to pinpoint risks and opportunities related to climate change and the energy transition. The Group has classified climate change-related risks and opportunities into two categories: (a) risks associated with transitioning to a net-zero carbon footprint economy (energy transition risks) and (b) risks arising from changes in climate conditions (natural risks). The assessment and understanding of these risks are enhanced through the implementation of analyses and simulations, taking into account the changing energy landscape and the need to adapt to climate change. The conclusions drawn are used to shape the strategy and develop resilience plans for the operations of the Group.

3. Greenhouse Gas Emissions – Scope 3 GHG emissions

PPC Group considers both its own performance and that of the supply chain by calculating, monitoring, and implementing improvement measures for its Carbon Footprint (CF). The PPC Group's Carbon Footprint, which includes PPC S.A. and the subsidiaries HEDNO S.A. and PPC RENEWABLES S.M.S.A., encompasses both direct (Scope 1) and indirect (Scope 2 and 3) greenhouse gas (GHG) emissions from all activities of each company. These emissions are consolidated from the Carbon Footprints of individual companies within the group.

Currently, the Group is in the process of collecting data to calculate the Carbon Footprint (CF) for the reference year 2023. The same methodology used in 2022, will be applied for 2023, along with verification by an external entity, ensuring consistency and accuracy in the calculation process.

The methodology for calculating indirect greenhouse gas emissions (Scope 3), as well as determining their organizational boundaries was developed based on the criteria defined in both the International Standard ISO 14064-1:2018 and the GHG Protocol. The operational control approach was applied to ensure accuracy and consistency. Additionally, practices from explanatory analytical documents accompanying the GHG Protocol were utilized:

- Technical Guidance for Calculating Scope 3 Emissions (version 1.0) – Supplement to the Corporate Value Chain (Scope 3), Accounting & Reporting Standard.
- Corporate Value Chain (Scope 3) Accounting and Reporting Standard – Supplement to the GHG Corporate Accounting and Reporting Standard.

PPC S.A.

For 2022, PPC S.A. examined all Categories (1-15) according to the GHG Protocol, while the corresponding process for 2023 is underway. The main Scope 3 emissions of PPC S.A. relate to emissions from fuels and energy (Category 3).

HEDNO S.A.

HEDNO S.A. has opted to monitor emissions falling under Scopes 1, 2, & 3 following the GHG Protocol, as well as Categories 1 – 6 according to ISO 14064-1:2018, without any exceptions. The primary greenhouse gas emissions stemming from the value chain activities of HEDNO S.A., which are not directly attributable to its own operations, primarily involve emissions from the supply chain associated with the procurement of goods, fixed assets, and services.

PPC RENEWABLES S.M.S.A.

In 2022, PPC RENEWABLES S.M.S.A. assessed all Categories (1-15) following the GHG Protocol, with the corresponding process for 2023 currently underway. The primary Scope 3 emissions of the Company relate to emissions from the procurement of goods and services (Category 1) and emissions from fixed assets, including new projects that were capitalized or integrated within 2022 (Category 2).

Comprehensive details regarding the Carbon Footprint of each company will be included in the Sustainability Report 2023.

Lastly, the data and information presented in the Non-Financial Report have been compiled and calculated from the databases maintained by the Companies and their respective Departments, supported by various systems, applications, files, and processes.

II. Non-Financial Report of PPC's Group Activities in Romania (25.10.2023 – 31.12.2023)

Introduction

On October 25, 2023, PPC Group successfully acquired the Romanian companies of Enel, marking a significant milestone in the expansion of the Group's main subsidiaries. This acquisition represents PPC's first major venture abroad, allowing the Group to broaden its potential. The deal includes the acquisition of a substantial portfolio of renewable energy projects, including both operational and upcoming projects. Additionally, PPC has gained control over distribution and marketing activities, with the acquired companies already holding a leading position in the Romanian market.

Following the successful acquisition of Enel's Romanian operations, the PPC Group has now expanded its customer base to nearly 9 million. Moreover, the Group's total installed renewable energy capacity, including hydropower, has increased to approximately 4.4 GW. This acquisition has also led to a 40% growth in the regulated distribution asset base. Additionally, all of Enel's electricity generation in Romania is derived from renewable energy sources, which has boosted the proportion of "green EBITDA" in PPC's overall EBITDA and enhanced the relevant ESG indicators.

This section presents the non-financial data of PPC Romania for the period of two months and five days, which corresponds to the time when the companies' portfolio became part of the Group. Therefore, the report only includes performance data from 2023 while operating under the PPC umbrella. The structure aligns with the format of the Non-Financial Report of the PPC Group, as outlined previously.

PPC Romania comprises five distinct business lines, namely PPC Renewables, PPC Retele Electrice, PPC Energie, PPC Advance Energy Services, and PPC Blue. While data is mostly disaggregated across these business lines, efforts have been made to centralize data for PPC Romania where possible, particularly in the subsections of "Labor Issues" and "Responsible Supply Chain".

1. Business Model

PPC Romania's sustainable business model places environmental, social and economic sustainability, together with innovation, at the center of its corporate culture, by implementing a development system based on the creation of value that is shared with all internal and external stakeholders.

PPC Romania consists of five business lines:

- **PPC Renewables Romania** is a dedicated renewable energy company that supplies wind and solar energy to homes, institutions, and businesses throughout the country. The activity of PPC Renewables consist of development, construction, and operation of projects. The company focuses on generating electricity from renewable sources, specifically solar and wind power energy. Currently, the company has achieved a capacity of approximately 100 MW from its photovoltaic parks, and a total installed capacity of approximately 500 MW from wind and photovoltaic power plants in Romania. An impressive investment of €1.13 billion has been made in the renewable energy sector, contributing to Romania's position as a global leader in renewable energy and sustainable practices. Looking ahead, PPC aims to commission new green energy production plants with capacities of around 1.3 GW by 2026.

- **PPC Retele Electrice** comprises three entities: E-Distribuție Banat, E-Distribuție Dobrogea, and E-Distribuție Muntenia, operating in the power distribution sector. Presently, these three companies collectively serve approximately one-third of the local distribution market, distributing around 15 TWh of electricity through a network spanning over 130,000 km. Their operations are focused in three significant regions of the country: South Muntenia, Banat, and Dobrogea.

- **PPC Energie** offers a diverse range of products in its portfolio, including power and gas commodities, bundled commodity products, and value-added services (both soft and hard VAS). The market served by PPC Energie encompasses Business-to-Consumer (B2C), Business-to-Business (B2B), and Business-to-Government (B2G) sectors within Romania.

- **PPC Advanced Energy Services Romania** offers advanced electric energy solutions, providing fast and integrated energy efficiency options that promote sustainable energy consumption for customers. The Company provides Business-to-Consumer (B2C), Business-to-Business (B2B) and Business-to-Government (B2G) services within Romanian frontiers. The product portfolio consists of bundles of products commodity and value-added services including both soft and hard VAS.

- **PPC Blue Romania** focuses on two main categories of activities: reselling charging stations to private customers (B2C, B2B, B2G) and providing charging services for electric or hybrid vehicles through access to public infrastructure. The company primarily targets Romanian customers (B2C and B2B) and offers a range of products, including wall box chargers, fast chargers, and super-fast chargers, along with optional installation and a management platform. Customers can access the public infrastructure network by downloading the relevant mobile application, selecting a product, and making payment via card. Subscription plans with a fixed monthly fee, which includes charging units, are available, as well as a pay-per-use option where payment is based on the charging units used after each session.

  PPC Blue has strategically partnered with third-party suppliers for spare parts, logistics platforms for efficient warehouse management, and an installer network for seamless charging station installation and maintenance. Collaborations with local authorities and private landowners ensure optimal locations for public infrastructure. A robust warranty management system is in place to ensure customer satisfaction, while strategic capitalization and third-party software enhance accessibility, billing, collection, and customer support, forming a comprehensive and efficient electric vehicle charging network.

  In 2023, PPC Blue Romania successfully operated 382 charging points within the public charging network. Throughout the fiscal year 2023, the company installed an additional 33 charging stations, resulting in a total of 66 new charging points. This expansion underscores PPC Blue Romania's commitment to advancing electric vehicle infrastructure and facilitating accessibility for users. Between October 25th and December 31st, under the PPC umbrella, seven new charging stations were installed, accounting for a total of 14 charging points. Looking ahead, the undisclosed plan for the current year aims to install an additional 200 new charging stations, equating to 400 charging points. This ambitious initiative aligns with PPC Blue Romania's commitment to significant expansion and accessibility within the electric vehicle charging infrastructure.

2. Environmental Issues

PPC companies in Romania, as part of the PPC Group are committed to developing a strategic plan in line with the objectives of the Paris Agreement (COP21), the Glasgow Statement of the COP26 summit and the Dubai Climate Pact (COP28) concerning the limitation of the average global temperature increase to 1.5 degrees compared to pre-industrial levels. This commitment is also aligned with Greece's goal of achieving climate neutrality by 2050.

Environmental safety is a crucial aspect of all processes conducted within PPC Romania companies. All companies prioritize the principles of the circular economy, ensuring that the utilization of modern equipment and the employment of pollution-free techniques with minimal environmental impact is considered from the initial stages.

PPC Romania actively supports three key pillars crucial for the energy transition, with a focus on renewable energy generation, digitalized modern grids, and value-added services for consumers:

- **Renewable Energy Sources:** Currently, PPC Romania manages a total installed capacity of 597 MW across 13 wind and solar energy capabilities in Romania. The company has an ambitious plan to commission an additional 1.3 GW of new green generation capacities by 2026, demonstrating a significant commitment to expanding renewable energy infrastructure.

- **Distribution:** Enhancing the existing grid infrastructure and expanding its capacity to accommodate new Renewable Energy Sources (RES) is pivotal for achieving full decarbonization. PPC Romania is actively digitalizing its managed grids, utilizing remote control for various segments and equipment. With over 1.5 million smart meters installed and leading service quality indicators, PPC Romania plays a strategic role in the PPC Group and the broader region, establishing an energy corridor spanning Southeast Europe.

- **Customer-Centric Approach:** PPC Romania envisions digital and smart services tailored for energy retail, recognizing the complexity of the energy transition. The company aims to be a credible and trusted partner for customers, assisting them in making informed choices, from adopting smart home devices to more significant decisions like installing PVs on rooftops or heat pumps. This approach aims to facilitate affordable and environmentally sustainable energy solutions for consumers navigating the evolving energy landscape.

PPC Romania upholds an Environmental Policy across all business lines. Notably, PPC Retele Electrice, PPC Energie, and PPC Blue have already implemented Environmental Management Systems (SR EN ISO 14001:2015), demonstrating a commitment to environmental sustainability. Meanwhile, efforts are underway at PPC Advance Energy Services to establish Environmental Management Systems, reflecting the ongoing dedication to environmental responsibility and aligning with industry best practices. Furthermore, PPC Retele Electrice maintains ISO 50001:2018 - Energy Management System for each of its three companies. This system guides the design and execution of processes in an energy-efficient manner, incorporating the use of cutting-edge technologies to minimize energy losses.

As regards risks related to Climate Change, the three distribution companies of PPC Retele Electice have implemented the STGeo system. This system tracks weather changes and issues weather alerts using meteorological data collected from a network of a few hunderd weather monitoring devices, intalled nationwide. These devices monitor various weather phenomena such as rain, storms, heatwaves, snow, or sleet, tailored to each operational area. The STGeo system operates on a Hazard Impact model, which considers three key factors: hazard, vulnerability, and exposure. By analyzing these factors, the system determines the severity level of the identified risks and promptly issues corresponding alerts.

In addition, the distribution companies have implemented various procedures to prevent and manage emergency situations, and to bolster resilience during crises. These include innovative strategies like the "4R" resilience strategy for electricity distribution networks (Operational Procedure 1968, OP 1969, OP 1970), operational plans for emergency management in electrical distribution networks (OP 2547, OP 2548, OP 2549), protocols for grid operation (OP 903, OP 904, OP 905), measures to prevent dangers like fire in HV/MV substations (Operational Instruction 2236, OI 2237, OI 2238) and measures to prevent risks like vegetation fire incidents affecting electrical installations (OI 2445, OI 2446, OI 2447). Furthermore, there are specific protocols for managing environmental risks and aspects (OI 1737, OI 1744, OI 1745), as well as for addressing environmental, health, and safety emergencies associated with work activities (OP 681, OP 682, OP 683). Additionally, there are protocols for managing and documenting works carried out in exceptional conditions (OI 1953, OI 1955, OI 1956).

PPC Advance Energy Services draws inspiration from the principles of Circular Economy, embracing a new paradigm that minimizes the use of raw materials and prioritizes renewable and secondary prime materials. In this vision of the future economy, solutions are utilized for their maximum lifespan and capacity, aligning with the transformative shift in consumption patterns towards green energy.

In executing its mission, PPC Blue Romania is fully committed to protect the environment by reducing environmental impacts through the application of the best available technologies in all the stages of the business together with contractors and suppliers and taking into consideration a life cycle analysis approach and the circular economy concept. Moreover, the company ensures sustainability by promoting the engagement of employees, customers, and relevant stakeholders to create shared value for communities, future generations, and the PPC Group.

3. Labor Issues

All PPC Romanian companies place a high level of importance on labor issues, actively monitoring and evaluating performance in this area. Moreover, they have obtained accredited certifications to demonstrate their commitment to upholding fair and ethical practices within the workforce. All companies hold certification according to ISO 45001:2018 (SR EN ISO 45001:2018) for Occupational Health and Safety Management System. This certification underscores the commitment of each company to maintaining high standards of occupational health and safety across their operations.
PPC Blue, promotes and strengthens a culture of health, safety, and environmental consciousness for the well-being of all individuals involved in its operations. This commitment entails prioritizing the prevention and management of existing risks, as well as fostering responsible behavior and a questioning attitude towards activity preparation and execution. By doing so, PPC Blue strives to deliver high-quality work without compromising on safety and accident prevention. The company provides all staff and contractors the authority to promptly apply the “Stop Work” Policy in any activity that may endanger the health and safety of people and local communities or that might cause damage to the environment.

Non-Financial Performance Indicators

Indicator/Company	**PPC Romania**[28]
	2023
Total of employees	3,380
% Female employees in the Company	32.00%
% of female employees in managerial positions	35.00%
% of active employees covered by Collective Labor Agreements	99.53%
Pay Gap between male and female employees (%)	1.27%

[28] Consolidated figures for all five business lines: PPC Renewables, PPC Retele Electrice, PPC Energie, PPC Advance Energy Services and PPC Blue. Figures refer to the data as of 31/12/2023.

Non-Financial Performance Indicators

Indicator/Company	PPC Renewables	PPC Retele Electrice	PPC Energie	PPC Advance Energy Services	PPC Blue
	25/10/2023 – 31/12/2023[29]				
Total number of employee accidents according to ESAW[30]	-	-	-	-	-
Total number of fatalities involving employees	-	-	-	-	-
Total number of fatalities involving staff of contractors	-	-	-	-	

4. Social Issues

Social issues hold a paramount significance for all companies, as they actively engage in monitoring and evaluating their performance in this domain. This proactive approach ensures that the companies remain attentive to social concerns and continuously strive to improve their impact on society.

Non-Financial Performance Indicators

The table below depicts the amounts allocated to donations and sponsorships, support to local communities and bodies/organizations for the financial year 2023:

Indicator/Company	PPC Renewables	PPC Retele Electrice	PPC Energie	PPC Advance Energy Services	PPC Blue
(amounts in thousand euros)	**10/2023 –12/2023[31]**				
Social Contribution-Amounts allocated to donations and sponsorships, support to local communities and bodies/organizations	-	10.89[32]	-	-	-

The table provided below illustrates the frequency of service interruptions for the entire year of 2023, as well as for the specific period from 1/11/2023 to 31/12/2023. The data presented is based on the information provided by PPC Retele Electrice and covers all three distribution companies: REB-Retele Electrice Banat, RED-Retele Electrice Dobrogea and REM-Retele Electrice Muntenia.

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[29] The reference period is the duration of two months and five days of the FY2023, for which the companies were under the PPC Group's umbrella.

[30] The methodology taken into account is the “European statistics on accidents at work (ESAW) - Methodology -2001 edition”. The number of accidents includes all work-related accidents involving regular and seasonal/temporary employees, which caused absence from work for more than three (3) calendar days. Accidents occurring while traveling to and from work, as well as cases of sickness, which are examined separately (from a statistical viewpoint), are not included.

[31] The reference period for PPC Renewables, PPC Energie, PPC Advance Energy Services and PPC Blue is from 25/10/2023 to 31/12/2023. For PPC Electrice the reference period from 10/2023 to 12/2023.

[32] REB-Retele Electrice Banat contributed a total of 5628.59 euros towards donations, sponsorships, and support to local communities and organizations. Similarly, RED-Retele Electrice Dobrogea contributed 422.14 euros, while REM-Retele Electrice Muntenia contributed 5005.43 euros towards these initiatives.

Index/Financial year	01/11/2023 – 31/12/2023
System Average Interruption Frequency Index (SAIFI) (number of interruptions per customer)	0.41 interruptions/customer
System Average Interruption Duration Index (SAIDI) (annual interruption time in minutes per customer)	16.5 minutes/customer

5. Combatting Corruption and issues relating to bribery

PPC Romania maintains a vigilant stance in addressing corruption and bribery concerns, having implemented an Anti-Bribery Management System compliant with ISO 37001:2016, which has been obtained by all companies. This system is designed to safeguard against corruption and facilitate ongoing operational enhancements. Key components of this system include the following policies:

1. Code of Ethics
2. Zero Tolerance of Corruption Plan
3. Global Compliance Program

PPC Romania emphasizes clear guidelines for ethical conduct focusing on:

- Prohibiting bribery.
- Ensuring compliance with relevant Anti-Bribery legislation.
- Establishing a comprehensive framework for analyzing and achieving Anti-Bribery objectives.
- Demonstrating a commitment to fulfilling the Anti-Bribery management system requirements.
- Encouraging confidential reporting of bribery indications without fear of reprisals.
- Pledging to continuously improve the Anti-Bribery Management System.

These directives are uniformly embraced by all companies under the PPC Romania umbrella, reflecting a collective dedication to upholding ethical business standards and complying with anti-bribery regulations.

The information is disseminated within the organization through channels such as the intranet or other electronic communication means. Additionally, it is effectively communicated to business partners through inclusion in contractual clauses. This multi-faceted communication approach ensures widespread awareness and adherence to the Anti-Bribery Policy across internal and external stakeholders.

Non-Financial Performance Indicators

Indicator / Company	PPC Renewables	PPC Retele Electrice	PPC Energie	PPC Advance Energy Services	PPC Blue
25/10/2023 – 31/12/2023[33]					
Criminal court convictions for matters falling under the criminal offenses of corruption, abuse of power, embezzlement, theft, fraud, bribery, accepting bribery, fraud, forgery, false certification or falsification of documents, use of false certification and official secrecy violation (number of court decisions)	-	-	-	-	-
Employees on whom the Company has imposed disciplinary sanctions in relation to offenses of corruption, abuse of power, embezzlement, theft, breach of trust, bribery, accepting bribery, fraud, forgery, false testimony or falsification of documents, use of false certification and official secrecy violation (number of employees)	-	-	-	-	-

6. Respect for Human Rights

All PPC Romanian companies uniformly adhere to established human rights and data protection policies, ensuring compliance with the international General Data Protection Regulation Law (GDPR). Key aspects within the GDPR guidelines include:

- Applying the General Data Protection Regulation
- Detecting and Managing Personal Data Breaches
- Managing the Records of Processing Activities
- Employees Data Protection Rights Management
- Clients Data Protection Rights Management

Guided by fundamental principles, the approach to data protection prioritizes lawfulness, fairness, and transparency. Adherence to purpose limitation ensures that personal data is collected and processed solely for specified and legitimate reasons across all PPC Romania companies. Emphasis is placed on data minimization, collecting only necessary information and maintaining accurate, up-to-date records. The commitment extends to storage limitation, retaining personal data for the required duration. Upholding the principles of integrity and confidentiality, robust security measures are implemented. Lastly, accountability is intrinsic to the practices, with a focus on documenting and adhering to data protection policies, fostering a trustworthy and responsible approach to data management.

[33] The reference period is two months and five days of the FY2023 (25/10/2023 to 31/12/2023), for which the companies were under the PPC Group's umbrella.

Non-Financial Performance Indicators

Indicator/ Company	PPC Renewables	PPC Retele Electrice	PPC Energie	PPC Advance Energy Services	PPC Blue
		25/10/2023 – 31/12/2023[34]			
Court convictions on incidents of human rights violations in the workplace (number of incidents)	-	-	-	-	-
Employees subject to disciplinary penalties by the Company for incidents of human rights violations in the workplace (number of employees)	-	-	-	-	-

7. Responsible Supply Chain

PPC Romania's contractual conditions mandate that contractors adhere to rigorous guidelines and actively collaborate in fostering a culture of sustainability and responsibility throughout the contract lifecycle. The General Contractual Conditions and Health, Safety, and Environmental Terms (HSE Terms) are furnished to suppliers alongside the contract, ensuring their alignment with PPC Romania's stringent regulations and policies. The company maintains a severe stance against any activities that compromise health, safety, or the environment, as articulated in its "Stop Work" Policy. This policy mandates the suspension of work in the face of risky situations or unsafe behaviors until conditions are restored.

According to the HSE Terms, contractors have a responsibility to establish a safe and healthy work environment for all individuals involved, including PPC Romania's employees and third parties. This obligation encompasses various aspects such as complying with relevant laws and permits, adhering to the company's policies, actively collaborating with stakeholders to drive continuous improvement, and promptly reporting any Health, Safety, and Environment (HSE) concerns that may affect contract activities.

The "General Contract Conditions in Romania" document underscores the company's unwavering commitment to sustainability, aligning with the UN Sustainable Development Goals and reflecting membership in the UN Global Compact. Contractors are mandated to designate representatives empowered to engage in discussions with PPC Romania, specifically addressing technical and economic matters. These discussions encompass critical aspects such as safety, health, social obligations, and environmental responsibility.

Furthermore, contractors are compelled to adhere to international labor standards, anti-corruption measures, and legal obligations pertaining to remuneration, taxation, and environmental protection. PPC Romania retains the authority to monitor compliance and holds the prerogative to terminate contracts in the event of breaches. Contractors bear responsibility for any health, safety, or environmental damage caused by their personnel or subcontractors. Throughout the contract duration, contractors are expected to prioritize the interests of the company and refrain from conflicts of interest. They are required to promptly notify PPC Romania of any potential conflicts and adhere to instructions aimed at mitigating them. Contractors explicitly declare their understanding of the company's ethical commitments and their own legal standing, ensuring alignment with the company's principles and policies. This alignment is crucial for fostering a culture that prioritizes health, safety, and environmental protection.

[34] The reference period is two months and five days of the FY2023 (25/10/2023 to 31/12/2023), for which the companies were under the PPC Group's umbrella.

III. Report on the European Union’s Taxonomy Classification

Information of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as well as of Delegated Regulation (EU) 2021/2178 of the Commission of 6 July 2021 supplementing Regulation (EU) 2020/852

The EU Taxonomy Regulation 2020/852 is one of the tools established, based on the European Green Deal, which aims to transform the European Union into a modern, efficient, competitive and climate-neutral economy by 2050, in a fair manner.

Disclosure requirements of EU Taxonomy Regulation

According to Article 8 para. 1 of EU Taxonomy Regulation 2020/852, undertakings subject to the obligation to publish non-financial information (in accordance with Articles 19a and 29a of Directive 2013/34/EU) and as it is also a requirement for PPC S.A., shall disclose in their annual management report, information on the extent to which their activities are (a) covered by the EU Taxonomy (Taxonomy eligible) and (b) comply with the technical screening criteria set out in the Delegated Regulations of Taxonomy (Taxonomy aligned).

The content and presentation of the required information are set out in the Delegated Regulation (EU) 2021/2178, as amended. Specifically, for disclosures that are published during 2024, relating to the financial year 2023, the non-financial undertakings should disclose the following key performance indicators (KPI):

- The proportion of their turnover, capital expenditure (CapEx) and operating expenditure (OpEx), derived from products or services associated with taxonomy-eligible and taxonomy-non eligible economic activities for all 6 environmental objectives.

- The proportion of their turnover, capital expenditure (CapEx) and operating expenditure (OpEx), derived from products or services associated with Taxonomy-eligible and Taxonomy- aligned economic activities for climate change mitigation and climate change adaptation environmental objectives.

The Regulation establishes the technical screening criteria for determining whether an economic activity qualifies as environmentally sustainable. Consequently, the Regulation sets a common classification system that investors can use, when investing in economic activities that have a significant positive impact on the climate, environment and society.

For an economic activity to qualify as environmentally sustainable i.e., Taxonomy-aligned, the activity is required to meet all the following requirements:

- It is an eligible economic activity, i.e., it is included in the Delegated EU Taxonomy Regulations with the corresponding technical screening criteria
- Contributes substantially to one, or more, of the six (6) environmental objectives of the Regulation
- Does not significantly harm any of the other five (5) environmental objectives
- Complies with the minimum social safeguards
- Complies with the technical screening criteria as set by the Commission

The six environmental objectives set by EU Taxonomy Regulation are the following:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Based on delegated Regulations 2021/2139, 2022/1214, 2023/2485 and 2023/2486, technical screening criteria have been established for all 6 objectives listed above.

EU Taxonomy Reporting

For the determination of the Group's key performance indicators (KPIs), the following methodology was followed:

1. Identification of eligible economic activities
2. Alignment assessment of eligible economic activities, based on:
    2.1 Substantial contribution to climate change mitigation and adaptation objectives
    2.2 Do No Significant Harm (DNSH) to the remaining objectives

3. Alignment assessment with minimum social safeguards, at Group and subsidiary level, related to eligible economic activities

4. Calculation of key performance indicators (KPIs)

The methodology applied, was based on the EU Taxonomy Regulation 2020/852, its Delegated Acts as well as any additional guidance released:

- The Climate Delegated Regulations 2021/2139, 2022/1214, 2023/2485 και 2023/2486: These regulations establish the eligible activities and the technical screening criteria (TSC) for determining the conditions under which an economic activity meets the criteria of substantial contribution and do no significant harm (DNSH), for all six environmental objectives.

- Delegated Regulation 2021/2178: This Regulation sets out the content and the presentation of the information to be disclosed, regarding the environmentally sustainable economic activities.

- Final Report on Minimum Social Safeguards: This Report, which is published by the Platform on Sustainable Finance, includes guidance on the implementation of minimum social safeguards.

1. Identification of the Taxonomy-eligible economic activities

The determination of the eligible economic activities of PPC Group was conducted based on the description of its activities, which, according to the Regulation, refer to financial data that are fully consolidated for the financial year 2023.

Economic activities were also identified based on whether they are classified as being enabling or transitional.

The Group's financial activities for the financial year 2023, that were recognized as eligible, are the following:

Company	Economic Activity	Description	Taxonomy Objective
PPC S.A	Electricity generation from hydropower	Construction or operation of electricity generation facilities that produce electricity from hydropower. PPC S.A. operates 16 hydroelectric power stations (3 GW) and 2 stations under construction (189 GW).	Climate Change Mitigation / Climate Change Adaptation – 4.5
	Infrastructure enabling low-carbon road transport and public transport (DEI blue)	Building and operating electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport. The company, through DEI blue, offers integrated e-mobility solutions to individuals, businesses, and public bodies throughout Greece. It develops, operates and maintains an extensive network that at the end of 2023, numbered 2,015 charging points, across 531 locations in the country.	Climate Change Mitigation (enabling) / Climate Change Adaptation – 6.15
	Electricity generation from fossil gaseous fuels	Construction or operation of electricity generation facilities that produce electricity from fossil fuels. PPC S.A. operates 4 steam power plants using natural gas (2,689 MW).	Climate Change Mitigation (transitional) – 4.29

PCC Renewables S.M.S.A	Electricity generation using solar photovoltaic technology	Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology. PPC Renewables S.M.S.A operates 40 photovoltaic technology parks (445MW) and 22 parks under development/construction (1,592MW).	Climate Change Mitigation / Climate Change Adaptation – 4.1
	Electricity generation from wind power	Construction or operation of electricity generation facilities that produce electricity from wind power. PPC Renewables S.M.S.A operates 35 wind power parks (253 MW) and 6 parks under development/construction (147 MW).	Climate Change Mitigation / Climate Change Adaptation – 4.3
	Electricity generation from hydropower	Construction or operation of electricity generation facilities that produce electricity from hydropower. PCC Renewables S.M.S.A, operates 16* hydroelectric power plants (72 MW) and 1 plant under development/construction (0,66 MW), within the financial year 2023.** * Ikaria Hybrid Plant is included **SHPPs SMOKOVO II and MAKROCHORIOU II were electrified and started producing energy within the financial year 2023.	Climate Change Mitigation / Climate Change Adaptation – 4.5
	Electricity generation from bioenergy	Construction and operation of electricity generation installations that produce electricity exclusively from biomass. PCC Renewables S.M.S.A has 1 bioenergy power plant under development/construction (25 MW).	Climate Change Mitigation / Climate Change Adaptation – 4.8
	Storage of electricity	Construction and operation of facilities that store electricity and after returning it, in the form of electricity. PCC Renewables S.M.S.A has 11 electricity storage stations under development/construction (1.043 MW).	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 4.10

HEDNO S.A	Transmission and distribution of electricity	Construction and operation of the distribution network that transports the electricity on high, medium and low voltage lines.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 4.9
	Collection and transport of non-hazardous and hazardous waste	Separate collection and transport of non-hazardous and hazardous waste aimed at preparation for re-use or recycling, including the construction, operation and upgrade of facilities that are part of the collection and transport of such waste, such as civic amenity centres and waste transfer plants, as a means for material recovery. The management of certain non-hazardous wastes (e.g., distribution transformers-, cables, oils without PCBs) through their divestment, generates revenue for the company. The final disposal of hazardous wastes to licensed waste companies does not generate any revenue for the company.	Transition to a circular economy – 2.3

Alexandroupolis Electricity Production S.A.	Electricity generation from fossil gaseous fuels	Construction or operation of electricity generation facilities that produce electricity from fossil gaseous fuels. Alexandroupolis Electricity Production S.A. has 1 thermal power plant under development/construction, which uses natural gas (840 MW).	Climate Change Mitigation (transitional) – 4.29
PPC's activities in Romania (Former Companies - members of the multinational ENEL Group in Romania acquired by PPC)	Electricity generation using solar photovoltaic technology	Development/construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.	Climate Change Mitigation / Climate Change Adaptation – 4.1
	Electricity generation from wind power	Development/construction or operation of electricity generation facilities that produce electricity from wind power.	Climate Change Mitigation / Climate Change Adaptation – 4.3
	Transmission and distribution of electricity	Construction and operation of the distribution network that transports the electricity on high, medium and low voltage lines.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 4.9
	Infrastructure enabling low-carbon road transport and public transport	Development/construction and operating electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport.	Climate Change Mitigation (enabling) / Climate Change Adaptation – 6.15

Alexandroupolis Electricity Production S.A.	Electricity generation from fossil gaseous fuels	Construction or operation of electricity generation facilities that produce electricity from fossil gaseous fuels. Alexandroupolis Electricity Production S.A. has 1 thermal power plant under development/construction, which uses natural gas (840 MW).	Climate Change Mitigation (transitional) – 4.29
PPC's activities in Romania (Former Companies - members of the multinational ENEL Group in Romania acquired by PPC)	Electricity generation using solar photovoltaic technology	Development/construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.	Climate Change Mitigation / Climate Change Adaptation – 4.1
	Electricity generation from wind power	Development/construction or operation of electricity generation facilities that produce electricity from wind power.	Climate Change Mitigation / Climate Change Adaptation – 4.3
	Transmission and distribution of electricity	Construction and operation of the distribution network that transports the electricity on high, medium and low voltage lines.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 4.9
	Infrastructure enabling low-carbon road transport and public transport	Development/construction and operating electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport.	Climate Change Mitigation (enabling) / Climate Change Adaptation – 6.15

	Infrastructure enabling low-carbon road transport and public transport	Development/construction and operating electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport.	Climate Change Mitigation (enabling) / Climate Change Adaptation – 6.15
	Installation, maintenance and repair of energy efficiency equipment	Individual renovation measures including installation, maintenance or repair of energy efficiency equipment. The companies in Romania are active in the installation of energy-efficient heating, air conditioning and lighting systems.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 7.3
	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 7.4
	Installation, maintenance and repair of renewable energy technologies	Installation, maintenance and repair of renewable energy technologies, on-site.	Climate Change Mitigation (enabling)/ Climate Change Adaptation – 7.6

The Group’s financial activities for the financial year 2023, that were recognized as not eligible, are the following:

• PPC S.A.. regarding the electricity production activity from fossil solid and liquid fuels, and

• DEI OPTIKES EPIKOINONIES S.A ("Fibergrid"), which operates in the wholesale telecommunications market in Greece.

2. Alignment assessment based on substantial contribution and Do No Significant Harm (DNSH) technical screening criteria

The Group proceeded with the assessment of its eligible economic activities and assets, against:

1. The Technical Screening Criteria (TSC) for substantial contribution related to climate change mitigation and climate change adaptation.
2. The Do No Significant Harm (DNSH) technical screening criteria.

The purpose of this assessment was the determination of the level of alignment of the Group's eligible economic activities with the criteria and the requirements of Taxonomy Regulation, as well as the identification of any potential gaps, in order the Group to develop a specific action plan to align its eligible economic activities with the Taxonomy Regulation, in the coming years.

The assessment of the activities and assets of the companies that were former members of the multinational ENEL Group in Romania and were acquired by PPC at the end of 2023, was not completed at the same level as the rest of the Group's activities. It was therefore decided that, for the year 2023, these activities are not to be considered as aligned against substantial contribution and DNSH technical screening criteria. The activities' analysis is not included in this section.

Electricity generation using solar photovoltaic technology.

The Group operates in the construction of photovoltaic parks, as well as in the electricity production from photovoltaic parks.

For the year 2023, the total capacity of the active projects amounts to 445 MW. Respectively, the total capacity for the projects under development/construction amounts to 1.592 MW.

<u>Substantial contribution to climate change mitigation</u>

The activity is by default aligned with the substantial contribution criteria, as electricity is generated using solar photovoltaic technology.

<u>Substantial contribution to climate change adaptation</u>

The Group has carried out physical climate risk assessment studies for six PV parks under construction, with an installed capacity of 710 MW.

More specifically, the studies were carried out under the Regulation establishing the Recovery and Resilience Facility (2021/C58/01), and the IPCC RCP 4.5/8.5 scenarios were used.

The studies assessed the vulnerability of PV parks in these specific locations, regarding the most relevant climate risks. The risks that were analyzed, are categorized into "moderate" or "high" and these are: flood, wildfire, heat, cyclone and drought. At the same time, a detailed physical climate risk assessment was also carried out.

The physical climate risk analysis concluded that there are no significant physical climate risks for PV parks and therefore, there is not a requirement for further adaptation measures, according to the European Commission's Communication "Technical guidance on sustainability control of infrastructure in the period 2021-2027" and Appendix A of Regulation 2021/2139.

Based on the above analysis, the 6 PV parks which are under construction, are aligned with the substantial contribution technical screening criteria for the objectives of climate change mitigation and adaptation.

Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.1 and relate to:

- The assessment of physical climate risks
- The utilization of equipment and components of high strength and recyclability
- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The physical climate risk assessment studies for the 6 PV parks mentioned above, also meet the DNSH criteria.

Do No Significant Harm (DNSH) in the transition to a circular economy

Photovoltaic panels mainly consist of recyclable materials. According to the Group's Environmental Management System, it is expected that the respective market best practices for equipment recycling will be followed, where it is technically feasible and in accordance with the relevant legislation. Therefore, the activity complies with the technical screening criteria related to the transition to a circular economy.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Regarding the implementation of the required measures for the protection of biodiversity and ecosystems, the mitigation measures proposed in the respective Environmental Impact Assessment (EIA) studies, both during their construction and operation, are applied for all PV parks. It is noted that Environmental Impact Assessment studies have been conducted for all PV parks of the Group. Therefore, the activity complies with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, 6 PV parks with a total installed capacity of 710 MW are fully aligned with all technical screening criteria.

Electricity generation from wind power

The Group operates in the installation of wind turbines in wind parks, as well as in the production of electricity from wind parks.

For the year 2023, the total capacity of the operating wind parks amounts to 253 MW. Respectively, the total capacity of the wind parks under development/construction, amounts to 147 MW.

Substantial contribution to climate change mitigation

The activity is by default aligned with the substantial contribution criteria, as it relates to the production of electricity from wind energy.

Substantial contribution to climate change adaptation

The physical climate risk assessment studies required by the Regulation have not been completed, in order for the activity to be considered aligned. In addition, the activity is not classified as enabling. Therefore, the activity is not eligible under the climate change adaptation objective and thus, no further assessment against that objective is required.

Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.3 and relate to:

- The assessment of physical climate risks
- The utilization of equipment and construction elements of high strength and recyclability
- Taking measures to protect water during the construction of offshore wind parks
- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The activity is not aligned with this criterion, as described above.
Do No Significant Harm (DNSH) in the transition to a circular economy

The materials of a wind turbine consist of 85-90%[35] recyclable materials. According to the Group's Environmental Management System, the best market practices for recycling of equipment are planned to be followed, where it is technically feasible and in accordance with the relevant legislation. Therefore, the activity complies with the technical screening criteria related to the transition to a circular economy.

Do No Significant Harm (DNSH) to the sustainable use and protection of water and marine resources

This criterion concerns the construction of offshore wind parks. Taking into consideration that the Group doesn't operate in this particular sector, it is concluded that the activity is aligned with the technical screening criteria, related to the sustainable use and protection of water and marine resources.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Regarding the implementation of the required mitigation and compensation measures for environmental protection, given that Environmental Impact Assessments (EIA) have been carried out and Environmental Terms Approval Decisions (ETAD) have been obtained for all wind parks, the mitigation measures, as described in the EIA and the ETAD of each project, are being applied both during construction and operation. Therefore, the activity complies with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, wind parks are not fully aligned with all technical screening criteria.

Electricity generation from hydropower

The Group generates electricity both via 18 Large Hydroelectric power plants, 16 of which are in operation and 2 under development/construction and 16 Small Hydroelectric power plants of natural flow (run-of-river).
.
The total capacity of the 16 Large Hydroelectric power plants in operation and the 2 Large Hydroelectric power plants under development/construction, amounts to over 3 GW and 189 GW, respectively.

The total capacity of the 16 in-operation and 1 under-development/construction Small Hydroelectric power plants, amounts to 72 MW and 0.66 MW, respectively.

[35] www.eletaen.gr/e-workshop-aioliki-energeia-kai-kukliki-oikonomia

Substantial contribution to climate change mitigation

The assessment of the substantial contribution to climate change mitigation was based on compliance with one of the following criteria:

- The power plant is a natural flow unit and does not have an artificial reservoir
- The power density of the power-generating installation exceeds 5 W/m^2;
- Life cycle greenhouse gas emissions from hydropower generation are less than 100g CO_{2e}/kWh.

For Small Hydroelectric power plants, the evaluation concluded that:

- 16 plants (94% of the total number of Small HPP) meet the first technical criterion for substantial contribution to climate change mitigation, as they are natural flow units and do not have an artificial reservoir.

For Large Hydroelectric power plants, the evaluation concluded that:

- 18 plants meet the second technical criterion for substantial contribution to climate change mitigation, as the power density of the power generation facilities, exceeds 5 W/m2.

Substantial contribution to climate change adaptation

The physical climate risk assessment studies required by the Regulation, have not been completed in order the activity to be aligned with this criterion. In addition, the activity is not classified as enabling. Therefore, the activity is not eligible for the climate change adaptation objective and thus, no further assessment is required related to this objective.
Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.5 and is related to:

- The assessment of physical climate risks
- The assessment of the impact on water, in accordance with the requirements of Directive 2000/60/EC and the relevant river basin management plans, as well as the adoption of specific mitigation[36] measures, where necessary, as well as their monitoring.
- The completion of the Environmental Impact Assessments (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The activity is not aligned with this criterion, as described above.

Do No Significant Harm (DNSH) to the sustainable use and protection of water and marine resources

Regarding the implementation of the required measures for the protection of water resources, mitigation measures are being applied to all Hydroelectric power plants, as proposed in the respective Environmental Impact Studies (EIA), both during their construction and operation. It is also noted that Environmental Impact Assessment studies have been conducted for all Hydroelectric power plants of the Group. Therefore, the activity complies with the technical screening criteria related to the sustainable use and protection of water and marine resources.

[36] It concerns the specific measures that referred to in the relevant section on sustainable use and protection of aquatic and marine resources for activity 4.5 included in Annexes I and II of the Delegated Climate Regulation.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Regarding the implementation of the required mitigation and compensation measures for environmental protection, the mitigation measures, proposed in the respective EIA, are applied both during construction and operation for all hydroelectric power plants. Therefore, the activity complies with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, the Hydroelectric power plants are not fully aligned with all technical screening criteria.

Electricity generation from bioenergy

PPC Group develops an electricity generation facility exclusively from biomass, with a total capacity of 25 MW[37].

<u>Substantial contribution to climate change mitigation</u>

The assessment of the substantial contribution to climate change mitigation was based on compliance with the following selected relevant criteria:

- The agricultural biomass used in the activity, fulfils the criteria set out in Article 29 para. 2 - 5 of the Directive (EU) 2018/2001.

- The greenhouse gas emission saving from biomass use, shall be at least 80% in relation to the greenhouse gas emission saving methodology and the relevant fossil fuel comparator, as set out in Annex VI of the Directive (EU) 2018/2001.

The biomass that shall be used for the project's operation, shall come mainly from agricultural land residues that meet the provisions of Article 29 (para. 2 - 5) of the Directive, i.e. the Company aims that the raw material does not come from land with high biodiversity value or that has been designated as area of high biodiversity by the relevant competent authority, in order to satisfy the provisions of Article 29 Article 29 para 3of the Directive.

Also, the raw material that shall be used, shall not come from areas of high carbon stock, i.e. wetlands, wooded areas or areas with a surface of more than one hectare, or with trees higher than 5 meters and a canopy cover between 10 % and 30 %, as defined in Article 29 para 4 of the Directive, while at the same time the raw materials shall not come from land classified as peatland.

The activity is aligned with the substantial contribution technical screening criteria for the climate change mitigation objective.

<u>Substantial contribution to climate change adaptation</u>

The physical climate risk assessment studies that are required by the Regulation, for the biomass power generation facility, have not been completed in order the activity to be considered aligned. In addition, the activity is not classified as enabling. Therefore, the activity is not eligible for the climate change adaptation objective and thus, no further assessment against that objective is required.

[37] It concerns the installation of biomass power generation in Amyntaio, Florina.

Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.8 and is related to:

- The assessment of physical climate risks

- The assessment of the impact on water in accordance with Directive 2000/60 and the relevant river basin management plans, as well as the preparation of a water management and protection plan, if required

- Emissions are below the emission limit values, set out in the best available techniques (BAT-AELs).

- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The activity is not aligned with this criterion, as described above.
.
Do No Significant Harm (DNSH) to the Sustainable Use and Protection of Water and Marine Resources

In the context of the preparation of the EIA, any impacts on water have been identified and assessed, and response measures have been proposed where necessary. Therefore, the activity complies with the technical screening criteria related to the water protection.

Do No Significant Harm (DNSH) to Pollution Prevention and Control

The evaluation concluded that, since the approved environmental impact study has incorporated the limits of Implementing Decision 2017/1442 related to the determination of Best Available Techniques (BAT), both during the construction and operation of the plant, the activity complies with the criterion related to pollution prevention and control.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Regarding the implementation of the required measures for the protection of biodiversity and ecosystems, the mitigation measures proposed in the respective Environmental Impact Assessment (EIA), are applied to the biomass power generation facility both during construction and operation. Therefore, the activity complies with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, the biomass power generation facility is not fully aligned with all technical screening criteria.

Storage of electricity

PPC Group is in the process of developing eleven energy storage stations using accumulators, with a total capacity of 1.043 MW.

Substantial contribution to climate change mitigation,

The activity is by default aligned with the substantial contribution criteria, as it relates to the construction and operation of electricity storage systems.

Substantial contribution to climate change adaptation

The physical climate risk assessment studies for energy storage stations (accumulators), as required by the Regulation, have not been completed and therefore, the activity is not considered aligned with this criterion.
Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.10 and is related to:

- The assessment of physical climate risks
- The existence and implementation of the waste management plan
- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The activity is not aligned with this criterion, as described above.

Do No Significant Harm (DNSH) in the transition to a circular economy

The Group has developed a waste management plan for all electricity storage stations, considering the relevant legislation and the approval of licensing terms.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Regarding the implementation of the required measures for the protection of biodiversity and ecosystems, the mitigation measures proposed in the respective Environmental Impact Assessment (EIA), are being applied to all power storage stations both during construction and operation. It is noted that Environmental Impact Assessment studies have been conducted for all power storage stations of the Group. Therefore, the activity complies with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, power storage stations are not fully aligned with all technical screening criteria.

Transmission and distribution of electricity

The Group operates in the Distribution of Low and Medium Voltage Electricity. At the same time, equipment is being installed to increase the control and observation capability of the electricity distribution system, in order to facilitate the development and integration of renewable energy sources.

Substantial contribution to climate change mitigation

The assessment of the electricity distribution network regarding the substantial contribution to climate change mitigation, was based on compliance with one of the following criteria:

1. the system shall be the interconnected European system, i.e., the interconnected control areas of the Member States, Norway, Switzerland and the United Kingdom, as well as the systems subject to it,
2. more than 67 % of the generation capacity newly made available to the system, shall not exceed the generation limit value of 100 gCO_2e/kWh, measured on a life-cycle basis in accordance with the generation criteria, over a rolling five-year period,
3. the average emission factor of the grid system, calculated as the total annual emissions from electricity generation connected to the system, divided by the total annual net electricity generation in that system, shall be less than the limit value

of 100 g CO_2e/kWh, measured on a life-cycle basis in accordance with the generation criteria, during a rolling five-year period.

The evaluation concluded that:

- part of the Group's electricity distribution network is part of the interconnected European system, and therefore, it is aligned with the first criterion of substantial contribution.

- for the remaining part of the network, that is not part of the interconnected European system, the process of verifying the alignment against the other two criteria, is in progress.

Substantial contribution to climate change adaptation

The physical climate risk assessment studies for the distribution network, as required by the Regulation, have not been completed and therefore, the activity is not considered aligned with this criterion.

Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 4.9 and is related to:

- The infrastructure is not specifically intended to create a direct connection or to extend an existing direct connection to a power plant whose direct greenhouse gas emissions exceed 270 g CO_2e/kWh.

- The assessment of physical climate risks

- The existence and implementation of a waste management plan

- For overground HV lines, IFC standards for the environment, health and safety in case of a construction site, must be met and also any restrictions on the effects of electromagnetic radiation as well as no PCBs must not be used in transformers

- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment.

Do No Significant Harm (DNSH) to climate change mitigation

The verification of the activity’s alignment, against the criterion regarding whether the infrastructure is specifically intended to establish a direct connection, or to extend an existing direct connection to a power plant whose direct greenhouse gas emissions exceed 270 g CO_2e/kWh, is in progress.

Do No Significant Harm (DNSH) to climate change adaptation

The physical climate risk study, as required by the Regulation, for the distribution network (LV, MV), has not been completed and therefore, the activity is not considered aligned with this criterion.

Do No Significant Harm (DNSH) in the transition to a circular economy

The Group has developed a waste management plan, considering the relevant legislation and the approval of licensing terms. Partnerships have also been established with licensed companies for the management of electrical and electronic equipment waste. Therefore, the activity complies with the technical screening criteria of the transition to a circular economy.

Do No Significant Harm (DNSH) to Pollution Prevention and Control

Regarding the new transformers (from 2001 onwards), no PCBs are used. Regarding older equipment that may have PCBs, the Group, within the framework of the Environmental Management System, adheres to appropriate management of equipment with PCBs, following the relevant legislation.

Also, regarding overground lines, the Group ensures compliance with IFC standards for the environment, health and safety, in the case of construction sites, as well as the impact of electromagnetic radiation on human health has been assessed. Therefore, the activity complies with the technical screening criteria related to the transition to a circular economy.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Taking into consideration that the existing infrastructure is not subject to environmental permitting, the activity is considered aligned with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, the electricity distribution infrastructure is not fully aligned with all technical screening criteria.

Construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.

The Group produces electricity via its Steam power plants using natural gas as fuel. The capacity of the Group's power plants using natural gas fuel, exceeds 2,650 MW and includes the plants of Komotini, Megalopoli, Aliveri and Lavrio – Keratea. At the end of December 2022, PPC proceeded with the acquisition of 51% of the shares of the company under the name "Alexandroupolis Electricity Production Societe Anonyme" from the Damco Energy Company. The new power generation facility, using gas fuel, with a nominal capacity of 840 MW, is under construction in Alexandroupolis and is expected to be completed by the end of 2025.

Substantial contribution to climate change mitigation

The assessment of substantial contribution to climate change mitigation was based on compliance with one of the following criteria:

- life cycle greenhouse gas emissions from electricity production using fossil fuels to be less than 100g CO_2e/kWh.
- for installations for which a construction permit is granted until 31 December 2030, the relevant criteria (i-vii) set out in Annex II to Delegated Regulation (EU) 2022/1214, should apply.

The activity's assessment with the above technical screening criteria, concluded that the steam power plants do not meet these criteria.

As this activity does not meet the criteria of substantial contribution, it was not assessed against the DNSH criteria.

Infrastructure enabling low-carbon road transport and public transport

The Group operates in the installation, maintenance and operation of electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport. DEI blue network is constantly growing. At the end of 2023, it listed 1,117 charging stations and 2,015 charging points, across 531 locations in the country.

Substantial contribution to climate change mitigation

The activity is by default aligned with the substantial contribution criteria, as it relates to the construction and operation of an infrastructure system that is required for road transport performance, with zero CO_2 emissions from the tailpipe.

Substantial contribution to climate change adaptation

The physical climate risk assessment studies for charging stations, as required by the Regulation, have not been completed and therefore, the activity is not considered aligned with this criterion.

Do No Significant Harm (DNSH)

The assessment was based on the DNSH criteria described in activity 6.15 and relate to:

- The assessment of physical climate risks
- At least 70% (by weight) of non-hazardous construction and demolition waste (excluding excavation materials) generated on site, is prepared for reuse, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in line with the waste hierarchy and the EU Protocol on the Management of Construction and Demolition Waste.
- Taking measures to reduce noise, dust and pollutant emissions, during construction or maintenance work
- The completion of the Environmental Impact Assessment (EIA) and the implementation of the required mitigation and compensation measures for the protection of the environment

Do No Significant Harm (DNSH) to climate change adaptation

The activity is not aligned with this criterion, as above.

Do No Significant Harm (DNSH) in the transition to a circular economy

In the category of this activity's operations, no significant quantities of waste are expected to be generated on site.

Do No Significant Harm (DNSH) to Pollution Prevention and Control

Both during the construction and maintenance of charging stations, the permissible noise and vibration emission limits are met, and the relevant measures to reduce noise, dust and pollutant emissions are taken. Therefore, the activity is considered aligned with this specific criterion.

Do No Significant Harm (DNSH) to the protection and restoration of biodiversity and ecosystems

Charging stations are not subject to environmental licensing, so an Environmental Impact Assessment is not required. The activity is therefore aligned with the technical screening criteria related to the protection and restoration of biodiversity and ecosystems.

Based on the above, charging stations are not fully aligned with all technical screening criteria.

3. Minimum Social Safeguards

The Group and its subsidiaries which relate to eligible activities (as aforementioned), were assessed against the requirements of the minimum social safeguards, as set out in Article 18 of the EU Taxonomy Regulation 2020/852. Essentially, the minimum social safeguards are a set of defined UN, EU and other international human rights and code of ethics guidelines that include:

- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The Declaration of the International Labor Organization on Fundamental Principles and Rights at Work
- The International Bill of Human Rights

According to the Final Report on Minimum Safeguards of the Platform on Sustainable Finance, the minimum social safeguards cover the following areas:

- Human rights, including labor rights.
- Corruption/Bribery
- Taxation
- Fair Competition

The assessment of the activities and assets of the companies that were former members of the multinational ENEL Group in Romania, and were acquired by PPC at the end of 2023, was not completed at the same level as the rest of the Group's activities. It was therefore decided that, for the year 2023, these activities are not considered aligned with the criteria of minimum social safeguards.

Human Rights

PPC S.A and PPC RENEWABLES S.M.S.A have adopted a Human Rights Policy, approved by the Board of Directors, to promote the respect of the human rights of employees and all their stakeholders, in the context of their business activity. More information on PPC's practices, such as the Cybersecurity Framework, the Protection of Personal Data of employees and other stakeholders, the Health and Safety at Work Policy, the Policy against Violence and Harassment at Work, the Right to Trade Union and other practices, can be found in chapter "I.6. Respect for Human Rights" of this Report.[38]

HEDNO S.A.'s Code of Conduct aims to defend and safeguard the fundamental principles of Human Rights, as described in chapter "I.6. Respect for Human Rights".

The providence regarding the protection of human rights, extends also to suppliers, through the adoption of Exclusion Terms and Tender Selection Criteria. Detailed information can be found in chapter "I.7. Responsible Supply Chain" of this Report.

Consumer Interests

PPC S.A. actively protects the rights of its consumers, beyond obligatory compliance with national and European laws. Interested parties may be informed at any time about the products, the supplementary services and the pricing policy of PPC S.A., as well as the Terms of Use, on its website.

PPC S.A. offers the possibility of submitting applications for the control of electricity meters and information on consumption data, enhancing the means of transparency towards the consumer. Requests can be submitted via the telephone line 800 900 1000, or by post at a branch of PPC S.A., or via email customercare@dei.gr.

For the continuous improvement of customer service, PPC S.A. offers a digital assistant for immediate response to questions of the website's visitors and the possibility of electronic appointments. In addition, the opening hours of more and more stores are expanded. Also, "Service for All" is a new service for people with hearing impairments (such as the deaf and hard of hearing), enhancing inclusion.

As consulting is a main priority, the communication platform "PPC myEnergy", which includes advisory content on energy and sustainability issues and digital energy saving tools, is also provided. These tools also include "PPC myEnergy Coach", which is a digital energy saving consultant that helps consumers monitor electricity consumption in their household or business, receive personalized advice and saving suggestions, as well as discover the energy and financial benefits of replacing old appliances with modern energy-efficient ones.

[38] For more information regarding PPC Codes, Regulations and Policies, you can visit our website https://www.ppcgroup.com/el/omilos-dei/etairiki-diakivernisi/kodikes-kanonismoi-kai-politikes/

Grievance Mechanism

The Group provides multiple communication channels regarding the report of concerns and grievances, in order to address any situation, that may arise in relation to customers, employees and other stakeholders.

Through the website of PPC S.A., the consumers have direct access to contract termination, supply, account dispute and grievance forms. The Code for the Management of Customer Requests and Grievances of PPC S.A. (https://www.dei.gr/media/d1ochsee/kodikas-diaxeirisis-aitimaton-paraponon-pelaton.pdf), which is fully harmonized with the Code of Electricity Supply to Customers (Government Gazette B΄ 832 / 9.4.2013), includes specific and uniform procedures, to ensure the rapid and effective management of requests of external stakeholders. The grievances procedure provides a written or oral submission by the customer or an authorized representative at the branches of PPC S.A., either through its website or the telephone customer service. The progress of each request/complaint is monitored electronically until it is finally processed.

Moreover, the Company has established a Sanctions and Report-Complaints Management Policy, which is available on its website (https://www.ppcgroup.com/media/bbffdlwh/politikh-kuroseon-diacheirishs-anaphoron-kataggelion.pdf) which aims to ensure that all violations of the Compliance and Business Conduct Program, including the Company's Code of Ethical Conduct, are investigated and controlled in a fair and consistent manner, while at the same time, the rights of all parties are protected, thus contributing to the preventive treatment of phenomena that may affect the reputation and credibility of the Company. The responsibility for the reception, initial evaluation and monitoring of the whole process lies with the Compliance Department and one of its officers designated as the Person for the Receipt and Follow-up of Reports, who is in charge of managing the reporting channel, ensuring their proper handling and maintaining communication with the reporter.

Furthermore, the Group ensures the implementation of personal data protection rules, by providing policies and forms that inform and facilitate the exercise of the rights of people and other interested parties, such as shareholders, who interact with PPC and its subsidiaries. Relevant link: https://www.dei.gr/media/ivoptuzp/entupo-askhshs-dikaiomaton-deh-3-dekembriou-2021.pdf.

PPC RENEWABLES S.M.S.A has an electronic grievance submission form (https://www.ppcr.gr/el/complaint), while it also accepts grievances via email. At the same time, similarly to PPC SA, it has adopted a Sanctions and Report-Grievance Management Policy, for the investigation and control of identified violations, the protection of the rights of the parties involved and the process of reception, the initial evaluation, as well as the follow-up of reports and grievances.

HEDNO S.A. offers the web application "Service", where consumers can process their issues easily and quickly by visiting the website and by submitting requests, regarding the electricity supply of their properties, withdrawal of requests, and the performance of various actions related to their existing connection. Finally, HEDNO S.A. receives requests/grievances either through the website (https://deddie.gr/el/epikoinonia/epikoinwniste-mazi-mas/) or through the Regulatory Authority for Waste, Energy and Water (RAWEW) (https://crm.rae.gr/). Furthermore, in 2023, it proceeded to the approval of the Sanctions Policy and the Management of Reports/Grievances.

All Group Companies cooperate with consumer protection bodies and consumer organizations in case of reports and complaints.

Bribery/Corruption

PPC S.A. through the Code of Conduct, the Anti-Corruption and Bribery Policy and the other Policies of the Program of the "Code of Conduct", rejects and opposes in an explicit and categorical manner any form of corruption, as well as behaviors, acts or omissions that could endanger its reputation and credibility. More information can be found in chapter "I.5. Anti-corruption and bribery issues" of this Report.

Taxation

Regarding tax matters, the Group ensures compliance with accounting and tax legislation, as well as normative and other regulatory considerations, concerning the Group and all its subsidiaries. Compliance with tax legislation is also ensured through the issuance of an "Annual Tax Certificate".

The compliance with tax obligations is also supported by the Tax Affairs Department, which monitors, serves, and assists the processing of all tax affairs and supports the tax audits that are carried out. In addition, risks related to tax issues are identified and evaluated in the context of the risk management process both for PPC S.A. and HEDNO S.A..

Fair competition

All Units and Divisions of PPC S.A. receive information and are aware of national and EU competition rules, i.e., antitrust and merger control rules. Moreover, all essential decisions, are taken, before their adoption, in such a way that they are compatible with competition law. PPC S.A. cooperates with investigative and regulatory authorities and is aware of the administrative and criminal sanctions that may be imposed in case of non-cooperation. In addition, PPC S.A. organizes on a regular basis seminars, conferences and workshops, concerning executives and specific departments of the Group, to enhance awareness on antitrust and competition issues.

4. Accounting policy for the determination of key performance indicators (KPIs)

4.1 Key performance indicator related to turnover (turnover KPI)

The proportion of turnover referred to in Article 8(2), point (a), of the Regulation (EU) 2020/852 is calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008[39].

The KPI referred to in the first subparagraph excludes from its numerator the part of the net turnover derived from products and services associated with economic activities that have been adapted to climate change in line with Article 11(1), point (a) of Regulation (EU) 2020/852 and in accordance with Annex II to Delegated Regulation (EU) 2021/2139, unless those activities:

(a) qualify as enabling activities in accordance with Article 11(1), point (b) of Regulation (EU) 2020/852; or

(b) are themselves Taxonomy-eligible and aligned.

To avoid double counting in the allocation in the numerator of turnover across economic activities, the figures used have eliminated intergroup transactions.

4.2 Key performance indicator related to capital expenditure (CapEx KPI)

The proportion of CapEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.2.1 and 1.1.2.2 of Annex I of the delegated Regulation (EU) 2021/2178.

Denominator

The denominator covers additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible and intangible assets resulting from business combinations.

For non-financial undertakings applying international financial reporting standards (IFRS) as adopted by Regulation (EC) No 1126/2008, CapEx shall cover costs that are accounted based on:

(a) IAS 16 Property, Plant and Equipment, paragraphs 73, (e), point (i) and point (iii);
(b) IAS 38 Intangible Assets, paragraph 118, (e), point (i);
(c) IFRS 16 Leases, paragraph 53, point (h).

[39] Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1126/2008; Regulation as last amended by Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).

Leases that do not lead to the recognition of a right-of-use over the asset are not counted as CapEx.

Numerator

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

(a) related to assets or processes that are associated with Taxonomy-aligned economic activities,

(b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan') under the conditions specified in the second subparagraph of this point.

c) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

The numerator contains the part of CapEx referred to in the first paragraph of this point that contributes substantially to any of the environmental objectives. The numerator provides for a breakdown for the part of CapEx allocated to substantial contribution to each environmental objective.

To avoid double counting in the allocation in the numerator of CapEx across economic activities, the figures have eliminated intergroup transactions.

4.3 Operating expenditure (OpEx)

The proportion of OpEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.3.1 and 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU, as amended.

Denominator

The denominator covers direct non-capitalized costs that relate to building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

Numerator

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

a) related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalized costs that represent research and development,

b) related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as individual building renovation measures as identified in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) or Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months. Where the operational expenditure is not material for the business model of non-financial undertakings, those undertakings shall:

a) be exempted from the calculation of the numerator of the OpEx KPI in accordance with point 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU and disclose that numerator as being equal to zero,
b) disclose the total value of the OpEx denominator calculated above,
c) explain the absence of materiality of operational expenditure in their business model.

The numerator includes the part of OpEx referred to in the first paragraph of this point that contributes substantially to any of the environmental objectives. The numerator provides for a breakdown for the part of the OpEx allocated to substantial contribution to each environmental objective.

To avoid double counting in the allocation in the numerator of OpEx across economic activities, the figures have eliminated intergroup transactions.

4.4 Key Performance Indicators 2023

In the following tables the percentages of turnover, CapEx and OpEx of Taxonomy aligned, Taxonomy-non-aligned and Taxonomy-non eligible economic activities for the financial year 2023, are presented, according to the results of the alignment assessment of the economic activities of PPC Group.

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	Code	Turnover	Proportion of total Turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Turnover for 2022	Category (Enabling activity)	Category (Transitional activity)
		€'000	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total Turnover from taxonomy-aligned activities (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-							-	-	-	-	-	-	-	-		T
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology	CCM 4.1 CCA 4.1	11,071	0.14%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.02%		
Electricity generation from wind power	CCM 4.3 CCA 4.3	39,167	0.51%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.20%		
Electricity generation from hydropower	CCM 4.5 CCA 4.5	12,969	0.17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.11%		
Electricity generation from bioenergy	CCM 4.8 CCA 4.8	0	<0,01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Transmission and distribution of electricity	CCM 4.9 CCA 4.9	541,595	7.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.52%		
Storage of electricity	CCM 4.10 CCA 4.10	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from fossil fuels	CCM 4.29	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Infrastructure enabling road transport and public transport	CCM 6.15 CCA 6.15	116	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	4,403	0.06%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

Installation, maintenance and repair of renewable	CCM 7.6	1,861	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	[redacted]	-	[redacted]
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	846	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		-	
Collection and transport of non-hazardous and hazardous waste	CE 2.3	0	<0.01%	N/EL	N/EL	N/EL	EL	N/EL	N/EL		-	
Total Turnover from taxonomy-not aligned activities (A.2)		612,028	**7.96%**	**0%**	**0%**	**0%**	**<0.01%**	**<0.01%**	**0%**		3.85%	
Total Taxonomy-eligible Turnover (A.1 + A.2)		612,028	**7.96%**	**0%**	**0%**	**0%**	**<0.01%**	**<0.01%**	**0%**		3.85%	
B. Taxonomy-Non-Eligible Activities												
Total Turnover from Taxonomy-non-eligible activities (B)		**7,074,739**	**92.04%**									
Total Turnover (A+B)		**7,686,767**	**100%**									

Y - Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL - Taxonomy-eligible activity for the relevant objective
N/EL - Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	7.96%
CCA	0%	0%
WTR	0%	0%
CE	0%	<0.01%
PPC	0%	<0.01%
BIO	0%	0%

The following Turnover table shows **only** the data of the Group's Electricity Production Sector

Financial Year		2023		Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	Code	Turnover	Proportion of total Turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Turnover for 2022	Category (Enabling activity)	Category (Transitional activity)
		€'000	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total Turnover from taxonomy-aligned activities (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-							-	-	-	-	-	-	-	-		T
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology	CCM 4.1 CCA 4.1	11,071	0.31%	EL	EL	N/EL	N/EL	N/EL	N/EL								0.04%		
Electricity generation from wind power	CCM 4.3 CCA 4.3	39,167	1.11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.60%		
Electricity generation from hydropower	CCM 4.5 CCA 4.5	526,724	14.98%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11.70%		
Electricity generation from bioenergy	CCM 4.8 CCA 4.8	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from fossil fuels	CCM 4.29	1,025,308	29.16%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								45.78%		
Collection and transport of non-hazardous and hazardous waste	CE 2.3	0	<0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Total Turnover from taxonomy-not aligned activities (A.2)		1,602,270	**45.56%**	**45.56%**	**0%**	**0%**	**0%**	**0%**	**0%**								58.12%		

Total Taxonomy-eligible Turnover (A.1 + A.2)	1,602,270	**45.56%**	**45.56%**	**0%**	**0%**	**0%**	**0%**	**0%**		58.12%	
B. Taxonomy-Non-Eligible Activities											
Total Turnover from Taxonomy-non-eligible activities (B)	**1,914,047**	**54.44%**									
Total Turnover (A+B)	**3,516,317**	**100%**									

Y - Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL - Taxonomy-eligible activity for the relevant objective
N/EL - Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	45.56%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	Code	CapEx	Proportion of total CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx for 2022	Category (Enabling activity)	Category (Transitional activity)
		€'000	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total CapEx from taxonomy-aligned activities (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-							-	-	-	-	-	-	-	-		T
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology	CCM 4.1 CCA 4.1	192,370	5.31%	EL	EL	N/EL	N/EL	N/EL	N/EL								17.02%		
Electricity generation from wind power	CCM 4.3 CCA 4.3	523,720	14.46%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11.35%		
Electricity generation from hydropower	CCM 4.5 CCA 4.5	11,412	0.32%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.57%		
Electricity generation from bioenergy	CCM 4.8 CCA 4.8	42	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								<0.01%		
Transmission and distribution of electricity	CCM 4.9 CCA 4.9	2,082,823	57.51%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								39.13%		
Storage of electricity	CCM 4.10 CCA 4.10	136	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.03%		
Electricity generation from fossil fuels	CCM 4.29	187,497	5,18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.38%		
Infrastructure enabling road transport and public transport	CCM 6.15 CCA 6.15	110	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

Installation, maintenance and repair of renewable	CCM 7.6	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	[redacted]	-	[redacted]
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	7,720	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	[redacted]	-	[redacted]
Collection and transport of non-hazardous and hazardous waste	CE 2.3	0	<0.01%	N/EL	N/EL	N/EL	EL	N/EL	N/EL	[redacted]	-	[redacted]
Total CapEx from taxonomy-not aligned activities (A.2)		3,005,829	82.99%	**82.84%**	**<0.01%**	**0%**	**<0.01%**	**<0.01%**	**0%**	[redacted]	71.50%	[redacted]
Total Taxonomy-eligible CapEx (A.1 + A.2)		3,005,829	82.99%	**82.84%**	**<0.01%**	**0%**	**<0.01%**	**<0.01%**	**0%**	[redacted]	71.50%	[redacted]
B. Taxonomy-Non-Eligible Activities												
Total CapEx from Taxonomy-non-eligible activities (B)		**615,882**	**17.01%**									
Total CapEx (A+B)		**3,621,711**	**100%**									

Y - Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL - Taxonomy-eligible activity for the relevant objective
N/EL - Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of CapEx /Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	82.99%
CCA	0%	<0.01%
WTR	0%	0%
CE	0%	<0.01%
PPC	0%	<0.01%
BIO	0%	0%

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	Code	OpEx	Proportion of total OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx for 2022	Category (Enabling activity)	Category (Transitional activity)
		€m	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total OpEx from taxonomy-aligned activities (A.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which Enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E	
Of which Transitional		-	-							-	-	-	-	-	-	-	-		T
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology	CCM 4.1 CCA 4.1	444	0.06%	EL	EL	N/EL	N/EL	N/EL	N/EL								<0.01%		
Electricity generation from wind power	CCM 4.3 CCA 4.3	6,519	0.95%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.31%		
Electricity generation from hydropower	CCM 4.5 CCA 4.5	655	0.10%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.06%		
Electricity generation from bioenergy	CCM 4.8 CCA 4.8	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Transmission and distribution of electricity	CCM 4.9 CCA 4.9	157,093	22.86%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								25.66%		
Storage of electricity	CCM 4.10 CCA 4.10	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Electricity generation from fossil fuels	CCM 4.29	19,070	2.78%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.77%		
Infrastructure enabling road transport and public transport	CCM 6.15 CCA 6.15	13	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		

Installation, maintenance and repair of renewable	CCM 7.6	0	<0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	[redacted]	-	[redacted]
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	2.995	0.44%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		-	
Collection and transport of non-hazardous and hazardous waste	CE 2.3	14	<0.01%	N/EL	N/EL	N/EL	EL	N/EL	N/EL		-	
Total OpEx from taxonomy-not aligned activities (A.2)		186,802	**27.18%**	**27.18%**	**0%**	**0%**	**<0.01%**	**<0.01%**	**0%**		31.82%	
Total Taxonomy-eligible OpEx (A.1 + A.2)		186,802	**27.19%**	**27.18%**	**0%**	**0%**	**<0.01%**	**<0.01%**	**0%**		31.82%	
B. Taxonomy-Non-Eligible Activities												
Total OpEx from Taxonomy-non-eligible activities (B)		**500,301**	**72.82%**									
Total OpEx (A+B)		**687,103**	**100%**									

Y - Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective
N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
EL - Taxonomy-eligible activity for the relevant objective
N/EL - Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of OpEx /Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	27.19%
CCA	0%	0%
WTR	0%	0%
CE	0%	<0.01%
PPC	0%	<0.01%
BIO	0%	0%

Nuclear and fossil gas related activities		
Row	**Nuclear energy related activities**	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or industrial heat, including for district heating purposes or for industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations producing electricity or industrial heat, including for district heating purposes or for industrial processes, such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Taxonomy-aligned economic activities (denominator) - Turnover

Amounts on ‘000€

Row	**Economic activities**	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
		CCM + CCA		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total applicable KPI**	**7,686,767**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-aligned economic activities (numerator) - Turnover

Amounts on '000€

Row	**Economic activities**	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
		CCM + CCA		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover

Amounts on ‘000€

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	<0.01%	0	0%	0	0%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**612,028**	**7.96 %**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**612,028**	**7.96 %**	**0**	**0%**	**0**	**0%**

Taxonomy non-eligible economic activities - Turnover

Amounts on ‘000€

Row	Economic activities	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**7,074,739**	**92.04 %**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**7,074,739**	**92.04 %**

Taxonomy-aligned economic activities (denominator) - CapEx

Amounts on '000€

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total applicable KPI**	**3,621,711**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-aligned economic activities (numerator) - CapEx Amounts on '000€							
		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
Row	**Economic activities**	**CCM + CCA**		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities - CapEx

Amounts on '000€

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	187,497	5.18 %	0	0%	0	0%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**2,818,332**	**77.81 %**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**3,005,829**	**82.99 %**	**0**	**0%**	**0**	**0%**

Taxonomy non-eligible economic activities - CapEx

Amounts on ‘000€

Row	Economic activities	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**615,882**	**17.01 %**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**615,882**	**17.01 %**

Taxonomy-aligned economic activities (denominator) - OpEx

Amounts on '000€

Row	**Economic activities**	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
		CCM + CCA		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total applicable KPI**	**687,103**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-aligned economic activities (numerator) - OpEx

Amounts on ‘000€

Row	**Economic activities**	**Amount and proportion (the information is to be presented in monetary amounts and as percentages)**					
		CCM + CCA		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**0**	**0%**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**0**	**100%**	**0**	**0%**	**0**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities - OpEx Amounts on '000€							
		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
Row	**Economic activities**	**CCM + CCA**		**Climate change mitigation (CCM)**		**Climate change adaptation (CCA)**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	19,070	2.78 %	0	0%	0	0%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**167,732**	**25.03 %**	**0**	**0%**	**0**	**0%**
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**186,802**	**27.81 %**	**0**	**0%**	**0**	**0%**

Taxonomy non-eligible economic activities - OpEx

Amounts on ‘000€

Row	Economic activities	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
2.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
3.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
4.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
5.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
6.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**500,301**	**72.81 %**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**500,301**	**72.81 %**

STATEMENT OF CORPORATE GOVERNANCE

Introduction

Corporate governance is the system of management and control of Sociétés Anonymes. It is a set of structures, principles, rules, procedures, and practices through which the continuous improvement of the efficient operation of the Company is sought for the benefit of its shareholders and those with a legitimate interest in its operation, the enhancement of the long-term economic value of the Company and the protection of the general corporate interest.

For the past four years, PPC has been undergoing a rapid transformation from a single vertically integrated public company focusing on the generation of electricity from solid fuels to a multinational Group of many private sector companies operating in all individual competitive energy markets and beyond.

The implementation and adherence to best corporate governance practices is a key commitment and priority of the PPC Group's Management in order to create a strong system of accountability and transparency in response to environmental and socio-economic challenges for the benefit of the Company's shareholders and other stakeholders.

For PPC, the institutions, policies and procedures of Corporate Governance exist to serve the corporate objectives effectively and with the goal of Creating Shared Value. In this regard the company and the Group in general does not follow the "ticking the box” approach but rather the approach of achieving results, constantly adapting to changes in the external environment.

Already from 2021, and throughout 2022, the Company in full compliance with Law no. 4706/2020 and taking into account in particular the provisions of the Greek Corporate Governance Code, which it has adopted and applies, and the relevant Decisions of the Hellenic Capital Market Commission, the Company has harmonized the provisions of its Articles of Incorporation and adopted a series of Policies and Regulations, which ensure transparent and effective governance. In this context, the Company has established the necessary organizational structures for the full adoption and implementation of the aforementioned Policies and Regulations. All of the above were also carried out and proportionately applied to the Company's major subsidiaries.

The adoption and implementation of best practices in Corporate Governance is a process of continuous adaptation to changes in the business and institutional environment, with the ultimate goal of shaping a corporate culture commensurate with the size, history, mission, and ultimately the vision of PPC. Hereon, inter alia, the Company is in the process of adopting ESG (principles and practices) throughout its value chain.

In this context, PPC, by the decision of the Extraordinary General Meeting of its shareholders dated 14-12-2023, made the necessary and imperative amendment of the provisions of its Articles of Incorporation, reflecting its transformation into a company, at the head of a diversified multinational Group, which is active, directly or indirectly, in many individual Markets, beyond the Energy Market.

Furthermore, in accordance with Article 14 of Law 4706/2020, the programme for the adoption of Corporate Governance policies by the major subsidiaries of PPC continued in 2023 through the parent company's guidelines. Specifically, PPC Renewables S.M.S.A. adopted, in 2023, the Employee and Executive Recruitment Policy of the Parent Company, as well as the Sustainable Development Policy of PPC S.A. and modified its organizational structure. HEDNO S.A. established its Compliance Department, appointed its Director and adopted the organizational chart of the said Department, adopted the Policy against Violence and Harassment at Work, the Enforcement Policy and the Reporting & Complaints Handling Procedure, as well as a new Code of Conduct and approved the Board of Directors' Regulation of Operation. Regarding the acquired companies by PPC in Romania (members of the multinational Group of Companies Enel, October 2023), the implementation of principles and practices of corporate governance according to the requirements of article 14 of Law 4706/2020 is examined and initiated. It is noted that these companies were part of a multinational Group, whose parent company is listed on the Milan Stock Exchange and therefore corporate governance principles and practices were already implemented.

The Company has already committed itself, taking into account global trends in Corporate Governance, to move towards the adoption of Environmental, Social, Governance (ESG) practices. In this context, within 2023, the new Sustainable Development Strategy of the 2023-2026 Group was defined by the Sustainability Committee, focusing on three pillars: net zero carbon footprint, nature positive operations and creation of socio-economic shared value.

Finally, in 2023, the work of PPC's Compliance Department as a key component of the Internal Control System was of great importance. In particular, the Company, in order to confirm its compliance with the applicable institutional framework, proceeded, through the Compliance Department (CD) -which during 2023 absorbed the role and responsibilities of the Energy Transactions Director- to the establishment of a Register of Key Regulatory Obligations covering the main legal topics from which regulatory obligations for the Company and certain Group companies arise. Moreover, it has carried out implementing actions of the "Compliance and Ethics" Programme, aiming to deepen the Policies in the Company's business operations and promote ethical standards of behaviour. Ensuring the Company's compliance with laws and regulations and zero tolerance for corruption and bribery reflect the Company's firm commitment to the principles of integrity, transparency, and respect for rules.

Shareholder Structure

With the limitation of the indirect participation of the Greek State, through HCAP, to 34.12% at the end of 2021, the Company ceased to be subject to specific laws and regulations and to the restrictions provided for in special laws applicable to public enterprises, thus expanding its operational flexibility and facilitating the implementation of the relevant best practices of Corporate Governance.

Specifically, on 16.11.2021 the share capital increase of PPC was completed and on 2.3.2022 the total number of shares in PPC owned by the HRADF (corresponding to 10.32%) was transferred from the HRADF to HCAP, subject to Article 147 of Law 4876/2021. Therefore, HCAP currently holds 34.12% of the share capital of PPC S.A.

The shareholding composition of PPC S.A. on 31.12.2023 was as follows:

- The Hellenic Corporation of Assets and Participations S.A. (HCAP), in which the Greek State holds 100% of the shares and voting rights, directly held 34.12% of the share capital and voting rights of PPC,
- Selath Holdings S.à r.l. held 10% of the share capital and voting rights of PPC; and
- Institutional investors and the general investor community held the remaining 55.88%, among whom (participations more than 5%)

    - Helikon Long Short Equity Fund Master ICAV had a total participation of 6.97% in the voting rights, namely, the sum of voting rights attached to shares and voting rights deriving from financial instruments on 22.5.2023, according to the announcement of Helikon Investments Limited dated 24.5.2023, and
    - Goldman Sachs Group, Inc. had a total participation of 5.18% in the voting rights of PPC, namely, the sum of voting rights attached to shares and voting rights deriving from financial instruments(Security Lending) on 19.12.2023 ,according to the announcement of Goldman Sachs Group, Inc. dated 21.12.2023.

Structure of the Corporate Governance Statement

The current Statement of Corporate Governance is prepared pursuant to the provisions of Article 152 of Law 4548/2018, Article 18 of Law 4706/2020, as in force, as well as the provisions of the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council (HCGC), which was issued in June 2021 and has been adopted and is implemented by the Company, following the relevant approval of its Board of Directors, and in compliance with Article 17 of Law 4706/2020.

This Statement of Corporate Governance is a special part of the Annual Management Report of the Board of Directors and contains all the information required by law. In addition, it includes the Company's response to specific practices under the Chapters of the Hellenic Corporate Governance Code of the HCGC, which has been adopted and is implemented.

In particular, the structure of this Statement of Corporate Governance (hereinafter referred to as "Statement") is as follows:

I. **Statement of Compliance with the Corporate Governance Code**
II. **Deviations from the Corporate Governance Code and Justification of Deviations**
III. **Corporate Governance Practices applied by the Company in addition to the provisions of the legislation**

I. Statement of Compliance with the Corporate Governance Code

The Company in compliance with the provisions of Article 17 of Law 4706/2020 and following the decision 86/14.07.21 of the Board of Directors of the Company adopted and applies the Greek Code of Corporate Governance GCCG), (hereinafter and for the sake of brevity the "Code") of the Hellenic Corporate Governance Council (H.C.G.C.), which was issued in June 2021 and its text is available and posted on the Company's website https://www.ppcgroup.com/el/omilos-dei/etairiki-diakivernisi/kodikes-kanonismoi-kai-politikes/

II. Deviations from the Corporate Governance Code and Justification of Deviations

The Corporate Governance Code which has been adopted and is being implemented by the Company, establishes principles beyond the mandatory framework of the Corporate Governance legislation and is implemented based on the principle "Comply or Explain", according to which the Company is required to explain the reasons for deviations from its specific practices.

Based on the principle of “Comply or Explain”, the deviations of the Company’s Regulations from the said practices of the Code are presented below:

Hellenic Corporate Governance Code	Explanation/Justification of deviations
Role and Responsibilities of the Board of Directors (special provision 1.11 of the HCGC - definition of responsibilities of the CEO and the Deputy Chief Executive Officer)	In the initial Articles of Incorporation of the Company according to the issued Presidential Decree 333/2000 (Government Gazette no 278/20.12.2000 vol. A') which has the force of law, there is a contrary provision. The powers and responsibilities of the CEO are provided for directly by the Articles of Incorporation (Article 15 par. 2 and 3)
Diversity criteria for senior managers (special provision 2.2.15 of the HCGC)	Proof of fulfilment of the diversity criteria for the executives as well is the fact that in 2023 the percentage of women in managerial positions in the Company rose to 35% from 17% in 2014, that is an increase of 105.9% (including the ranks starting from Assistant Directors/Head of Units of the Company). In addition, the percentage of women mid-level executives (including the ranks of Heads of Section and Heads of Subsection) rose to 47% in 2023 compared to 31.5% in 2014, namely an increase of 49.2%.
Ensuring that the members of the Board can devote sufficient time to the performance of their duties (special provisions 2.2.17 & 2.2.18 of the HCGC)	It is recommended that the members of the Board of Directors, as regards their external professional commitments, should not participate in Boards of Directors of more than five (5) companies of different interests and that the non-executive members should not participate in Boards of Directors of more than of (5) five listed companies. In addition, during the periodic individual evaluation of the Board of Directors, the Members submit to the Company's Nomination Remuneration and Recruitment Committee, information regarding their time commitment on a weekly basis for the performance of their duties as members of the Board of Directors of PPC S.A., as well as a list of their professional commitments in corporate bodies (Board of Directors, Committees) of other companies, providing information on the size of these companies and whether they are listed on a regulated market.
Succession of the Board of Directors (special Provisions 2.3.1, 2.3.4 of the HCGC)	The Company has the appropriate mechanisms for the timely replacement of the members of the Board of Directors and no Management gap has ever been identified. Although the current Suitability Policy of the members of the Board of Directors of PPC S.A. refers to the eligibility criteria, as well as the list of skills of the candidate members of the Board of Directors, however, for reasons of full compliance with the Corporate Governance Code, which has been adopted and implemented by the Company, the assignment to an external consultant of the preparation of a succession plan and profile of candidates, as well as a list of skills and characteristics, to address resignations or in any way the loss of the status of members of the Board of Directors, of the CEO, as well as of the Deputy CEO.

Hellenic Corporate Governance Code	Explanation/Justification of deviations
The role of the Nomination Committee in the process of nominating candidates, in the preparation of the succession plan for the Board members and the senior executives (special provision 2.3.7 of the HCGC).	The Nomination, Remuneration and Recruitment Committee is responsible for approving and recommending to the Board of Directors the Executive Recruitment Policy. One of the criteria for the selection of executives is their potential to take up positions at higher hierarchical levels in the future. The design of a succession and career development plan for executives as a process will be subject to approval by the Nomination, Remuneration and Recruitment Committee.

III. Corporate Governance Practices applied by the Company in addition to the provisions of the legislation

For the fiscal year 2023, the Company has been applying rules and practices beyond those provided for or required by the standing legislation governing listed companies (Law 4548/2018, Law 4449/2017, Law 4706/ 2020, and Law 4972/2022). Following the reduction of the indirect participation of the Greek State at the end of 2021, the Company has been readjusted to the common type of private sector companies.

In particular and pursuant to the above regarding the financial year 2023, these rules and practices are as set out below:

- The powers and the responsibilities of the CEO, who is the highest-ranking executSive officer of the Company, are directly provided for in the Articles of Incorporation (Article 15 par. 2 and 3 of the Articles of Incorporation of the Company).
- The Vice Chairman of the Board of Directors in accordance with Article 2 of PPC's Rules of Operation has responsibilities consistent with those of the Senior Independent Director (Provision 2.2.22 of the Hellenic Corporate Governance Code).
- Positions of Deputy CEOs reporting to the CEO have been provided for (Article 15a of the Articles of Incorporation of the Company, "Deputy CEOs ").
- The Board of Directors consists of eleven (11) members, of which at least five (5) are independent non-executive members (Article 9 par. 1 a) of the Company's Articles of Incorporation), exceeding the threshold set by Law 4706/2020 in Article 5 par. 2, which stipulates that independent non-executive members shall not be less than one-third (1/3) of the total number of members.
- The Audit Committee of the Company, which operates pursuant to the provisions of Article 44 of Law 4449/2017 as in force, and taking into account Article 9 of Law 4643/2019, consists of six (6) members, which shall be in their totality and not in their majority, as provided for under the Law, independent from the Company, within the meaning of the provisions of Article 9 of Law 4706/2020.
- The Company has established a Nomination Remuneration & Recruitment Committee in accordance with Articles 10, 11 and 12 of Law 4706/2020. The Nomination, Remuneration & Recruitment Committee consists of three (3) members, which shall be in their totality and not in their majority, as provided for in Law 4706/2020, independent non-executive members of the Board of Directors of the Company.
- In addition to the Committees under Article 10 of Law 4706/2020, the Company has an Executive Committee, a Procurement Committee, a Risk Management Committee, a Hedging Committee, a Cybersecurity Committee, an Energy Management Committee and a Sustainability Committee.
- The prohibition applied to the members of the Board of Directors, concerning the conduct of competitive acts, is valid for a period of two years following termination for any reason whatsoever of the term of office of the Board member or his/her retirement from the BoD (Article 13 par.2 of the Articles of Incorporation "Prohibition of competition – Participation in the Board of Directors of subsidiary companies").
- The Company's Articles of Incorporation expressly provide for the possibility, on the one hand of holding the meetings of the Board of Directors remotely via teleconference (Article 11 par. 2) and on the other hand, of participating in the voting of the General Meeting of Shareholders via distance voting, registered mail or through electronic means (Article 22 par. 4).

IV.1 Internal Control System (ICS) - Results of the Internal Control System Evaluation

The Corporate Governance practices and regulations that the Company implements, in addition to the provisions of the Legislation are as follows:

- the consistent implementation of the business strategy, with the efficient use of the available resources,
- the identification and management of the material risks associated with its business and operations,
- the effective functioning of the Internal Audit Department,
- ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the Company's financial position and the preparation of reliable financial statements, as well as its non-financial position,
- the compliance with the regulatory and legislative framework, as well as the internal regulations governing the Company's operation.

Based on the Company's Rules of Operation, the Board of Directors ensures that the Company's ICS is operating adequately and effectively, ensuring that the functions of the units that constitute the ICS are independent of the business areas they control and that they have the appropriate financial and human resources, as well as the powers for their effective operation, as required by their role. The reporting lines and the allocation of responsibilities of the functions that make up the ICS are clear, enforceable, and duly documented.

The Audit Committee ensures the monitoring, examination, and evaluation of the adequacy and effective operation of the ICS, the evaluation of which is part of the overall evaluation of the Company's Corporate Governance System carried out by the Board of Directors on a three-year minimum basis (in accordance with paragraph 1 of Article 4 of Law 4706/2020).

The Company has a Policy and Procedure for the Evaluation of the ICS which have been prepared in accordance with paras. 3(j) and 4 of article 14 of Law 4706/2020 and Decision 1/891/30.9.2020 of the Hellenic Capital Market Commission, as amended by Decision 2/917/17-06-2021 of the Hellenic Capital Market Commission. The ICS Evaluation Policy includes the general principles as to the scope and range of evaluation of the ICS by an independent evaluator, the periodicity of the audit, the basic principles of assigning the evaluation to an external evaluator, as well as the procedure for monitoring and communicating the results of the evaluation to both the Company and its significant subsidiaries. The ICS Evaluation Process describes the individual stages of selection of the independent evaluator, who shall evaluate the ICS in accordance with the above.

The Company's ICS includes the functions of Internal Audit, Regulatory Compliance and Risk Management as described below:

- **Internal Audit**

The Internal Audit, according to Law 4706/2020, as in force, is an independent organizational unit within the Company, with the purpose of monitoring and improving the Company's operations and policies regarding its Internal Control System.

The Internal Audit Department (IAD) reports functionally to the Audit Committee and administratively to the CEO. The Director of the IAD is appointed by the decision of the Board of Directors following a recommendation of the Audit Committee and fulfils the requirements of functional and administrative reporting and independence of Law 4706/2020. As regards the performance of the IAD’s tasks, its Director shall have access to any organizational unit of the Company and shall take knowledge of any information required for the performance of his/her duties.

The mission of the IAD under its Charter is to ensure adequate and valid control of the Company in order to protect the interests of the shareholders, in accordance with the applicable legislation, the principles of Corporate Governance and the best practices of Internal Audit, ensuring that:

- Risks are identified and managed appropriately to achieve its objectives.
- Compliance with PPC's policies and procedures, the Regulations and the applicable Legislation is achieved.
- PPC’s resources are acquired and used in an effective and economical way.
- PPC's assets are adequately protected.
- The financial information is reliable.

For the implementation of Articles 1 to 24 of Law 4706/2020, the Internal Audit Department shall monitor, control and evaluate especially:

- the application of the Rules of Operation of the Company and the ICS, in particular with regard to the adequacy and correctness of the financial and non-financial information provided, the Risk Management, the Regulatory Compliance and the Corporate Governance Code adopted by the Company,
- the quality assurance mechanisms,
- the corporate governance mechanisms, and
- the compliance with the commitments contained in the Company's prospectuses and business plans regarding the use of funds raised on the regulated market.

The mission of the IAD, its organisation and staffing, its responsibilities, its relations with the Supervisory Authorities, as well as the responsibilities of its Director, its terms of operation and its Code of Conduct are detailed in its Charter, which forms an integral part of the Company's Rules of Operation. The Audit Committee proposes the IAD's Charter to the Board of Directors for approval.

The IAD's annual audit programme is prepared on the basis of the Group's operational risk assessment. The audit programme and the requirements for the necessary resources are submitted for approval to the Board of Directors, after taking into account the opinion of the Audit Committee.

The annual audit programme of the IAD for 2023 included:

- Seven (7) audits of the compliance with the Company's Rules of Operation and the individual Policies and Procedures including the implementation of the Risk Management and Regulatory Compliance System as well as of the Corporate Governance Code adopted by the Company.
- Four (4) quality assurance audits.
- Seventeen (17) audits of the effectiveness of the ICS in terms of the adequacy and accuracy of the financial information provided.
- One (1) audit in relation to compliance with commitments regarding the use of funds.
- One (1) special procurement audit for the implementation of the PPC S.A. Regulations for Works Supplies and Services (RWSS) and five (5) individual audits and diagnostic exercises related to the overall operation of procurement.

The IAD submitted the reports of the audits completed based on the approved audit programme (2021 - 2022) to the auditees and the competent supervisory units as well as to the Audit Committee presenting its comments, the related risks, suggestions for improvement as well as the comments of the auditees and the agreed actions.

The IAD also submitted to the Audit Committee summary quarterly reports on the most important issues and its recommendations as well as the results of the auditees' response to the implementation of the agreed actions according to the relevant time schedule. The above reports were presented to the Board along with the comments of the Audit Committee.

The Director of the IAD shall inform the Audit Committee on the effectiveness of the IAD’s functioning, the adequacy of resources as well as his/her access to the organisational units and the data required for the performance of its tasks. The Director of the IAD participated in the General Meetings of the Company.

- **Compliance Department**

The mission of the Compliance Department (CD) is, on the one hand, to monitor compliance with applicable laws, other than the institutional and regulatory framework regarding specific issues such as sustainability, environment, health and safety, etc. and, on the other hand, to promote ethical standards of conduct and protect the Company's reputation through the effective identification, assessment, prevention, supervision and resolution of any non-compliance with the Company's internal rules and ethical conduct policies, within the framework of the Internal Control System (ICS).

Within the framework of its mission and in cooperation with the competent Business Units, in 2023, the CD proceeded with the preparation of a Register of Key Regulatory Obligations covering the main topics from which regulatory obligations for PPC S.A. and certain Group companies arise. The Company implements a "Compliance and Ethics Programme", which, in addition to the Revised Code of Conduct, includes the following policies: the Conflict of Interest Policy, the Anti-Money Laundering and Counter-Terrorism Financing Policy, the Policy against Violence and Harassment at Work, the Enforcement & Reporting/Complaint Handling Procedure, the Anti-Corruption and Anti-Bribery Policy, and the Human Rights Policy. Within the framework of this Programme, implementing actions were undertaken with the main objective of promoting transparency and integrity processes in the Company's Operations and establishing a culture of ethics and conduct. In particular:

Advisory channels were developed for the provision of advice and guidance to employees by CD executives on issues related to the implementation of the Business Conduct Policies, such as the Help Line and the Network of Compliance Correspondents ("train the trainers") to facilitate two-way and faster communication of compliance issues.

Training and awareness-raising programmes for the Company's staff on the Programme Policies were carried out.

The Conflict of Interest Policy was revised, broadening its scope, and a platform for the digital submission and registration of Conflict of Interest Declarations of the liable persons was developed, which, in combination with the Conflict of Interest Register established and maintained at the CD, contribute to the more effective prevention, monitoring and response to these phenomena.

Actions have been taken to implement the Programme Policies at the Individual Stages of Executive / Staff Recruitment and during the Company's Due Diligence Third Party Process.

In addition, during 2023, sample audits were conducted in operational areas of implementation of the Programme Policies (ongoing monitoring) in order to identify, in cooperation with the competent Units, any "weaknesses" in operational procedures and in order to enhance the more effective implementation of the Company's Policies.

Pursuant to the Enforcement & Report/Compliance Handling Policy, during 2023, the Officer in charge of Receiving/Monitoring Reports (the “Officer”), an executive of the Compliance Department, received through the Company's internal reporting channels, reports involving violations of the Policies and the Revised Code of Conduct, which were handled in accordance with the Company's relevant Enforcement & Report/Compliance Handling Policy.

Additionally in the context of the parent company's supervision of the Group's major subsidiaries, policies are being promoted for adoption both in compliance with Law 4706/2020 as well as with the "Compliance and Ethics" Programme of the Company”.

In particular, with regard to the issues of energy transactions, training seminars were held in 2023 on the current institutional framework against market abuse acts, as well as a review of the procedures applied against money laundering acts in accordance with the Company's current Policy on Anti-Money Laundering and Counter-Terrorist Financing.

At PPC, the respect for privacy and the protection of the personal data of both employees and other stakeholders are highly valued. In compliance with the provisions of the General Data Protection Regulation (GDPR) EU 2016/679, as well as the national legislation, Law 4624/2019, the Company has adopted a series of Policies and Procedures aimed at the high-level and effective protection of the personal data of its employees, its customers, and its partners. Specifically:

- By the Decision No. 147/23-11-2021 the Board of Directors approved the updated Personal Data Protection Policy.
- A series of communication and educational activities have been carried out to raise awareness of data protection issues.
- Data Protection Impact Assessments (DPIAs) based on the methodology/mechanism of the French Data Protection Authority (CNIL) for critical business processes are prepared and updated.
- A specific procedure for drawing up a Data Processing Agreement (DPA) has been included in the PPC Regulations for Works Supplies and Services (RWSS).

- **Risk Management Department and Risk Management Committee**

The establishment of the Risk Management Department and the Risk Management Committee aims at shielding the Company against internal and external risks arising from the conduct of its business activity, through the central monitoring and coordination of the management of exposure to these risks.

The Risk Management Department is responsible for the development and implementation of an appropriate risk management system, in line with the Company's risk management policy, which a) assesses (identifies, quantifies and prioritizes in terms of importance) all corporate risks, b) establishes a strategy for the Company's management of and response to these risks (acceptance or avoidance of the risk, mitigation of the risk by modifying the related corporate activity, sharing or transferring the risk), and c) defines processes to monitor the evolution of risks by introducing appropriate procedures and control indicators. It should be noted that the competence and responsibility for the management of individual risks remains with the Services to which these risks pertain.

The Risk Management Committee is entrusted with the risk oversight of all the activities of the Company and the contribution to the development of the Risk Management Corporate Framework, as well as with the monitoring and reporting of the significant Corporate Risks.

Operating within this framework, the Company highlights its commitment to the establishment of a business environment that not only respects and complies with the law, but also enhances the Company’s value, thus ensuring its good reputation and credibility.

During 2023, the Risk Management Department, following the preparation of the Corporate Risk Management Framework and the Risk Management Committee's Rules of Procedure, submitted in February 2023 the aforementioned for approval by the Board of Directors, conducted a regular quarterly review of the Company's and the Group's risk prioritization, recorded and prepared detailed response plans to address such risks, and prepared the Company's and the Group's Risk Assumption Framework Plan.

- **Information Systems**

  - **Cybersecurity**

In 2023, following the extensive transformation of cybersecurity, the Company implemented, strengthened and continuously improved its corporate information and systems security framework, following the relevant regulatory obligations, best practices and industry standards (e.g. NIS, ISO27001, NIST CSF). The existing framework covers the needs of ensuring the confidentiality, integrity and availability of the Group's Information (IT), Industrial (OT) and Telecoms systems. The framework includes the basic safety requirements for the following areas and is supported by the corresponding procedures:

- cybersecurity risk assessment,
- the management of cybersecurity risks of external partners,
- managing user authentication and access control,
- the safety of systems and applications throughout their life cycle,
- detecting and managing threats, security gaps, and vulnerabilities in systems and networks;
- monitoring incidents in systems and networks and managing security incidents,
- the awareness and training of staff and associates regarding information security.

Furthermore, the Company has established the role of Information and Network Security Officer (ISPO), in accordance with Law 4577/2018 (A’ 199) and Ministerial Decision 1027/2019, as applicable, which inter alia:

-It is the contact point and cooperates with the National Cybersecurity Authority and the competent CSIRT.
-Coordinates and supervises the Organization with regard to the obligations arising from the relevant law, the Ministerial Decision and other provisions of the European Union or the National Cybersecurity Authority regarding the Security of Network and Information Systems.

In addition, the role of the Security Officer has been established in accordance with a number of provisions that provide for the obligation of PPC to appoint a Security Officer and in fact this person must be notified, both to the ADAE,* and EETT, since this person, as we will explain below, has the status of - according to law – a special legal representative. For this purpose, see indicatively:

- Law 3674/2008 on 'Strengthening the institutional framework for ensuring the confidentiality of telephone communications and other provisions', Article 3, par. 2, which expressly provides that the Security Officer is the person in charge of implementing the Security Policy.

- ADAE Decision 165/2011 "Regulation for the Assurance of the Confidentiality in Electronic Communications", Articles 3.2.5 and 3.2.6.

- ADAE Decision 205/2013 "Regulation on the Security and Integrity of Electronic Communications Networks and Services", Article 3.5.

- EETT 657/7/2012 "Submission of Providers' Reports on the Uninterrupted Operation of Electronic Communications Networks and Services", which provides that the data of two executives must be submitted to EETT regarding the application of the provisions of this Decision (in this case, the security incidents recorded in this decision are incidents related to the uninterrupted provision of service and the integrity of the network - the concept of integrity in general is ambiguous - and not to confidentiality per se).

- **Information Systems Governance**

In 2023, the IT Governance & Projects Management Department put the following in place, within its 3 areas of responsibility:

Demand, Portfolio and Projects Management

- IT Projects Demand Management
- IT Project Management
- IT Document Management
- IT Portfolio Management
- Establishment of an internal working group for the planning and prioritisation of IT projects (Demand & Planning Board)

IT & Technology Risk Governance

- Design and implementation of an IT document creation framework (policies, procedures, etc.)
- Creation of a new Permanent Guideline for IT Procedures, in cooperation with the Organisation Department
- Establishment of an internal working group to manage decisions regarding the design of IT projects architecture (Architecture Review Council - ARC)
- Design and implementation of a technology risk identification and management framework

Third-Party Management

- Management of the IT relationships with its suppliers through:
- 3-monthly Steering Committees with key IT vendors.
- Vendor Assessments by PPC's IT Divisions.
- Evaluations of PPC's Divisions by IT vendors.
- Rationalisation of the process referring to the recommendation notes generated by the IT.

- **Procedure for the preparation of financial statements and financial reports**

The basic areas where safeguards concerning the preparation of the Company's financial statements and reports are implemented are the following:

Allocation of Responsibilities

The executives involved have clearly separated roles and areas of responsibility, thus enhancing the effectiveness of the Internal Control System.

Procedures for accounting monitoring and preparation of financial statements

- Existence of accounting principles and policies for the operation of the Accounting Services of the Group.
- Existence of procedures in relation to the issuing of financial statements and their consolidation at Group level.
- Regular follow-up of the International Financial Reporting Standards, as these are adopted by the European Union, and corresponding adjustment of the accounting principles and Policies of the Group, as required.
- A special approval by the competent executives of the Company is required for the execution of accounting entries, which concern specialized, non-recurring accounting events.
- Audits are being carried out by the Information Technology Department on the information subsystems' data before being integrated into the General Accounting.
- Monthly reconciliation of the data (balances) of the information subsystems with the General Accounting balances is carried out by the Accounting Department.
- Regular communication of the executives of the Finance Division with the Top Management and the Audit Committee for the ratification and recording of the important events that affect the financial statements.
- Regular communication of the Chartered Auditors with the Management and the Audit Committee with regard to the progress and the results of the Company's statutory audit.

Asset safekeeping procedures

Implementation of safeguards for the information systems in place for managing fixed assets, reserves, cash, and cash equivalents of customers. By way of illustration, the existence of analytical procedures and audit mechanisms for carrying out the material annual inventory.

Transaction approval limits

The operation of the Services, at all administration levels, as well as of the Company's Bodies/Bodies of persons is governed by the Financial and Administrative Jurisdictions System by which the jurisdictions in matters of approvals by the Governing Bodies and the executives of the Company are defined.

The Audit Committee monitors, on an ongoing basis, the effective operation of the Company's Internal Control System, quality assurance and Risk Management Systems, of the Regulatory Compliance and the Internal Audit Department, regarding the Company's financial information, without violating its independence. The Audit Committee receives and examines the reports of the IAD as provided by Article 16 of Law 4706/2020 and monitors the updating of the Board of Directors by the IAD on their content, especially with regard to the financial information of the Company.

The Board of Directors regularly reviews the corporate strategy, the main business risks for the Company, as well as the Internal Control System in place in order to ensure that: The Internal Control System formulated and implemented by the Company ensures the consistent implementation of the corporate strategy, the identification and management of material risks in accordance with the Enterprise Risk Management Framework, the assurance of the completeness and reliability of the data and information required for the accurate and timely determination of the Company's financial position and the preparation of reliable financial statements, compliance with the regulatory and legislative framework, as well as the internal Regulations governing the operation of the Company and the effective operation of the Internal Audit Department.

The Audit Committee monitored issues related to the objectivity and independence of the Company's Chartered Auditors. During the fiscal year 2023, projects were assigned to the firm of the Company's Chartered Auditors. The Audit Committee consented to these engagements, after having taken into account the submitted Declarations of Independence and the assurances of no conflict of interest in accordance with the international practice.

Results of the evaluation of the Internal Control System according to Article 14, par. 3 (j) and par. 4 of Law 4706/2020 and the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission.

The Company, by decision No 154/20-12-2022 of its Board of Directors, has entrusted KPMG Certified Public Accountants S.A. with the assessment of the adequacy and effectiveness of the Internal Control System of the company Public Power Corporation S.A. and its significant subsidiaries, PPC Renewables S.M.S.A. and Hellenic Electricity Distribution Network Operator S.A. (HEDNO S.A.), with a reference date of 31 December 2022, in accordance with the provisions of par. 3(j) and par. 4 of Article 14 of Law 4706/2020 and the decision 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission, as applicable (the "Legal Framework").

The assurance was performed in accordance with the audit program included in the decision of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB), number 040/2022, and the International Standard on Assurance Engagement 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

Based on the work performed by the evaluator regarding the assessment of the adequacy and effectiveness of the Company’s Internal Control System and its significant subsidiaries, no material weaknesses were identified.

IV.2 Corporate Governance System (CGS) - Report on the results of the CGS evaluation project.

In accordance with Article 4 par. 1 of Law 4706/2020 "*The Board of Directors shall define and oversee the implementation of the Corporate Governance System under provisions 1 to 24, monitor and evaluate periodically at least every three (3) financial years its implementation and effectiveness, taking appropriate actions to address deficiencies".*

In this context, “KPMG Consultants, Sole Proprietor/Single-member SA” was assigned to support the work of the evaluation of the Corporate Governance System of PPC S.A., as well as of its significant subsidiaries PPC Renewables S.M.S.A. and HEDNO S.A., with a reporting period from 17.7.2021 to 31.12.2022, **in order for the reporting period to coincide henceforth with the reporting period of the evaluation of the Internal Control System completed within the first quarter of 2023.** In particular, the following were examined during the evaluation of the Corporate Governance System:

The remaining areas defined (as a minimum) in Article 13 of Law 4706/2020, which were not included in the evaluation of the internal control system, in particular:

1) adequate and effective procedures for the prevention, identification, and suppression of conflict of interest situations,
2) adequate and effective mechanisms for communication with shareholders in order to facilitate the exercise of their rights and active dialogue with them (shareholder engagement),
3) a remuneration policy that contributes to the business strategy, long-term interests and sustainability of the Company,
In addition, the following were examined:
4) the adequacy of the Rules of Operation of PPC SA, in accordance with Article 14 of Law, 4706/2020 as well as of its significant subsidiaries PPC Renewables S.M.S.A. and HEDNO S.A.,
5) the examination of any deviations from the use of raised funds, pursuant to Article 22 of Law 4706/2020,
6) the possible disposal of any assets of PPC S.A.,due to the increase of share capital by cash contribution pursuant to Article 23 of Law 4706/2020,
7) the degree of compliance of PPC S.A. with the Greek Corporate Governance Code of the Hellenic Corporate Governance Council adopted and implemented by the Company.
In accordance with the Consultant's conclusion on the implementation and effectiveness of the Corporate Governance System of PPC S.A. and its significant subsidiaries, in line with the above, as of 31 December 2022, no issues were identified that could be considered a material weakness of the system, in accordance with the obligations arising from Articles 1 to 24 of Law 4706/2020.

V. Information regarding the Company’s control status (Information items (c), (d), (f), (h) and (i) of Article 10 par. 1 of Directive 2004/25/EC of the European Parliament and the Council, dated 21st April 2004

Significant direct or indirect shareholdings (including indirect shareholdings through pyramid structures or mutual shareholdings) within the meaning of Article 85 of Directive 2001/34/EP

With regard to the significant participations (over 5%) in the share capital and voting rights of the PPC S.A. within the meaning of the provisions of Articles 9 to 11 of Law 3556/2007, as of 31.12.2023:

- the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) held 34.12% of the shares and voting rights,
- Selath Holdings S.à r.l. held 10.0% of the shares and voting rights,
- Helikon Long Short Equity Fund Master ICAV had a total participation of 6.97% in the voting rights, namely, the sum of voting rights attached to shares and voting rights deriving from financial instruments on 22.5.2023, according to the announcement of Helikon Investments Limited dated 24.5.2023, and
- Goldman Sachs Group, Inc. had a total participation of 5.18% in the voting rights of PPC, namely, the sum of voting rights attached to shares and voting rights deriving from financial instruments(Security Lending) on 19.12.2023 ,according to the announcement of Goldman Sachs Group, Inc. dated 21.12.2023.

The relevant information on the number of shares and voting rights held by persons with significant shareholdings has been obtained from the share register maintained by the Company, which is updated by Axialine of the Athens Stock Exchange, as well as from the notifications that have been received under law (Market Abuse Regulation) by the Company on behalf of its shareholders.

Shares conferring special control rights

There are no shares conferring special control rights stricto sensu.

Restrictions on voting rights.

The Company's Articles of Incorporation do not provide for restrictions on voting rights arising from its shares.

The rules regarding the appointment and replacement of members of the Board of Directors as well as the amendment of the Articles of Incorporation.

The rules provided for in the Company's Articles of Incorporation, both for the appointment and replacement of the members of its Board of Directors and for its amendments, do not differ from those provided for in Law 4548/2018, as applicable.

Duties of the Board of Directors with regard to the issuance of new or the purchase of own/treasury shares

According to Article 6 par. 2 a) and b) of the Company’s Articles of Incorporation

“During the first five-year period as of the entry into force of the company’s Articles of Incorporation, the Board of Directors shall have the right, upon resolution taken in accordance with the majority requirements of article 24 of Law 4548/2018:

a) To increase the share capital through issuance of new shares. The amount of the increase cannot be more than triple the amount of the original share capital or of the share capital which shall have been paid up on the date of the decision-making by the General Meeting on the renewal of the relevant power of the Board of Directors. The above power may also be granted to the Board of Directors upon resolution of the General Meeting, for a period of time not exceeding five years. In this case, the share capital can be increased to an amount which cannot be more than triple the share capital existing on the date that the power for the increase of the share capital was delegated to the Board of Directors.

b)To issue bonded loan, convertible into shares, by its resolution or otherwise by resolution of the General Meeting taken in accordance with the simple quorum and majority requirements, for an amount which cannot be more than triple the paid-up share capital. In such case, the provisions of article 24 of Law 4548/2018, as applicable, shall apply.

The powers of the Board of Directors referred to above may be renewed by the General Meeting for a period not exceeding five (5) years per each renewal."

The provisions of articles 49 to 51 of Law 4548/2018, as in force, provide for the Company's right to purchase own shares, under the responsibility of the Board of Directors, following approval by the General Meeting of Shareholders and pursuant to the requirements specified in the above articles.

There is no special provision in the Company's Articles of Incorporation, concerning the competence of the Board of Directors or of the General Meeting for the purchase of own shares.

In detail, the own shares acquisition program is mentioned in Notes 8 & 28 of the 2023 Financial Statements.

VI. Composition and Functioning of the Governing Bodies

A. Board of Directors

1) Composition and functioning of the Board of Directors -term of office of each Board member

Composition and term of office of the Board of Directors

According to the latest amendment of Article 9 of the Articles of Association of PPC SA. "Composition and Term of Office of the Board of Directors", which was decided by the Extraordinary General Meeting of the Company's shareholders on 14.12.2023 (registration in the General Commercial Registry (G.E.MI)/ 04.01.2024), the Board of Directors consists of eleven (11) members, divided into executive and non-executive members, with a three-year term of office, of which at least five (5) shall be independent non-executive members. In order to ensure continuity in the administration of the corporate affairs and the representation of the Company, the term of office of each member may be extended ipso iure until the first Ordinary General Meeting to be held after the expiration of its term.

The members of the Board of Directors may in any case be re-elected and may at any time be revoked by the General Meeting of the Shareholders.

The participation of independent and/or non-executive members to the Board of Directors shall not exceed three consecutive terms, namely nine (9) years in total.

The number of the non-executive members of the Board linked by any type of employment relation to the Company or to any of its associated companies cannot exceed three (3) out of the total number of its members.

The Board of Directors consists of eleven (11) members, including the CEO, elected by the General Meeting of shareholders of the Company, based on the Company's Suitability Policy, as in force each time and posted on the Company's website, which includes the Conflict of Interest Policy and rules for safeguarding diversity on the Board of Directors in terms of gender, age, representation of shareholders and educational/professional background. The Board of Directors elects from among the said members its Chairman and Vice Chairman, pursuant to Article 14 of the Articles of Incorporation.

In the event of non-election or non-prompt filling of any vacancy or non-substitution of the members of the Board, for any reason whatsoever, this shall not impede the constitution and functioning of the Board of Directors without these members, provided that the remaining members are not less than six (6).

In the event that for any reason whatsoever there is a vacancy in the office of the CEO, or the latter is absent or temporarily unable to perform his/her duties, the Chairman of the Board of Directors shall temporarily act as CEO, unless otherwise specified by the Board of Directors.

In the event that for any reason whatsoever there is a vacancy in the office of the Chairman of the Board of Directors, or the latter is absent or temporarily unable to perform his/her duties, the Vice Chairman of the Board, appointed pursuant to par.1 Article 14 of the Articles of Incorporation, shall temporarily act as Chairman. If the posts of the Chairman of the Board of Directors and the CEO coincide to the same person and for any reason whatsoever there is a vacancy in the office, or he/she is absent or temporarily unable to perform his/her duties, an executive member from among the members of the Board of Directors, to be appointed or already appointed by the Board of Directors, shall temporarily act as CEO. In such cases, the Board of Directors shall convene the General Meeting of the shareholders as soon as possible to elect the new CEO.

For the selection of the candidate members on the Board of Directors, upon decision of the Board of Directors, the Company has established a Nomination, Remuneration and Recruitment Committee consisting of at least three (3) non-executive Board members, independent in their majority. The Nomination, Remuneration and Recruitment Committee, on the one hand, identifies and proposes to the Board of Directors, and through it to the General Meeting, persons suitable for membership on the Board of Directors, based on the procedure provided for in the Company's Rules of Operation and pursuant to the Suitability Policy adopted by the Company, and on the other hand examines any impediments and incompatibilities, as well as the criteria of independence of candidates for membership on the Board of Directors (especially in the case of appointment of independent members), pursuant to Law 4706/2020 and Law 4548/2018, as in force, for candidates proposed by the Nominations, Remuneration and Recruitment Committee itself or by the shareholders.

The Board of Directors shall post on the Company's website twenty (20) days prior to the date of holding the General Meeting related to their election, the nominations for membership on the Board of Directors with detailed curricula vitae and rationale of its proposal for each candidate.

On the 31-12-2023 the ten-member (10 members) Board of Directors, which was elected by the Annual General Meeting of the Company's shareholders on 29-06-2022, consisted of eight (8) men and two (2) women, in full compliance and harmonization with the provisions of Law 4706/2020 on suitability, diversity and, above all, adequate gender representation on the Board of Directors and was formed into body on 23 August 2022 as follows:

Member	BoD Position	Term of office starting on	Term of office ending on
Giorgos Stassis	Chairman of the Board of Directors & Chief Executive Officer, Executive Member	22 August 2022	21 August 2025
Pyrros Papadimitriou	Vice Chairman of the BoD, Independent Non-Executive Member	22 August 2022	21 August 2025
George Karakousis	Deputy Chief Executive Officer, Executive Member	17 December 2021	16 December 2024
Alexander Paterakis	Deputy Chief Executive Officer, Executive Member	22 August 2022	21 August 2025
Grigorios Dimitriadis	Non-Executive Member	29 June 2022	28 June 2025
Alex Fotakidis	Non-Executive Member	22 August 2022	21 August 2025
Maria Psillaki	Independent, Non-Executive Member	17 December 2021	16 December 2024
Despina Doxaki	Independent, Non-Executive Member	29 June 2022	28 June 2025
Stefanos Kardamakis	Independent, Non-Executive Member	22 August 2022	21 August 2025
Stefanos Theodoridis	Independent, Non-Executive Member	22 August 2022	21 August 2025

The Board of Directors of the Company is composed of persons from different business sectors, both in the domestic and international market, with high professional qualifications, covering a wide age range, indicatively 45 to 65 years old, combining dynamism and experience. All Board members have professional and personal ethics and integrity, which are considered prerequisites for their election and the maintenance of their capacity as members of the Board of Directors of PPC S.A.

All Members of the Board of Directors have Greek citizenship.

It is noted that until the publication of this Statement, the independent non-executive member of the BoD Mr. Stefanos Theodoridis resigned from his position as a member of the BoD with effect from 1.3.2024. The new formation of the Board of Directors is expected.

2. Curricula Vitae of the members of the Board of Directors

The short CVs of the Company's BoD members are as follows:

Georgios Stassis, Chairman & Chief Executive Officer, Executive Member

Mr. Georgios Stassis has more than 18 years of experience in the energy market. He has held important positions in various organizations and associations within the energy sector in Greece and southeast Europe and within all parts of a utility value chain (generation, distribution, supply). Previously, worked for years for the Italian Group Enel SpA as Chairman & CEO of Enel Romania SrL., the largest vertical integrated energy company in Romania, and before as head of Green Power for Eastern Europe and Middle East. Mr. Stassis holds a bachelor's degree in civil engineering and a master's degree in "Management in Construction and Structural Design" from Kingston University (UK). Moreover, he has attended Executive Courses at Harvard Business School (US) and at Elis Academy (Italy).

Pyrros Papadimitriou, Vice-Chairman, Independent Non-Executive Member

Mr. Pyrros Papadimitriou is a lawyer, economist and professor at the University of Peloponnese. He holds a Degree in Political Science & Public Administration from the University of Athens (1985) and a Law Degree from the Athens Law School (1989). He holds a Post-Graduate Diploma in Economics from Sussex University (1987), a Master's in Economics (1988) and a Ph.D. in Economics (1992) both from Kent University. In the past he worked as a financial analyst at Gerald & National Inter Commodities in London (1989-1990), a researcher at the Foundation for Economic & Industrial Research in Athens (1994-1995), a manager in the Sectoral Research & Analysis Department of ALPHA Bank (1995-1996), advisor to the European Parliament (1996-1998) and director of Consulting Services at ICAP S.A. (1999-2000). In 1996, he founded HEADWAY Economic Consultants Ltd and remained its main shareholder until the end of 2021. Between 2006-2015, he cooperated with Four Assist Development Consulting Ltd, offers consulting services in the field of Public Financial Management in developing countries. In the period 2007-2009, he held the position of Chairman and Chief Executive Officer of the Olympic Aviation – Services S.A. and Olympic Airlines S.A. participating in the privatization project of the Olympic Aviation Group. In 2012, he was appointed Coordinator of the Privatization of the Greek Regional Airports, a project that has also been concluded successfully with the acquisition of the airports from Fraport AG. During the last years, apart from his academic duties, he has run various consulting projects for governments in the developing word in the field of public financial management and employment. From October 2019, he is also the general director of the research institute KMOP Policy Center ASBL, based on Belgium.

George Karakousis, Executive member

Mr. George Karakousis is an ~~commercial~~ executive with significant experience in senior commercial roles across technology, telecoms, and energy sectors. He has designed and successfully implemented the commercial strategy for major corporations in Greece and the UK and has spearheaded large-scale transformation projects. During the last 20 years, he has worked for companies in commercial roles with increased liability such as Forthnet and Wind Hellas, successfully launching new products and services. In the UK he was responsible for the redesign of the product strategy for Talk Talk, while in BT he was at the helm of the largest service transformation project for nine million customers. Over the last few years, he has led the commercial transformation of PPC, with significantly positive results..He holds a Diploma in Electrical & Electronics Engineering from NTUA, an MSc from Imperial College London, and an MBA from ALBA Graduate Business School.

Alexandros Paterakis, Executive member

Mr. Alexandros Paterakis holds a degree in Computer Engineering and Mathematics from the University of La Verne. He started his career as a Network Engineer and subsequently held positions of responsibility as a senior IT consultant, such as Head of the Consulting Services at MicroAge, Management Consultant at Arthur Andersen (now Accenture) in the UK and then in Greece. In 2003 he served as IT Director at Tellas Telecommunications and in 2008 he joined Vodafone where he held the position of CIO. He was then recruited by Etihad Etisalat (Mobily), where he served as President of Infotech Mobility India Pvt Ltd and retired in 2016 as CIO from Saudi Arabia, actively involved in the promotion of transformation in information and communication technologies (ICT). Since 2016 he has provided consulting services focusing on digital strategy. Since 2018 he has held the position of CIO at AXIATA Celcom, a telecommunications provider in Malaysia.

Grigoris Dimitriadis, Non-Executive Member

Mr. Grigoris Dimitriadis is the Chief Executive Officer and Executive Board Member of GROWTHFUND (HCAP), the National Fund of Greece, since February 2021. He studied in the UK and the USA, holding a bachelor in electrical engineering (Manchester Metropolitan University) and two masters; one in the field of telecommunications (University College London) and another in international business relations and international negotiations (The Fletcher School, Tufts University). He is an executive with national and international experience in leading management positions in both the private and public sectors. He served as Chairman of Enterprise Greece and Secretary General for International Economic Affairs of the Ministry of Foreign Affairs, dealing with numerous strategic investments in Greece and led the development of the National Strategy for Extroversion. Before that, he was Executive VP at HVA International in Amsterdam, Chief Executive Officer of Iskra Zaščite (Raycap Group) in Ljubljana, Chairman & CEO of the Athens Urban Transport Organization, and project coordinator for Greece's National Strategy for Exports at the Ministry of Development.

Alex Fotakidis, Non-Executive Member

Mr. Alex Fotakidis is a Partner at CVC and Head of CVC Greece. He joined CVC in 2006 and is based in Athens. Mr. Alex Fotakidis is responsible for all of CVC's investment activities in Greece, including Hellenic Healthcare Group, Skroutz, Vivartia (Dodoni is included), D-Marin, PPC and Ethniki Insurance. He previously spent five (5) years at CIBC World Markets, working in the European Leveraged Finance team dealing primary with the origination, structuring, execution and syndication of debt financing for buyouts on behalf of private equity companies' clients. Mr. Alex Fotakidis holds a BSc in Environmental and Natural Resource Economics and a MSc in Economics and Geography, both from University College London.

Maria Psillaki, Independent Non-Executive Member

Mrs. Maria Psillaki is a Professor at the Department of Economics of the University of Piraeus. She studied at the University of Nice Sophia Antipolis (Cote d'Azur) in France where she also received her Master's and PhD degrees in Economics with honours, in 1997. Whereupon, she has worked in London (Birkbeck College, University of London) as a Visiting Researcher (Post-Doctoral Research Fellow), funded by the CEPR (Center for Economic Policy Research) and ERSC (Economic and Social Research Council) and in Chicago as Visitor Researcher at the Graduate Booth School of Business, University of Chicago. She has lectured at various universities abroad to both undergraduate and postgraduate programs. She was a visiting Assistant Professor at Rutgers University in New Jersey (USA), Department of Business Administration, in Finance, and Investment and Portfolio Management. She was also a visiting Assistant Professor at the University of Cyprus, Department of Public and Business Administration Finance and Organizational Behaviour. Before joining the University of Piraeus in 2009, she was an Associate Professor at the University of Nice-Sophia Antipolis in France in the Economics Department from 2001 until August 2008. Finally, since 2009 she is a tutor at the Hellenic Open University in the "Banking and Fintech" postgraduate program. She has participated in various Research - European Programs. She has published in high-quality reviewed journals such as the Journal of Small Business Management, the European Journal of Operational Research, the Journal of Business Finance and Accounting, the Journal of Banking and Finance, the Small Business Economics, the Applied Financial Economics, and the Journal of Productivity Analysis. She serves as a referee in several reputed journals such as the Journal of Banking and Finance, Small Business Economics, the European Journal of Operational Research, Empirical Economics, and Managerial Finance. From 2009 to 2012 she was Vice President of the Hellenic Finance and Accounting Association (HFAA). Her scientific and research interests revolve around corporate finance, corporate governance and risk management, green finance, and ESG standards.

Despina Doxaki, Independent Non-Executive Member

Mrs. Despina Doxaki was born in 1968. She graduated from the School of Law of the National and Kapodistrian University of Athens and holds an LLM in European Law from the Institute of European Studies in Brussels. She has more than 26 years of working experience in cross-border transactions mainly in cooperation with commercial, investment, institutional and development banks, and specializes (1) in structuring and negotiating national and international complex financial contracts such as structured finance transactions, (2) project finance in all development sectors, i.e. energy, infrastructure, real estate, tourism, hospitals, etc. through PPAs and/or concessions; (3) corporate finance and transformations (IPOs, capital markets transactions); (4) corporate lending in all forms, debt restructuring, and refinancing, etc. During her career, she has worked at the European Commission, KPMG, KIS Athens, and Alpha Bank SA, while in the last 15 years, she has worked at Kyriakidis-Georgopoulos Law Firm, in Brussels at the English law firm Stabrook & Hooper (McDermont & Ellis) and in London at the international law firms Chadbourne/NRF, Shearman and Milbank. Since 2018 she has been Head of Legal Services at the Financial Stability Fund. She has work experience in Athens, London, and Brussels and speaks Greek, English, and French.

Stefanos Theodoridis, Independent Non-Executive Member

Mr. Stefanos Theodoridis has served for more than 35 years as Senior Executive of business groups in Greece and abroad, of which 25 years as CEO. From 1989 to 2006, he held the position of CEO at DIAGEO S.A., initially for Greece and in the last years for Southern & Eastern Europe. In this role,he was responsible for 18 countries and was also a member of the European Executive Committee of the Company. From 2006 to 2011, he served as CEO of HYATT REGENCY SA, a leader in the Tourism & Leisure industry. From 2012 until December 2023, he held the position of CEO at TEMES Group, one of the leading companies in the development and management of high-end tourism destinations and holiday destinations, such as Costa Navarino and HILTON ATHENS. He is a non-executive member of the Board of Directors of PPC S.A., Vice President of GIOCHI PREZIOSI Group, a toy import and marketing company in Greece & Turkey, Member of the Board of Directors of IOBE (Foundation for Economic & Industrial Research), Member of the Tourism and Development Committee of the Hellenic American Chamber of Commerce.

Stefanos Kardamakis, Independent Non-Executive Member

Mr. Stefanos Kardamakis was born in Athens in 1967. He graduated from the Department of Mechanical Engineering of the National Technical University of Athens in 1991. He then obtained a Master's degree (MSc) in Finance, Commerce and Shipping from City University, Cass Business School, London. His professional career started in 1993 in the Technical Department of Adelfia Shipping Enterprises. In 1994 he joined the Dutch bank ABN AMRO as Client Manager in the Shipping Finance Department, where he rose to the position of Vice President of the Department. In 2004 he served as Head of the newly established Shipping Division of Egnatia Bank in the field of financing. During his 14-year career in the Banking industry he was involved in financing proposals, financial transactions and products, as well as in concluding large, syndicated loans with other banks on behalf of large shipping companies. He was also occupied with the optimization of internal processes and the introduction of new methods to better monitor and improve operational & credit risk, as well as the restructuring of non-performing loans. In 2008, he assumed the position of CFO at Conbulk Shipping S.A. which since 2019, was renamed as Conbulk Shipmanagement Corporation and where he has also held the position of Chief Operating Officer, being responsible, apart from the financial management, for the operational, technical and procurement department of the said company. From 2021 he is the General Manager of Conbulk Shipmanagement Corporation.

Functioning of the Board of Directors

With regard to the functioning of the Board of Directors, the Company's Articles of Incorporation provide for the following:

Competences of the Board of Directors

The competences of the Board of Directors are defined in Article 10 of the Articles of Incorporation as amended by the decision of the Extraordinary General Meeting on 14.12.2023 (registration in the G.E.MI / 04.01.2024). The Board of Directors is the supreme governing body of the Company which shall formulate primarily its development strategy and Policy, as well as supervise and exercise control over the management of its assets. The Board of Directors shall approve, upon recommendation of the CEO: a) the Strategic Plan, which determines the strategic goals for the attainment of the Company's objectives, b) the Business Plan of the Company of a duration of three (3) to five (5) years, which specifies the goals of the Strategic Plan for each year of its duration, c) the methods for the implementation of the Strategic Plan and the Business Plan for each year of their duration. The Board of Directors shall also monitor the implementation of the Strategic Plan and the Business Plan.

The Board of Directors shall represent the Company and shall be vested with unlimited authority to decide on any act and to exercise full power concerning the management of the Company, the management of its property, and in general the fulfilment of its object, with the exception of those issues which either by law or by the Articles of Incorporation, expressly fall within the jurisdiction of the General Meeting.

The Board of Directors shall, upon recommendation of the CEO, approve the annual budget of the company, prepare, approve, and submit to the General Meeting for approval the annual financial statements of the Company and prepare and submit to the General Meeting the annual report. Moreover, the Board of Directors, upon recommendation of the Nomination, Remuneration and Recruitment Committee, approves the recruitment policy of the Company, pursuant to the relevant legislation as applicable each time.

The Board of Directors shall decide, upon recommendation of the CEO, on: a) the creation of positions of Deputy Chief Executive Officers, as well as on their number and their competences, b) the establishment of Divisions with Group competences (Group Functions), reporting to the Chief Executive Officer.

The Board of Directors may, upon recommendation of the Chief Executive Officer, delegate part of its administration and representation competences, except for those which, pursuant to the Law and the present Articles of Incorporation require collective action or fall within the exclusive jurisdiction of the Chief Executive Officer in accordance with Article 15 of the Articles of Incorporation, as well as the administration or supervision of the affairs or the representation of the Company to the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officers, one or more of the Board Members, the Company's committees, other executives of the Company and/or its subsidiaries, Directors or employees of the Company.

The aforesaid persons to whom the competencies described above are delegated and who do not have the capacity of Board Member carry the same responsibility towards the Company as the members of the Board of Directors, pursuant to Article 102 of Law 4548/2018, as applicable, and Article 12 of the Company's Articles of Incorporation.

Convocation and Functioning of the Board of Directors

The Convocation and Functioning of the Board of Directors are defined in Article 11 of the Articles of Incorporation of PPC S.A. as amended by the decision of the Extraordinary General Meeting of the Company's shareholders on 14-12-2023 (registration in the G.E.MI/ 04.01.2024). The Board of Directors shall meet at the seat of the Company and/or outside its seat at the facilities of PPC at Kozani, Megalopoli and Aliveri, upon the call of the Chairman or his/her substitute on such day and hour as determined by him/her, whenever required following the needs of the Company.

The Board of Directors may lawfully meet by way of teleconference with some or all Board members, upon invitation to the Board members, which shall include all necessary information and technical instructions concerning their participation in the meeting. In any case, any Board member may request the holding of a meeting by way of teleconference if he/she resides in a country other than the one where the meeting is to be held or if there is any other serious reason, especially illness or disability.

At the request of two (2) Board Members, the Chairman or his/her substitute shall be obliged to convene the Board of Directors, setting the date of the meeting, which shall not be later than seven (7) days from the submission of the relevant request, under penalty of inadmissibility, which shall also clearly state the proposed items on the agenda to be discussed by the Board of Directors. In case the Board of Directors is not convened by the Chairman or his/her substitute within the aforementioned deadline, the requesting members shall be allowed to convene themselves the Board of Directors within five (5) days from the expiration of the above deadline of seven (7) days, by notifying the relevant notice to the remaining members of the Board of Directors.

The agenda of the meetings shall be determined by the Chairman and its items shall be clearly stated in the notice sent to the members of the Board at least two (2) working days before the date of the meeting and at least five (5) working days in the event that the meeting is to be held at a venue other than the Company's seat, otherwise the decision-making is allowed only if all members of the Board of Directors are present or represented at the meeting and none of them objects to the decision-making.

A quorum of the Board shall be deemed to be present and the meeting shall be deemed valid if, pursuant to paragraph 6 of the Article 11 of the Articles of Incorporation, one more than half the number of members is present or represented. In no case, however, shall the number of members physically present be less than three (3). In determining the number required to form a quorum, fractions, if any, shall be ignored.

The Board of Directors shall make its decisions by an absolute majority of the members present or represented. In case of equality in votes, the Chairman's vote shall prevail.

Each Board Member may, following written authorization, validly represent only one member thereof. The representation to the Board of Directors may not be assigned to a person who is not a member of the Board of Directors.

Minutes of the proceedings and decisions of the Board of Directors shall be kept in accordance with the Law and in particular with Article 93 of Law 4548/2018, as in force. The minutes shall be signed by the Chairman and the Board Members who attend the relevant meeting. In the event that one of the members refuses to sign, this shall be indicated in the minutes accordingly.

The copies of and the excerpts from the minutes of the Board of Directors shall be signed by the Chairman or by a person designated by the Board of Directors to this end, without any other validation being necessary.

The General Counsel may attend the meetings of the Board of Directors without having the right to vote, unless otherwise decided by the Board of Directors.

The drawing up and the signing of the minutes by all the members of the Board of Directors or their representatives is equal to a decision of the Board of Directors, even if no meeting has preceded. The above section shall also apply if all Board members or their representatives agree to record their majority decision in the minutes, without holding a meeting. The relevant minutes shall be signed by all members and shall be entered in the minute's book in accordance with Article 93 of Law 4548/2018.

The signatures of the Board Members or their representatives may be substituted with the exchange of messages via email or other electronic communication media, e.g., by means of a qualified digital signature.

Liability and Duties of the Board Members

Each Board Member shall be liable vis-a-vis the Company, in accordance with Articles 96 to 102 of Law 4548/2018, for any fault committed, due to an action or omission during the performance of their duties, which constitute a violation of their duties, in accordance with the Law and the Company's Articles of Incorporation, as applicable. In particular, Board members and third parties to whom duties may have been assigned by the Board of Directors, shall be obliged to disclose to the Board of Directors, promptly and appropriately, any conflict of interest which may arise during the performance of their duties between themselves or other persons with whom they are closely associated and the Company or the companies of its Group, as soon as they take knowledge thereof. In any case, the aforementioned persons shall be obliged to refrain from any action related to corporate actions that may give rise to such conflict of interest until the date on which the Company will examine the conflict of interest declaration.

The Board Members shall be bound, inter alia, to handle the corporate affairs with a view to promoting corporate interest, to oversee the execution of the decisions of the Board of Directors and of the General Meeting, as well as to brief the other Board Members on any corporate affairs.

The Board Members and any third party to whom the Board of Directors has assigned any of its competences shall be bound to keep absolute secrecy with regard to all confidential information in respect of the affairs of the Company coming to their knowledge in their capacity as Board Members.

The provisions of Articles 99 to 101 of Law 4548/2018, which include regulations concerning transactions with related parties shall also apply to Chief Officers and Directors of the Company.

The appointment and the dismissal for any reason whatsoever of the Board Members and of the persons empowered to represent the Company jointly or severally shall be subject to publication, as stipulated by Articles 12 and 13 of Law 4548/2018, as applicable, together with their identity particulars and in any case as provided for by law each time.

Compensation of Board Members

The Company shall establish a remuneration policy and shall draw up a remuneration report, pursuant to Articles 110 to 112 of Law 4548/2018 and Article 11 of Law 4706/2020, as in force, in accordance with Article 17 par. 1 of the applicable Articles of Incorporation.

3. Chairman, Vice-Chairman of the Board of Directors and Chief Executive Officer

Chairman of the Board of Directors

The Chairman of the BoD shall be elected by the Board of Directors. The capacity of the Chairman of the BoD may coincide with that of the CEO. In this case, the Board of Directors shall mandatorily appoint the Vice-Chairman from among its non-executive members.

The Chairman of the BoD guides the BoD, shall contribute to ensuring the efficient flow of information, both within the BoD and between the BoD and its Committees and shall be responsible for its effective overall operation. The Chairman of the BoD shall encourage and promote open and critical discussions and ensure that divergent views can be expressed and discussed in the decision-making process.

The Chairman of the BoD determines the items on the agenda of the meetings and ensures that issues of strategic importance are discussed as a matter of priority. The Chairman should also ensure that the BoD makes informed and appropriate decisions and that the relevant documents and information are received promptly before the meeting.

The Chairman of the BoD shall contribute to a clear allocation of duties between the BoD Members and ensure the efficient flow of information between them so that the BoD Members in their supervisory function have the opportunity to contribute constructively to the discussions and to exercise their voting right on a proper basis and in a well-informed manner.

Vice-Chairman of the Board of Directors

The Chairman of the BoD shall be elected by the Board of Directors. Since in PPC the capacity of the Chairman of the BoD coincides with that of the CEO, the Board of Directors has appointed the Vice-Chairman from among its Independent Non-Executive Members, who in the event that for any reason whatsoever there is a vacancy in the office of the Chairman of the Board of Directors, or the latter is absent or temporarily unable to perform his/her duties, the Vice Chairman of the Board shall temporarily act as Chairman and shall have the following responsibilities: to support the Chairman, to act as a liaison between the Chairman and the members of the Board of Directors, to coordinate the independent non-executive members and to lead the evaluation of the Chairman.

Chief Executive Officer

The role of the CEO is defined in Article 15 of the Articles of Incorporation of PPC S.A. as amended by the decision of the Extraordinary General Meeting of the Company's shareholders on 14-12-2023 (registration in the G.E.MI/ 04.01.2024).

The Chief Executive Officer of the Company shall be elected by the General Meeting of Shareholders and his term of office shall be three years.

The Chief Executive Officer shall be the highest-ranking executive officer of the Company, he/she shall be at the head of all the services thereof, conduct their activities, decide on the further organization of the Company within the scope of the Articles of Incorporation and the relevant decisions of the Board of Directors, including the selection of executives of any ranking, make the necessary decisions pursuant to the provisions governing the operation of the Company, the approved plans and budgets, the Strategic Plan (S.P.), the Business Plan (B.P.) and the terms of the Management Contract he/she has entered into with the Company pursuant to Article 16 of the Articles of Incorporation. The Chief Executive Officer shall represent the Company within the limits of his/her powers under the Articles of Incorporation or the decisions of the Board of Directors and may authorize or empower other persons such as members of the Board of Directors, senior managers or executives of the Company as well as any kind of PPC bodies/bodies of persons to represent him/her.

The Chief Executive Officer, further to his/her duties by virtue of other provisions of the Articles of Incorporation and the duties delegated to him/her by the Board of Directors upon its decisions, shall have the following duties:

- Submit to the Board of Directors of the Company the proposals and recommendations required for the attainment of the Company’s objectives, as specified in the Strategic Plan and the Business Plan.
- Make decisions on the awarding of contracts of a value to be determined on each occasion by the decision of the Board of Directors.

Deputy CEOs

The role of the Deputy Chief Executive Officers is defined in Article 15a of the Articles of Incorporation of PPC S.A. as amended by the resolution of the Extraordinary General Meeting of the Company's shareholders on 14-12-2023 (registration with G.E.M.I. / 04.01.2024).

The Deputy Chief Executive Officers shall report to the Chief Executive Officer. They shall be at the head of wider business activities of the Company and/or the Group, structured into Group Functions, Divisions and Business Units, and may be members of the Board of Directors The number and duties of the Deputy Chief Executive Officers shall be determined by the Board of Directors upon recommendation of the Chief Executive Officer.

Secretary of the BoD

The Board of Directors is supported by a competent, experienced and qualified Secretary, who ensures its smooth and efficient operation. Within the framework of her responsibilities, the Corporate Board Secretary is responsible for the handling of all matters governing the functioning of the Board of Directors of PPC S.A.in accordance with the Law, the Articles of Incorporation, the Regulations and Policies of the Company, the coordination of the timely and effective recommendation of the agenda items to the Board of Directors, the keeping the minutes of its meetings and the management of all matters related to the secretarial support of the Board of Directors.

At the same time, the Corporate Board Secretary is also the Director of the PPC Group Boards of Directors Functioning Department, entrusted, inter alia, with monitoring the functioning of the Board of Directors of PPC subsidiaries, as management bodies.

Short CV of the Secretary of the BoD

Ms. Antonia Koukouritaki is an attorney-at-law and accredited mediator with significant experience in commercial/corporate law, strategic transformations, and energy law. During her 23-year career, she worked in two major law firms in Athens, while as an attorney-at-law for PPC S.A. over the past 16 years, she has been involved in the listed company's compliance with the corporate, stock exchange, as well as corporate governance legislation, corporate and strategic transformations (including, but not limited to, the spin-off of the distribution and the transmission segments, the hive-down of the two lignite segments, the absorption of the two lignite segments, the hive-down of the distribution network segment HEDNO and the sale of a stake in HEDNO to an international strategic investor, privatisations, ownership unbundling of HPTO, recommendations to and supervision of subsidiaries, etc.), strategic projects (national and international partnerships and alliances, asset disposals, etc.), as well as competition and energy regulatory framework issues. e. She has participated in numerous scientific conferences and has authored legal articles and studies related to her field of expertise. Recently, she has been assigned the role of Board Secretary of PPC S.A. and the supervision of the Board of Directors of its subsidiaries. She holds a law degree from the Athens School of Law (Athens University of Athens), a postgraduate degree in Commercial Law from the Athens School of Law (Athens University of Athens), and an LL.M. in Commercial Law from the University of Bristol Law School, as well as an accreditation as a mediator under the Ministry of Justice.

4. Non-Executive members and Independent Non-Executive Members of the Board of Directors

The Non-Executive and the Independent Non-Executive Members of the BoD shall have a purely supervisory and strategic role compared to the Executive Members who are responsible for the implementation of the BoD strategy and have executive responsibilities regarding the management of the Company.

The independent Non-Executive Members of the BoD play a key role in enhancing the effectiveness of controls and counterbalances within the BoD, by improving the oversight of decision-making by the executive management, as well as by ensuring that:

- the interests of all stakeholders, including minority shareholders, are duly taken into account in the discussions and decision-making of the BoD;
- the undue dominance of individual BoD Members who represent a specific group or category of stakeholders is mitigated or compensated for; the decision-making is not dominated by an individual or a small group of members; and
- conflicts of interest between, on the one hand, the Company, its business units, other entities falling within the accounting scope of consolidation and, on the other hand, external stakeholders, including customers, are subject to management due diligence.

The independence criteria of the Independent Non-Executive Members of the Board of Directors are specified in the Suitability Policy for the members of the Board of Directors of PPC S.A., as well as in the Procedure for Disclosure of any Dependency Relations of the Independent Non-Executive Members of the Board of Directors of PPC S.A. as follows:

1. A Non-Executive Member of the BoD is considered independent if during his/her appointment and during his/her term of office:

a) does not hold, directly or indirectly, a percentage of voting rights greater than zero-point five percent (0.5%) of the Company's share capital, and

b) is free from financial, business, family or other dependency relationships, which may influence his/her decisions and his/her independent and objective judgement (hereinafter referred to as "dependency relationships").

2. A dependency relationship exists in the following cases:

- When a member receives any significant remuneration or benefit from the Company, or from an affiliate company, or participates in a stock options system or any other performance-related remuneration or benefit system, other than remuneration for his/her participation in the BoD or in its Committees, as well as in the collection of fixed benefits within the framework of the pension system, including the rescheduled benefits, for his/her previous services in the Company. The criteria based on which the meaning of significant remuneration or benefit is defined, are laid down in the Company's remuneration policy.
- When the member or person who is closely associated with the member maintains or has maintained a business relationship during the last three (3) financial years prior to his/her appointment with:

The Company, or

A person closely associated with the Company, or

a shareholder who directly or indirectly holds a stake equal to or greater than ten percent (10%) of the Company's share capital during the last three (3) financial years prior to his/her appointment, or an affiliate company, provided that this relationship affects or may affect the business activity of either the Company or the person referred to in par. 1 or the person closely associated with it. Such a relationship exists especially when the person is a significant supplier or a significant customer of the Company.
- When the member or the person who is closely associated with the member:

has been a member of the BoD of the Company or of an affiliate company thereto for more than nine (9) financial years in total at the time of his/her election,

has been a Senior Executive or entered into an employment or project or service relationship or a salaried mandate relationship with the Company or with an affiliate company thereto during the last three (3) financial years prior to his/her appointment,

is related to the second degree by blood or by marriage, or is a spouse or partner equated with a spouse of a Board Member or Senior Executive or shareholder, with a participation percentage equal to or greater than ten percent (10%) of the Company's share capital or an affiliate company thereto,

has been appointed by a specific shareholder of the Company, in accordance with the Articles of Incorporation, as provided for in Article 79 of Law 4548/2018,

represents shareholders holding directly or indirectly a percentage equal to or greater than five percent (5%) of the voting rights at the General Meeting during his/her term of office, without any written instructions;

has carried out a statutory audit to the Company or to an affiliate company thereto, either through a company or by himself/herself or by an up to second-degree relative by blood or by marriage, or by his/her spouse, during the last three (3) financial years prior to his/her appointment,

is an Executive member in another company, in the BoD of which an Executive member of the Company participates as a Non-Executive member.

- When the member falls under one of the dependency relationships provided for in any other statutory or regulatory texts to which the Company is subject and which the Company applies, either on an optional or a mandatory basis (for instance, Articles of Incorporation of the Company, Corporate Governance Code, Rules of Procedure of the Board of Directors).

The Independent Non-Executive Members of the Board of Directors jointly submitted a Report to the Annual General Meeting of Shareholders on 29-06-2023, in accordance with Article 9 par. 5 of Law 4706/2020 and the relevant guidelines of the Hellenic Capital Market Commission with reference to the manner in which the Non-Executive Members of the Board of Directors, including the Independent Non-Executive Members, fulfilled their obligations in the financial year 2022 with respect to:

a) The Monitoring and review of the Company's strategy and its implementation, as well as the achievement of its objectives.

b) Ensuring effective supervision of executive members, including monitoring and controlling their performance.

c) Considering and expressing their views on proposals submitted by executive members, based on existing information.

Moreover, in compliance with the relevant provision of the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, which the Company has adopted and applies, the Non-Executive Members of the Board of Directors of the Company met on 19.12.2023, with the Independent Vice-Chairman of the Board of Directors in the chair. During this meeting, issues were mainly discussed for a more effective monitoring of the Group's Strategy by the Non-Executive Members.

5. Number of meetings of the Board of Directors, frequency of participation of each member and main issues dealt with by the Board of Directors

In 2023, 21 meetings of the Board of Directors took place. In particular, the table below shows the number of meetings attended by the members of the Board of Directors.

Member	BoD Position	Number of Meetings in which the members of the BoD participated	Percentage of Participation in the BoD meetings
Giorgos Stassis	Chairman & Chief Executive Officer, Executive Member	21/21	100%
Pyrros Papadimitriou	Vice-Chairman, Independent Non-Executive Member	20/21	95%
George Karakousis	Deputy Chief Executive Officer, Executive Member	19/21	90%
Alexander Paterakis	Deputy Chief Executive Officer, Executive Member	20/21	95%
Maria Psillaki	Independent, Non-Executive Member	21/21	100%
Despina Doxaki	Independent, Non-Executive Member	19/21	90%
Stefanos Kardamakis	Independent, Non-Executive Member	20/21	95%
Stefanos Theodoridis	Independent, Non-Executive Member	15/21	71%
Grigorios Dimitriadis	Non-Executive Member	15/21	71%
Alex Fotakidis	Non-Executive Member	21/21	100%

During 2023, the BoD issued 106 decisions, with 94 of them being issued via written recommendation.

The main issues discussed at the Board of Directors' meetings during the **2023** financial year:

- Approval of Financial Statements.
- Approval of new and/or revision of existing Regulations and Policies in the context of compliance with the applicable legislation,
- Approval of the amended Remuneration Policy, approval of the Remuneration Report for the financial year 2022,
- Determination of the CEO's objectives, which are also considered to be the Group's objectives, for the Financial Year 2023 and information regarding the degree of achievement of the CEO's objectives for the year 2022,
- Procurement issues (tendering procedures, contracts, awarding, etc.),
- Subsidiaries' issues (new investments, financing, mergers, changes in share capital, establishment of the subsidiary PPC BELGIUM, etc.),
- Bond loans (approval of the prospectus and relevant documents, amendment of contracts, etc.),
- Risk Assessment and Annual Audit Plan (AAP) of the Internal Audit Department (IAD) for the year 2023,
- Amendments to the Articles of Incorporation,
- Appointment of members to the Audit Committee,
- Appointment of the new (corporate) Secretary of the BoD,
- Staff management issues, new recruitment policy, recruitment notices and organisational changes, voluntary redundancy scheme 2023,
- New investments (approval of the development of the fibre optic network in the context of investment in the telecommunications sector, acquisition of ENEL Romania, acquisition of DIXONS SOUTH-EAST EUROPE S.A.(Kotsovolos), expansion of the RES portfolio in the Balkans),
- Approval of the 2023 Budget (by 2022 Decision).

6. Suitability Policy for the members of the Board of Directors of PPC S.A.

The Company has established a Suitability Policy for the members of the Board of Directors, which was drafted according to the guidelines of the Hellenic Capital Market Commission (Circular no. 60 / 18-09-2020) and includes:

a) the principles concerning the election or replacement of the Board members, as well as the renewal of the term of office of the existing BoD members
b) the criteria for the evaluation of the individual and collective suitability of the BoD members
c) the criteria of diversity and adequate gender representation
d) the role of the Nomination, Remuneration and Recruitment Committee
e) the induction training program of the BoD members, and
f) the continuous monitoring and evaluation of the BoD's suitability.

Any amendments to the Suitability Policy that are material (i.e., since they introduce derogations or significantly change its content, in particular with regard to the general principles and criteria applied) are submitted for final approval to the General Meeting. In the context that the amendments to the said Policy, especially to the degree that they concern changes in the legal framework of Corporate Governance, are approved by the Board of Directors upon the recommendation of the Chief Legal & Governance Officer PPC Group and with the consent of the Nomination, Remuneration and Recruitment Committee. Simple organisational changes are approved by the Chief Executive Officer.

The Suitability Policy of the Company was initially approved by Decision No 46/13-05-2021 of the Board of Directors, in accordance with Article 3 par. 1 of Law 4706/2020 and by the Extraordinary General Meeting of Shareholders, in accordance with Article 3 par. 3 of Law 4706/2020, dated June 4, 2021. Two amendments to the Suitability Policy followed, which were approved by the Company's Board of Directors' Decisions No. 132/26.10.21 & 10/23.02.22, respectively. The second amendment became effective by the Resolution of the Extraordinary General Meeting of the shareholders of the Company dated 17.03.22. Finally, the last amendment to the Suitability Policy of the Company was approved by the Board of Directors' Decision No. 45/10-05-2022.

The updated text of the Company's Suitability Policy is posted on the Company's website https://www.ppcgroup.com/en/ppc-group/corporate-governance/organization-of-the-company/ppc-board-of-directors/

Monitoring of the implementation of the Suitability Policy for Board Members

The BoD is responsible for monitoring the implementation of the Suitability Policy and for its periodical assessment, assisted by the Nomination Remuneration and Recruitment Committee, the Audit Committee and the Legal & Governance Function, as well as by other Service Units having a similar scope, such as the Internal Audit Department and the HR & Organization Function, as deemed appropriate.

Training Policy for Board Members

The Company has established a training Policy for Board members ((BoD Decision No. 80/29-06-2021), through which it adopts a structured and effective training system that meets the needs of the induction program of new members, as well as the needs concerning the continuous training of Board members.

Through the said training system, the Company seeks to contribute to the development of the BoD members, to ensure their suitability, and ultimately to the effective function of the BoD and its committees.

7. Evaluation of the Suitability and Effectiveness of the Board of Directors and its Committees

The Company has established a Policy and Procedure for the Evaluation of the Suitability and Effectiveness of the Board of Directors of PPC S.A. and its Committees (BoD Decision No 45 10 05 2022).

Based on the aforementioned Policy, the evaluation of the effectiveness of the Board of Directors at an individual level is being carried out by using self-assessment questionnaires.

In particular, the individual performance of each member is being examined, taking into account his/her capacity (Executive, Non-Executive, Independent Non-Executive) and specifically:

- the fulfilment of his/her duties, in accordance with the provisions of the Company's Articles of Incorporation, the Company's Regulations and Policies and the applicable legislation,
- the degree of compliance with the policies and procedures of the Board of Directors and the Company to the extent that they apply to each member,
- his/her contribution to the effective functioning and overall performance of the Board of Directors,
- the degree of consistency and participation in the BoD meetings,
- the participation in BoD committees and the assignment of specific responsibilities/projects,
- the use of knowledge and experience,
- the effectiveness in managing the matters he/she undertakes to deal with.

The evaluation of the Chairman of the BoD is being carried out by the use of questionnaires which are being filled out by all Board members -except for the Chairman- and submitted anonymously to the Nomination, Remuneration and Recruitment Committee. Specifically, the evaluation of the Chairman is focused on the following criteria:

- Relationship management and degree of communication with the Board members and its Committees,
- Communication with executives, shareholders and other stakeholders,
- Ability to coordinate collective discussions,
- Ensuring that the Board members are provided with correct and timely information prior to the holding of Board meetings,
- Demonstration of leadership skills,
- Creation of an environment of "confidentiality" for Board members to raise issues and concerns,
- Promotion of constructive discussion/dialogue and effective decision-making process during Board meetings.

The individual suitability of Board members is being assessed for all Board members, regardless of their capacity, based on the following criteria:

1. Allocation of sufficient time
2. Adequacy of knowledge, skills and experience
3. Guarantees of good repute and morality; and
4. Independence of judgement and absence of conflicts of interest

With regard to criteria 3 and 4, each Board member submits, inter alia:
- A Declaration on own interests or conflicts of interest/duties
- Solemn Declaration pursuant to Article 3 par. 4 of Law 4706/2020 on the non-issuance of a final conviction for loss-making transactions of the Company
- Declaration on the assessment of the reputation, integrity and honesty of Board members according to the questionnaire included in the Suitability Policy for Board members of the Company (Section V of the Annex “Suitability Policy”)

Based on the above, a summary table of the collective suitability/effectiveness of the Board of Directors is being completed, taking into account the individual self-assessments of Board members, the evaluation of the collective suitability of the Board of Directors, as well as the supporting documentation for the individual suitability, focusing mainly on the following issues:

- Suitability of the BoD for the exercise of its responsibilities
- Suitability of the composition of the Board of Directors for the management of the Company and balanced decision-making,
- Collective suitability of members for decision-making and monitoring of the operation of the Company as a whole,
- Board members' expertise in key areas of knowledge,
- Level of managerial and administrative skills,
- Understanding of the BoD's areas of responsibility and possession of the necessary skills to exercise management and oversight of the Company,
- Implementation of the Company's Diversity Policy,
- Ensuring that there is no exclusion, as regards the possibility of selection and election as a member of the Board,
- Meeting the criteria of adequate representation by gender,
- Representation of a wider range of shareholders, who, either individually or in aggregate, represent at least 10% of the Company's share capital.

Effectiveness of the BoD Committees

The evaluation of the BoD Committees focuses on the achievement of their objectives through the necessary combination of knowledge and skills of their members, as well as on the effective performance of their duties, such as:

- their role and the fulfilment of their duties, as defined in their Rules of Procedure,
- effective supervision of the implementation of their decisions,
- effective organisation of meetings,
- effective cooperation between the members of the committees,
- effectiveness of the committees' communication with the BoD, the company's executive management and other stakeholders,
- providing effective support to the BoD and keeping it informed of its work.

In evaluating the performance of the BoD committees, the respective Chairpersons of the BoD committees are responsible for organizing the evaluation of their committees and submitting the results to Nomination Remuneration and Recruitment Committee.

Based on the periodic evaluation carried out by the Board of Directors and its Committees in accordance with the above, with reference period 2023 (01.01.2023-31.12.2023), no material weaknesses were identified for which the Board of Directors considers that relevant corrective actions should be determined other than the completion of the composition of the Board of Directors with its eleventh (11th) Member and following the amendment of article 9 "*Composition and Term of the Board of Directors" of the* Company's Articles of Incorporation. (Decision of the Extraordinary General Meeting of 14-12-2023, date of registration /GEMI 4-01-2023).

8. Other professional engagements of Board Members

The external professional obligations of the BoD members are presented in the table below:

Board Member	Profession	Participation as Board member of companies **outside PPC Group** or non-profit Organizations (in any capacity e.g. Independent Member, Executive Member, Independent Non-Executive Member, etc.)	Participation as Board member of other companies **inside PPC Group**
Giorgos Stassis	Civil Engineer	- Eurelectric – the European Union of the Electricity Industry (Vice Chairman of the BoD) - Board Member at the HELLENIC AMERICAN CHAMBER OF COMMERCE	Member of the Board of Directors of the following companies: PPC S.A. SUBSIDIARIES (100%) - PPC FIBERGRID (Chairman of the BoD from 28.6.2023 to 28.6.2026) - PPC Renewables S.M.S.A. (Chairman of the BoD from 9.9.2022 to 9.9.2025) 100% SUBSIDIARIES/AFFILIATED of PPC S.A. - ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. (Board Member from 26.1.2023 to 25.1.2028). - HELLENIC HYDROGEN S.A. (Chairman of the BoD from 23.1.2023 to 10.9.2024). SUBSIDIARIES OF PPC RENEWABLES S.M.S.A. - Arkadikos Ilios Ena S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the Announcement of the G.E.M.I. No. 2991029/3.7.2023) - Arkadikos Ilios Dio S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the Announcement of the G.E.M.I. No. 2990886/3.7.2023) - Iliako Velos Ena S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2990809/5.7.2023) - Amalthia Energiaki S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the

			Announcement of the G.E.M.I. No. 2990789/3.7.2023) - SOLARLAB S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2990780/3.7.2023) - ENERGEIAKOS STOHOS S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the Announcement of the G.E.M.I. No. 2990801/3.7.2023) - SOLAR PARK OF WEST MACEDONIA ENA S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the Announcement of the G.E.M.I. No. 2990876/5.7.2023) - SOLAR PARK OF WESTERN MACEDONIA DYO S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 16.6.2023, as results from the Announcement of the G.E.M.I. No. 2990883/7.7.2023) - WIND FARM LYKOVOUNI S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2997166/11.7.2023) - WIND FARM K-R S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2997160/11.7.2023) - WIND FARM KOUKOULI S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2984909/28.6.2023) - WIND FARM DOUKAS S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2985123/28.6.2023) - ILIOFANEIA S.M.S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 20.6.2023, as results from the Announcement of the G.E.M.I. No. 2997170/10.7.2023) <u>AFFILIATES OF PPC RENEWABLES S.M.S.A.</u>

			- VORINO PELLIS S.A. (Chairman of the BoD until 08.06.2023 - composition of new BoD on 8.6.2023, as results from the Announcement of the G.E.M.I. No. 2987901/27.6.2023) - GITANI S.A. (Chairman of the BoD from 19.5.2023 to 07.06.2023 - composition of new BoD on 7.6.2023, as results from the Announcement of the G.E.M.I. No. 2975166/7.6.2023) - PPC RENEWABLES - EDF RENEWABLES HELLAS S.A. (Chairman of the BoD until 07.06.2023 - composition of new BoD on 7.6.2023, based on the Announcement of the G.E.M.I. No. 2975459/12.6.2023) - PPC RENEWABLES - ROKAS S.A. (Chairman of the BoD until 06.06.2023 - composition of new BoD on 6.6.2023, as results from the Announcement of the G.E.M.I. No. 2975074/9.6.2023) - P.P.C. -TERNA S.A. (Chairman of the BoD until 09.06.2023 - composition of new BoD on 14.7.2023, as results from the Announcement of the G.E.M.I. No. 3025923/1.9.2023) - E.E.N - VOIOTIA S.A. (Chairman of the BoD until 07.06.2023 - composition of new BoD on 7.6.2023, as results from the Announcement of the G.E.M.I. No. 2975488/12.6.2023) - SHPP SMIXIOTIKO S.A. (Chairman of the BoD until 07.06.2023 - composition of new BoD on 7.6.2023, as results from the Announcement of the G.E.M.I. No. 2980051/19.6.2023) - OROS ENERGIAKI S.A. (Chairman of the BoD until 02.06.2023 - composition of new BoD on 2.6.2023, as results from the Announcement of the G.E.M.I. No. 2976272/17.6.2023) - GREENESCO ENERGEIAKI S.A. (Chairman of the BoD until 08.06.2023 - composition of new BoD on 23.6.2023, as results from the Announcement of the G.E.M.I. No. 2988119/27.6.2023) - WIND FARM AG.ONOUFRIOS S.A. (Chairman of the BoD until 09.06.2023 - composition of new BoD on 9.6.2023, as results from the Announcement of the G.E.M.I. No. 3030648/11.9.2023) - WIND FARM LEYKIVARI S.A. (Chairman of the BoD until 09.06.2023 - composition

			of new BoD on 09.6.2023, as results from the Announcement of the G.E.M.I. No. 3030586/12.9.2023) - WIND FARM KILIZA S.A. (Chairman of the BoD until 09.06.2023 - composition of new BoD on 09.6.2023, as results from the Announcement of the G.E.M.I. No. 3030561/11.9.2023) - Wind FARM MPAMPO VIGLIES S.A. (Chairman of the BoD until 09.06.2023 - composition of new BoD on 09.6.2023, as results from the Announcement of the G.E.M.I. No. 3030664/8.9.2023) - WIND FARM LOUKO S.A. (Chairman of the BoD until 09.06.2023 - composition of new BoD on 09.6.2023, as results from the Announcement of the G.E.M.I. No. 3030602/12.9.2023) <u>FOREIGN COMPANIES</u> -PPC Belgium (Board Member as of 20.10.2023) -PPC ROMANIA S.A. BoD Chairman as of 15.3.2023) -PPC ENERGY SERVICES Co S.A. (BoD Chairman as of 8.12.2023) -RETELE ELECTRICE MUNTENIA S.A. (BoD Chairman as of 8.12.2023) - RETELE ELECTRICE BANAT S.A. (BoD Chairman as of 8.12.2023) - RETELE ELECTRICE DOBROGEA S.A. (BoD Chairman as of 8.12.2023) -PUBLIC POWER CORPORATION FINANCE PLC (Board Member as of 11.11.2019)
Pyrros Papadimitriou	Attorney-at-law, Economist, Professor at University of Peloponnese	KMOP Policy Center ASBL (Co-director of a non-profit research center in Belgium)	
George Karakousis	Engineer	-	Energy Delivery Solutions (EDS) AD Skopje (BoD Chairman) - PPC ENERGIE MUNTENIA S.A. - PPC ENERGIE S.A.
Alexander Paterakis	IT Consultant	Strategic Consultant, Lumia Capital 2014 Management	Board Member of PPC RENEWABLES Single-Member S.A. Non-Executive Member of HEDNO S.A.

Grigorios Dimitriadis	Engineer	CEO AND MEMBER OF THE BOARD OF DIRECTORS Of GROWTHFUND BOARD MEMBER OF THE HELLENIC CORPORATE GOVERNANCE COUNCIL (HCGC)	
Alex Fotakidis	Economist	**Member of the Board of Directors of the following companies:** ETHNIKI SA SKROUTZ INTERNET SERVICES S.A. VIVARTIA HOLDINGS S.A. HIPPOCRATES HOLDINGS JERSEY LIMITED VENETIKO HOLDINGS S.àr.l. SAIGA S.àr.l. ETHNIKI HOLDINGS S.àr.l. HELLENIC HEALTHCARE S.àr.l. **Chairman of the BoD of the companies:** BARBA STATHIS S.A. M.ARABATZIS S.A.- HELLENIC DOUCH CVC ADVISERS GREECE S.A.	
Maria Psillaki	Economist, Professor at the Department of Economics of the University of Piraeus	Member of the BoD of the Hellenic Exchanges Shareholders Association -(CoEx), Non-profit Association	-
Despina Doxaki	Attorney-at-law, Head of Legal Service at the Financial Stability Fund	ATTICA BANK, Non-Executive Member of the BoD	
Stefanos Kardamakis	Mechanical Engineer Director of the	-	-

	CONBLUK SHIP MANAGEMENT CORPORATION		
Stefanos Theodoridis	Senior Executive Officer	BYZADIUM S.M.S.A., Managing Director PANORAMA SA, Chairman NAVARINO BELLA VISTA, Vice-President T.E.MES S.A. TOURISM ENTERPRISES OF MESSINIA, Managing Director COSTA NAVARINO NORTH PROPERTIES, Chairman & Managing Director COSTA NAVARINO SOUTH PROPERTIES, Chairman & Managing Director IONIAN HOTEL ENTERPRISES S.A., BoD Member DUNES GOLF S.A., Vice-President PREZIOSI GROUP, Vice-President AMPELONES S.A. Chairman GREKA ICONS S.A., Chairman PHILOMEL PROPERTIES S.A., Chairman & Managing Director AZOV S.A., Chairman & Managing Director ARMIDE PROPERTIES S.A., Chairman & Managing Director ATHENS BEACH CLUB S.A., BoD Member PILEAS S.A., Chairman	

		TVIC S.A., Chairman ALAS TOURISTIKI I.K.E., Administrator STADIO 2020, Non-Executive Chairman -	

9. Number of shares owned by **Board Members (Article 18, par. 3 of Law 4706/2020)on 31.12.2023**

Member	BoD Position	Number of Shares owned as of 31.12.2023
Giorgos Stassis	Chairman & Chief Executive Officer, Executive Member	41,760
Pyrros Papadimitriou	Vice Chairman of the BoD Independent, Non-Executive Member	0
George Karakousis	Deputy Chief Executive Officer, Executive Member	20,457
Alexander Paterakis	Deputy Chief Executive Officer, Executive Member	20,262
Grigorios Dimitriadis	Non-Executive Member	0
Alex Fotakidis	Non-Executive Member	0
Maria Psillaki	Independent, Non-Executive Member	0
Despina Doxaki	Independent, Non-Executive Member	0
Stefanos Kardamakis	Independent, Non-Executive Member	0
Stefanos Theodoridis	Independent, Non-Executive Member	6,656

The number of the Company's shares held by the members of the Audit Committee, non-members of the Board of Directors (Third parties)

Member	BoD Position	Number of Shares owned as of 31.12.2023
Evangelos Angeletopoulos	Audit Committee Member - Non-BoD Member (third party)	0
Konstantinos Cholevas (1)	Audit Committee Member - Non-BoD Member (third party)	0
Nikitas Glykas	Audit Committee Member - Non-BoD Member (third party)	0
Christos-Stergios Glavanis	Audit Committee Member - Non-BoD Member (third party)	9,300

Note (1)
Following the resignation on 01.03.2023 of Mr. Konstantinos Cholevas, for professional reasons, the Board of Directors by its Decision No 18/7.3.2023 appointed as his temporary substitute, Mr. Nikitas Glykas, until the expiration of the term of office of the resigned member, namely until 07-05-2023 and the Extraordinary General Meeting of the Company's shareholders held on 31.03.2023 appointed Mr. Glykas as a member of the Audit Committee until the expiry of the term of the resigned member up to 07-05-2023 and re-elected him for a three-year term, namely from 08-05-2023 to 07-05-2026.

The number of Company shares owned by the Executives of the Company are listed below in Annex 2 hereof.

10. **Remuneration Policy of Members of the BoD**
The Company has established and applies a Remuneration Policy (hereinafter and for the sake of brevity referred to as "the Policy") which defines the framework according to which the remuneration of the Members of the Board of Directors and the executives of PPC S.A. is determined.

The Remuneration Policy of the Company was approved by the Resolution of the Extraordinary General Meeting of shareholders on 14.12.2022 and was amended by Resolution of the Extraordinary General Meeting of shareholders on 14.12.2023. The Remuneration Policy takes into account the relevant best practices for listed companies and is based on Law 4548/2018, on Law 4706/2020, the relevant provisions of PPC S.A. Articles of Incorporation, as well as on the provisions of the Corporate Governance Code adopted and applied by the Company.

In particular, the Remuneration Policy approved by the Extraordinary General Meeting on 14.12.2022 was amended in some points as follows:

Scope

The Policy applies to the remuneration of the members of the Board of Directors of the Company and its management personnel, from the level of Assistant Director and above. Moreover, by resolutions of the General Meetings of the respective companies, the Policy may also be applied to the major subsidiaries of the Group, with the respective necessary adjustments.

Purpose

The Policy is in tune with the requirements of the new operating framework of the Company, which is being transformed from a single vertically integrated public company focusing on the electricity generation from solid fuels, to a multinational group of many private sector companies operating in all individual competitive energy markets and even beyond.

The purpose of the Remuneration Policy is to contribute to the implementation of the Company's business strategy, to serve its long-term interests, as well as to contribute to its sustainability by establishing a remuneration framework that a) favours their alignment with short-term and long-term corporate targets, b) supports team spirit, c) recognizes their efforts and the level of their contribution to its results, so that the Group will continue to create added value for its customers, shareholders, employees, and the Greek Economy.

Remuneration and Benefits of Non-Executive Members of the BoD

The forms of remuneration and benefits that may be paid pursuant to the Remuneration Policy approved by the General Meeting for the Non-Executive Members of the Company's Board of Directors are summarised below:

- The gross amount of 35,000 euros annually for Board members for their participation in the meetings of the BoD

- The gross amount of 1,000 euros per meeting of the BoD with ceiling 20,000 euros per year

- Additional benefits:

  Professional Liability Insurance: It is granted to all executives and covers legal defence costs, as well as various potential monetary payments in the event of a lawsuit, criminal prosecution or administrative sanctions against them as a result of the performance of their duties. The coverage is valid while the executives are active and after their departure from the Company.

  For travel expenses incurred by the Members of the Board of Directors outside the Regional Unit of the place of their permanent residence in order to attend the meetings of the Board of Directors or the Committee thereof, travel, accommodation and meal expenses shall be paid, according to the applicable provisions of the Company.

For any Non-Executive Members who belong to the Company's regular personnel:

- The fixed remuneration paid for their position,
- The additional benefits of regular personnel.

Additionally, the Non-Executive Members of the Company's BoD Committees are paid as follows:

a) for the Chairman of the Committee the gross amount of 20,000 euros per year and 600 euros per meeting of the Committee shall be paid

b) for the members of the Committee the amount of 14,000 euros per year and 600 euros per meeting of the Committee shall be paid.

The overall amount of the above compensations for participation in BoD Committees shall not exceed, for the Chairman, the gross amount of 33,200 euros per year and for each member of the Committee the gross amount of 27,200 euros per year.

Board members who participate in more than one (1) Board Committee will be compensated at a maximum with the amount proportional to the participation in one (1) Committee.

The Members of Board Committees, non-Members of the Board of Directors, are compensated as per the above. In the event that non-Members of the Board of Directors participate in more than two (2) Committees, they will be compensated at a maximum with the amount proportional to the participation in one (1) Committee.

Remuneration and Benefits of Executive members of the BoD

The types of remuneration and benefits that shall be paid under this Policy to the Executive Board Members of the Company are summarised below:

- Fixed remuneration: The fixed remuneration amount is defined in this Policy, is specified by the BoD and is included in the annual remuneration report which is submitted to the General Meeting in accordance with the provisions of Article 110 of Law 4548/2018. The BoD shall review the base salaries of its executive members and shall decide whether conditions justify adjustments, upon the recommendation of the Nomination Remuneration and Recruitment Committee. When considering increases in base salary, the criteria used are inflation, market salary levels, the need to retain executives, their individual performance and average increases in the Company's wider human resources. The amount of annual gross remuneration is determined through the PPC's Fixed Executive Remuneration Scheme (FERS)
- Variable annual earnings (bonus): The said amount is determined through the Variable Executive Remuneration Scheme (VERS) of PPC
- Reward Incentive: For the 2020-2025 period, an additional incentive shall be provided to reward the executives of PPC and PPC Renewables for their contribution to the achievement of the mid-term objectives of the Group, in the form of four (4) cycles of Stock Awards, Stock Awards Plan which has been approved by the General Meeting held on 4.6.2021.
- Provision of a company car and coverage of the respective expenses.
- Private health and life insurance plans with parallel third-party insurance coverage for any acts and/or omissions that may be attributed to them during the performance of their duties.
- Additional benefits:
  Professional Liability Insurance is granted to all executives and covers legal defence costs, as well as various potential monetary payments in the event of a lawsuit, criminal prosecution or administrative sanctions against them as a result of the performance of their duties. The coverage is valid while the executives are active and after their departure from the Company.
  For travel expenses incurred by the Members of the Board of Directors outside the Regional Unit of the place of their permanent residence in order to attend the meetings of the Board of Directors or its Committees, travel, accommodation and meal expenses shall be paid, according to the current provisions of the Company.
- Compensation for participation in the BoD : The gross sum of 1,000 euros per BoD meeting

The remuneration of the executive members of the Board of Directors of the Company is linked to the size of the Company, the complexity of its activities, the extent of their responsibilities, their degree of responsibility, the corporate strategy, the Company's objectives and the fulfilment thereof, ultimately aiming at creating a long-term value for the Company. The process for developing the remuneration policy is characterized by objectivity and transparency. The additional remuneration of the members of the Board of Directors is linked to the achievement of certain objectives and depends on or is justified by the financial results of the Company based on its annual financial statements.

Cases of malus and clawback

With regard to the variable remuneration provided for by this Remuneration Policy, in accordance with the above, it is noted that the Company may recover the value of all or part of the variable remuneration received or vested by the beneficiary Board member, within a period of three (3) years from the date of payment, in cases of violation of regulations or procedures, commission of serious misconduct such as fraud, damage suffered by the Company or other equally serious cause, for actions that resulted in significant losses.

PPC S.A. Executive Remuneration

In accordance with the Resolution of the Extraordinary General Meeting held on 14.12.2022 (Minutes No 85), the remuneration of the management personnel of the Company, is based on:

The Fixed Remuneration System of PPC (FRS PPC) (Annex I Minutes No 85)

The Executive Variable Remuneration System of PPC (EVRS PPC) (Annex II, Minutes No 85)

The Stock Awards Plan of PPC (SAP PPC) (Annex III, Minutes No 85)

The Board of Directors is authorized, upon the recommendation of the Nomination, Remuneration and Recruitment Committee, to approve the specialization and implementation of the FRS and the EVRS PPC, the adaptation of the criteria and parameters of the EVRS PPC to the respective Group and Corporate priorities, the extension of the implementation of the EVRS PPC to levels below that of Director, making the necessary amendments to the said Remuneration Systems.

It is noted that the Remuneration Policy approved by the Extraordinary General Meeting of Shareholders of the Company on 14.12.2022 was amended in accordance with the above by Resolution of the Extraordinary General Meeting of Shareholders on 14.12.2023, however the Annexes of the former continue to apply as they are.

The full text of the current Remuneration Policy of PPC is available on the Company's official website https://www.ppcgroup.com/el/omilos-dei/etairiki-diakivernisi/kodikes-kanonismoi-kai-politikes/.

The sum of the remuneration granted to the BoD members during the financial year 2023 is included in the 2023 Remuneration Report, which will be posted in the Company's website as soon as the required approvals by the competent bodies are received.

The full text of the Remuneration Report of the Board of Directors for the financial year 2023, in accordance with the provisions of Article 112 of Law 4548/2018 as well as the Remuneration Policy, will be submitted for approval to the Ordinary General Meeting of shareholders within 2024, for the approval of the financial results of the financial year 2023.

11. **Disclosure of direct and indirect conflicts of interest**

The Company implements a Conflict of Interest Policy. Through this Policy, the Company seeks to provide support, information and guidance to all personnel (Senior Management personnel and employees) on the principles and rules for the prevention or management of conflict of interest situations and the way of application of these principles and rules. PPC implements appropriate mechanisms and procedures for the timely identification of conflicts, both prior to the undertaking of duties by its executives, as well as during the performance of their duties.

In accordance with the above Policy, all members of the BoD of the Company and any third person discharging duties should notify, through the BoD Secretariat in a timely, adequate and written manner, the other members of the BoD of any direct or indirect conflict of interest which they are aware of and which has arisen from the Company's transactions and/or during the performance of their duties.

When the BoD is informed of the existence of direct or indirect conflict of interest or decides, following relevant notification by the involved/interested member of the BoD, that such a conflict exists, the interested party/BoD member involved in the relevant transaction is not entitled to vote on the issues where there is direct or indirect conflict of interest ("abstention rule"). In these cases, decisions are made by the other members of the BoD.

At each meeting of the BoD (and the Committees of the BoD), and before the initiation of the discussion of the items on the agenda, the Secretariat reminds the participating members of the BoD of the relevant "abstention rule".

The Secretariat of the BoD prepares a register of conflicts of interest reported by the members of the BoD, which is constantly updated. The information contained in this register is sufficiently detailed to allow proper understanding of any conflict of interest situation and shall be made available to the Audit Committee and the Legal & Governance Group Function upon request.

During the financial year 2023, the "abstention rule" was applied in three (3) meetings of the Board of Directors, where the Board members concerned did not vote on three (3) items on the agenda and one (1) item out of the agenda.

12. Verification of the fulfilment of the independency criteria of the Independent Non-Executive members of the Board of Directors

The Nomination, Remuneration & Recruitment Committee in cooperation with the Competent authorities in compliance with Article 9 par. 3 of Law 4706/2020 ascertained that the independency criteria, as these are laid down in Article 9 par. 1 and 2 of Law 4706/2020 applied to the Independent members of the BoD for the financial year 2023 are met.

13. Communication with shareholders and other stakeholders

The Company places great emphasis on the communication and cooperation with stakeholders. The aim of the Company's Board of Directors is to create the conditions for an ongoing interactive dialogue with stakeholders, in order to understand the impact of the Company's activity and improve its performance, taking into account the opinions, concerns, needs and suggestions of all stakeholders, that affects and is affected by, in the decision making and the development of its strategy.

In this context, the Company has developed communication mechanisms with the shareholders and other stakeholders aiming to understand their interests, so as to take them into account in BoD discussions and decision-making.

In particular:

Communication with the shareholders and the investor community

PPC S.A. pursues a continuous and active dialogue with its Shareholders and Bondholders in order to facilitate the exercise of their rights, as well as with the wider Investor Community in order to increase the level of understanding regarding the Group's activities and strategic plan. In this context, PPC S.A. adopted the Procedure for Communication with Shareholders and the Investor Community.

The Company's dialogue with the aforementioned stakeholders is conducted in accordance with the EU and national regulations, as well as with international best practices and aims at ensuring their active participation, at improving the transparency between the Company and its investors, the equal and regular communication between the shareholders and the Management and the equal handling of their interests.

For this purpose, the Company has developed appropriate structures and procedures facilitating the ongoing communication with shareholders and the investor community in general.

In particular, the Company, through The Investor Relations Department, aims at the continuous upgrading of its presence in the investor community and the optimal management of its relations with shareholders, investors, as well as supervisory bodies.

In this context, the Investor Relations Department prepares and conducts on a regular basis presentations, workshops and other communication activities (roadshows, teleconferences, one to one meetings) in Greece and abroad, with the participation of Chief Officers (CFO and/or CEO).

The Investor Relations Department also supervises the Shareholder Service Unit and the Corporate Announcements Unit, which is responsible for the direct and equal briefing of shareholders, as well as the provision of assistance regarding the exercise of their rights, under the applicable legislation and the Company's Articles of Incorporation of the Company.

The Investor Relations Department regularly informs the Senior Management about the requests and comments of shareholders, institutional investors, proxy advisors, as well as about the assessments and reports of analysts that are observing PPC S.A.

Furthermore, the Company provides adequate and equal access to information for its shareholders and the investor community in general through its website (www.ppcgroup.com) and this information is available both in Greek and English. The Investor Relations Department in collaboration with the Corporate Relations Department forwards issues of interest to investors (e.g. participation in Capital Markets Day) and at the same posts said issues on its website and social media, especially in Facebook, Instagram, LinkedIn, Youtube etc.

PPC, by adopting corporate governance best practices for the General Meetings, has the capability of remotely conducting all the General Meetings of shareholders via teleconference, enabling each shareholder (natural person or institutional investor) to participate, express its views and vote.

Finally, PPC’s shareholders may also submit proposals for the election of new members on the Board of Directors. In accordance with the Company's Suitability Policy, the above proposals accompanied by the necessary information, as specified in the aforementioned Policy, which will allow the evaluation of the suitability of the nominated persons, shall be submitted to the Nomination, Remuneration and Recruitment Committee at least seven (7) days prior to the General Meeting that will decide the appointment of the members, in order to ensure that the evaluation of the nominated persons’ suitability is as exhaustive as possible.

Constructive dialogue with other stakeholders

PPC Group conducts a materiality analysis every two years in order to prioritize the material topics for the Company with the participation of all stakeholders as well. The results of the materiality analysis were taken into account in the formulation of the Group's Sustainable Development Strategy by the Sustainability Committee. The stakeholder groups, which have been defined via internal consultations, discussions and working meetings of the Top Management of each Company with executives, are the following: Employees, High Voltage Customers, Medium Voltage Customers, Low Voltage Customers, Organizations, Regulatory Authorities, Sustainable Development Agencies, Investor Community, Financial Institutions, Non-Governmental Organizations and Local Communities, Media, State - Public Bodies – Local Authorities, Business Community (Greek and International), Partners and Suppliers, other companies operating in the same sector, Academic Community and Research Centers.

In 2023, the Group recognised for the first time material topics using the Double Materiality approach defined in the CSRD and the ESRS standards. In line with the specifications of the European sustainability standards, the impacts arising from the Group's activities that affect or may affect the environment, society, the economy and human rights, as well as the way in which the Group is affected or may be affected by sustainable development issues (risks and opportunities) were assessed.

The analysis was conducted separately for both the parent company PPC S.A. and the major subsidiaries HEDNO S.A. and PPC Renewables S.A., with the final list of material topics at Group level resulting from the synthesis of the individual results. Compared to the process followed in 2021 where the level of materiality had been assessed based on the Single Materiality approach, in 2023, the Group pioneered by carrying out Double Materiality analysis, which examines the level of materiality of the impacts, risks and opportunities associated with each sustainability issue. In particular, the materiality analysis examined the entire value chain, for the parent company, as well as for the subsidiaries HEDNO and PPC RENEWABLES, based on the most recent trends and challenges in the wider socio-economic environment in which they operate, as well as a series of international and industry standards, initiatives and data sources, such as the international Standards GRI (GRI Standards 2021), the reporting standards SASB, the Athens Stock Exchange ESG Disclosure Guide and the European Sustainability Reporting Standards (ESRS). In addition, the results of the comparative analysis of companies operating in the same sector at European and national level regarding the critical Sustainable Development issues identified for the responsible operation and implementation of their strategy, were used.

Finally, at the initiative of the HR & Organization Division, two additional employee surveys were carried out in 2023: The Great Place to Work survey and the PPC Employee Satisfaction Survey, the results of which will be used appropriately in order for the Company to focus its efforts on the areas that will have the greatest added value, aiming to create an excellent working environment that will ensure its optimal and smooth operation.

B. Audit Committee

1. Composition and functioning - term of office of members

The Audit Committee operates in accordance with the provisions of Article 10 of Law 4706/2020 “on corporate governance” and after having taken into account Article 9 of Law 4643/2019, as well as in accordance with the provisions of the secondary legislation such as the relevant circulars and decisions of the Hellenic Capital Market Commission, as they are currently in force (including but not limited to the circulars/letters 1302/28.04.2017, 1508/17.7.2020, 427/21.02.2022) of the Directorate of Listed Companies of the Hellenic Capital Market Commission.

Its purpose is to assist the Board of Directors in fulfilling its duties and responsibilities vis-a-vis the shareholders, the investor community and third parties, and particularly to ensure integrity, objectivity, adequacy, and efficiency of the following:

a) The process of submission of financial reports and in particular the financial reporting process and the process of the statutory audit of the individual and consolidated financial statements by independent Chartered Auditors – Accountants,

b) The corporate governance, risk management, quality assurance and internal control systems,

c) The Internal Audit Department, which it oversees and

d) the Company’s Procurement function.

The Audit Committee of PPC S.A. according to the Resolution of the Extraordinary General Meeting of the shareholders on 31.03.2023, constitutes an independent "mixed" committee, consisting of three (3) members from the Independent Non-Executive Members of the Board of Directors of the Company and three (3) Non-Members of the Board of Directors (third persons), independent of the Company within the meaning of the provisions of Article 9 of Law 4706/2020.

In particular:

- The Extraordinary General Meeting of shareholders on 14.12.2022 elected Mr. Christos Gklavanis as the new sixth (6th) member of the Audit Committee for a three-year term of office.
- The Board of Directors, following authorization granted by the Ordinary General Meeting of the Company's shareholders held on 29.06.2022, appointed, from among its Independent Non-Executive Members, as members of the Audit Committee Ms. Maria Psillaki, Ms. Despina Doxaki and Mr. Stefanos Kardamakis, with a three-year term of office coinciding with their term of office on the Board of Directors.
- The Extraordinary General Meeting of the Company's shareholders on 31.03.2023 approved the appointment of Mr. Nikitas Glykas, for the remaining term of office of the resigned member Mr. Konstantinos Cholevas, namely until 07.05.2023 and elected its two (2) members, due to the expiry of the term of office of the same number of members, with a three-year term of office: Mr. Evangelos Angeletopoulos and Mr. Nikitas Glykas.

Following the Resolution of the Extraordinary General Meeting of the Company's shareholders on 31.3.2023, the existing six-member (6 members) Audit Committee of PPC S.A. was formed into body on April 5, 2023 as follows:

Maria Psillaki	Independent Non-Executive Member of the BoD	Chairperson of the Audit Committee	With a three-year term of office, namely, from 17.12.2021 until 16.12.2024
Despina Doxaki	Independent - Non-Executive Member of the BoD	Member	With a three-year term of office, namely, from 29.6.2022 until 28.6.2025.
Stefanos Kardamakis	Independent - Non-Executive Member of the BoD	Member	With a three-year term of office, namely, from 22.8.2022 until 21.8.2025
Christos-Stergios Glavanis	Non-Member of the BoD	Member	With a three-year term of office, namely, from 14.2.2022 until 13.12.2025
Evangelos Angeletopoulos	Non-Member of the BoD	Member	With a three-year term of office, namely, from 8.5.2023 until 7.5.2026
Nikitas Glykas	Non-Member of the BoD	Member	Replacing a resigned member for the remainder of his term of office, namely until 07.05.2023 and his re-election for a three-year term of office, namely from 08.05.2023 to 07.05.2026

2. Curricula Vitae of the members of the Audit Committee

For the sake of completeness the curricula vitae of the Audit Committee members are listed below:

The curricula vitae of Ms. Maria Psyllaki, Ms. Despina Doxaki and Mr. Stefanos Kardamakis, are presented in detail in Section VI.A.2 of this Statement. The curricula vitae of non-members of the Board who are members of the Audit Committee are listed below:

Evangelos Angeletopoulos, Non-Member of the BoD, Member of the Committee

Mr. Evangelos Angeletopoulos is a C-Level Executive with forty (40) years of broad involvement and experience in many facets of management and operations as an executive, researcher, business consultant, professor, mentor and analyst/author. He directed a series of special projects with a high degree of difficulty and complexity, which cover a wide spectrum of business activities and requirements in companies and organisations, heavy industry, commerce, FMCGs, and provision of services, in both the public and private sector.

Christos-Stergios Glavanis, Non-Member of the BoD, Member of the Committee

Mr. Christos Glavanis, Certified Public Accountant, has more than 35 years of experience in the audit profession. He has served for more than 30 years as a senior executive of the EY audit firm, both in Greece and in the region of Central and Southwest Europe. He serves as Chairman of the Audit Committee of Attica Bank and has served as Chairman of the Audit Committee of the Hellenic Financial Stability Fund (HFSF). He holds a degree in economics from the University of Hull and is a Member of the Institute of Chartered Accountants of England & Wales, as well as the Institute of Certified Public Accountants of Greece.

Nikitas Glykas, Non-Member of the BoD, Member of the Committee

Mr. Nikitas Glykas was Regional Manager Eastern Europe at MAILLIS SA until 2005. From 2006 until 2009 as a Member of the Board of Directors and CEO of SHELMAN SA, he promoted the restructuring and overall redesign of the operational process. Since 2009, he has served in various positions within the HTC Group, and since October 2015, taking on further responsibilities, he took up the position of President of MEA based in Dubai. From 2016 to date, he has been an Independent Non-Executive Director at Thrace Plastics and since 2019 he has been Vice President of XRSPACE Co LTD based in Taiwan. He holds a B.Sc. in Physics from the University of Athens and postgraduate degrees from Lancaster University and Harvard University.

3. Responsibilities of the Audit Committee

The responsibilities of the Audit Committee of PPC S.A. according to the requirements of Article 44 of Law 4449/2017 and taking into consideration Article 9 of Law 4643/2019 as in force, are the following:

- monitoring the external audit process and informing the BoD about its results.
- monitoring the financial reporting process and submitting suggestions or proposals to ensure its integrity.
- overseeing the selection of Certified Public Accountants or audit firms and reviewing their independence.
- monitoring, reviewing and evaluating the corporate governance, quality assurance and internal control systems.
- monitoring, reviewing and evaluating the award procedure for contracts on works, supplies and services.

In accordance with the Rules of Procedure of the Audit Committee, the Committee's activity is periodically evaluated under the diligence of its Chairman, regarding the organization of its conduct.

The purpose, responsibilities, and functioning of the Audit Committee are described in detail in its Rules of Procedure, which is posted on the Company's website https://www.ppcgroup.com/el/omilos-dei/etairiki-diakivernisi/organosi-etaireias/epitropes-ds/epitroph-elegchou/

4. Frequency of Audit Committee Meetings and participation of members

In 2023, the Audit Committee met twenty-three (23) times. The number of participations of each member in the meetings of the Audit Committee is presented in the following table:

Member	Position in Committee	Number of Meetings attended by members in 2023	Percentage of each member's Participation in the Meetings of the Audit Committee
Maria Psillaki	Chair of the Audit Committee	23/23	100%
Despina Doxaki	Member	18/23	78%
Stefanos Kardamakis	Member	18/23	78%
Christos-Stergios Glavanis	Member	23/23	100%
Evangelos Angeletopoulos	Member	23/23	100%
Konstantinos Cholevas (1)	Member	3/5	60% (1)
Nikitas Glykas (2)	Member	18/18	100% (2)

***Notes:**
(1) Mr. Cholevas participated in three (3) out of five (5) meetings of the Audit Committee that took place from 01-01-2023 to 01-03-2023, the date of his resignation for professional reasons.
(2) Mr. Nikitas Glykas was appointed by the Board of Directors' Decision no. 18/07-03-2023 as a temporary substitute for the resigned member Mr. Konstantinos Cholevas from 07-03-2023 to 31-03-2023. Subsequently, the Extraordinary General Meeting of shareholders on 31-03-2023 approved his election for the above period and then elected him as a member of the Audit Committee for a three-year term, namely from 08-05-2023 to 07-05-2026. Mr. Nikitas Glykas participated in all the meetings that took place from the date of his appointment, in accordance with the above, until December 31, 2023.

5. Report on the Activities of the Audit Committee for the fiscal year 2023

According to the document with Reg. No 427/21-02-2022 of the Hellenic Capital Market Commission "Questions and Answers regarding the provisions of Article 44 of Greek Law 4449/2017 on the Audit Committee", *"The annual report should be issued together with the Company's annual financial report and is recommended to be a separate part of its content".*

In full compliance with the guidelines of the Hellenic Capital Market Commission, in accordance with the above, the final text of the Report on the Activities of the PPC's Audit Committee for the fiscal year 2023 is set out in Annex 3 of this Statement.

C. Nomination Remuneration & Recruitment Committee

1. Composition and operation of the Committee – members' term of office

The Company has established a Nomination Remuneration & Recruitment Committee (NRRC), in accordance with Articles 10, 11 and 12 of Law 4706/2020, and the Articles of Incorporation of the Company, which is established based on a Board of Directors Decision. The purpose of NRRC is to assist the BoD in matters relating to a) the assessment of existing and candidate Board members based on the Company's Suitability Policy, b) recruitments, c) remuneration policy, and d) remuneration and incentives of the Company's managers.

The Nomination Remuneration & Recruitment Committee (NRRC) of PPC S.A. (hereinafter, "the Committee") consists of three (3) non-executive members of the Board of Directors, who are independent of the Company within the meaning of the provisions of Law 4706/2020.

Specifically, the Company's Board of Directors, which was elected by the Ordinary General Meeting of the Shareholders on 29 June 2022 and was formed as a Body during its meeting on 05 July 2022, decided, by its Decision no. 80/05-07-2022, according to the Law, the Articles of Incorporation and the Rules of Procedure of NRRC, to appoint as members of the NRRC the Independent Non-Executive Members of the Board of Directors, Mr. Pyrros Papadimitriou, Ms. Despina Doxaki and Mr. Stefanos Theodoridis and determine their respective capacities, for a three-year term of office coinciding with their corresponding term as Members of the Board. By its Decision no. 98/23-08-2022, the Company's Board of Directors confirmed the composition of the NRRC as follows:

Member	Role	Term of office starting on	Term of office ending on
Pyrros Papadimitriou	Independent - Non-Executive Member of the BoD, Chairman of the NRRC	22-08-2022	21-08-2025
Despina Doxaki	Independent - Non-Executive Member of the BoD, Member of the NRRC	29-06-2022	28-06-2025
Stefanos Theodoridis	Independent - Non-Executive Member of the BoD, Member of the NRRC	22-08-2022	21-08-2025

It is noted that until the publication of this Statement, the independent non-executive member of the BoD Mr. Stefanos Theodoridis resigned from his position as a member of the BoD with effect from 1.3.2024. According to the Rules of Procedure of NRRC, the term of office of its members ceases upon the loss of the status of member of the Board of Directors in any way. The new formation of the Board of Directors, as well as of NRRC, into bodies is expected.

2. Curricula vitae of the members of the NRRC

The Curricula Vitae of the members of the Nomination, Remuneration & Recruitment Committee are set forth in Section VI.A.2 of this Statement.

3. NRRC's responsibilities

The main responsibilities of the NRRC are summarized below:

Responsibilities concerning matters pertaining to Recruitment, Remuneration & Incentives

The NRRC shall make recommendations to the BoD for the following:

- the definition of a policy for the recruitment of permanent personnel, within the framework of the Company's Business Plan, to be approved by the Board of Directors,
- the establishment of a procedure for the recruitment of managers, to be approved by the General Meeting,
- the establishment of the Company's remuneration policy, pursuant to Articles 110-112 of Law 4548/2018, as applicable,
- the remuneration of the persons falling within the scope of the remuneration policy, to be approved by the General Meeting,
- the examination of the information contained in the final draft of the annual remuneration report, and the provision of its opinion to the Board of Directors, prior to the submission of the report to the General Meeting, in accordance with Article 112 of Law 4548/2018.
- the review of the report on the degree of achievement of the Chief Executive Officer's objectives, through which the degree of achievement of the Group's objectives is confirmed, and its submission to the Board of Directors for final approval,
- the submission of the annual report on the recruitment of personnel during the previous year to the Company's General Meeting of shareholders, as provided for in Article 185 par. 3 of Law 4964/2022, as applicable.

Responsibilities concerning the Nomination of Candidates for Board Members

The NRRC shall identify and recommend to the Board of Directors persons eligible to acquire the Board membership, by taking into account the criteria defined in the Company's Suitability Policy and considering any impediments and incompatibilities, as well as the criteria of independence for candidate independent non executive members of the Board.

Responsibilities concerning the Assessment, Training and Succession Planning of Members of the BoD

The NRRC shall have the competencies for the assessment of the BoD, both individually and collectively, for the training and succession planning, as provided for in the respective articles of the Suitability Policy and the Training Policy for Board Members.

In accordance with the Rules of Procedure of the Nomination, Remuneration and Recruitment Committee, the Committee's activity is periodically evaluated under the diligence of its Chairman, regarding the organization of its conduct.

Detailed information on the role, responsibilities and functioning of the Nomination, Remuneration & Recruitment Committee are included in its Rules of Procedure, which is posted on the Company's website (https://www.dei.gr/el/dei-omilos/i-dei/etairiki-diakivernisi/organosi-etaireias/epitropes-ds/)

4. Frequency of meetings, members' participation and main issues dealt with by the NRRC

In 2023, the NRRC met five (5) times. The number of participations of each member in the meetings of the NRRC is presented in the table below:

Member	Position in Committee	Number of Meetings attended by members in 2023	Percentage of each member's Participation in the Meetings of the NRRC
Pyrros Papadimitriou	Chairman of NRRC	5/5	100%
Despina Doxaki	Member	5/5	100%
Stefanos Theodoridis	Member	5/5	100%

Following its invitation, the Company's executives attended all meetings of the Committee in order to present their views on matters within their scope of responsibilities.

The main issues dealt with by NRRC in 2023 are summarized as follows:

- the remuneration of the permanent personnel in the commercial operations and in the supporting operations and functions of the Company,
- the Annual Report of the NRRC for the year 2022
- review the achievement degree of the Chief Executive Officer's objectives which constitutes final certification of the achievement degree of the Group's objectives.
- the determination of the sustainability and sustainable development clause in case of target overachievement in the Company's "Stock Awards Plan", as well as the determination of the approved KPI targets (TSR) and of the sustainability and sustainable development clause,
- the Annual Remuneration Report for 2022,
- the proposal for amendments to the Remuneration Policy approved by the Extraordinary General Meeting of the Company's shareholders on 14-12-2022,

It is noted that during the execution of its tasks, the NRRC had unhindered and full access to any information deemed necessary for the proper performance of its duties.

D. Other Committees
Executive Committee
An Executive Committee (EC) operates in the Company. Pursuant to the Articles of Incorporation of the Company, as amended by decision of the Extraordinary General Meeting of Shareholders on 14.12.2023, the Board of Directors is composed of the Chief Executive Officer, who is also its Chairman, the Deputy Chief Executive Officers and the Group Chief Executive Officers. The Legal Advisor shall participate in the meetings at the discretion of the Chief Executive Officer.
The EC operates in accordance with the decisions of the Board of Directors, ensuring the necessary collegiality in dealing with the administrative and operational affairs of the company, as well as the consistency in its operation. In this context, it deals with the important issues related, inter alia, to productivity, the performance of the units, the organization and operation of the Group's activities, the budget and the Strategic and Business Planning. The EC formulates the policy for the selection of senior executives of the Group's subsidiaries.

Procurement Committee

The Company's Procurement Committee (PC) was established on December 14, 2022 by decision of the Extraordinary General Meeting of the Company's Shareholders. The PC is comprised of the CEO, who acts as its Chairman, any Deputy CEOs, the Chief Support Operations Officer, the Chief Legal Affairs and Corporate Governance Officer, and the Chief Finance Officer. The competent Chief Officer for each issue will participate in the aforementioned Committee's meetings as rapporteur.

The PC shall operate in accordance with the decisions of the Board of Directors, ensuring more effective monitoring of the new Procurement Operation Model, the annual Procurement Plan and the performance of the Company's counterparties. In this context, it shall decide on the awarding of contracts concerning supplies, works, provision of services and in general any kind of financial contract up to an amount fixed as per case by the Board of Directors. The Procurement Committee shall operate in accordance with its Rules of Procedure, as approved by the Board of Directors upon recommendation by the CEO.

The Procurement Committee shall accept the awarding of contracts for supplies, works, and services and, in general, any type of financial contract estimated between €5,000,000 and €20,000,000.

In 2023 the Committee met nine (9) times and its main issues were the following:

1) The awarding of works and services through open call or restricted call contractor selection procedures or without a selection procedure (direct award process),
2) The cancellation of award procedures,
3) The settlement of pending time and financial matters of contracts, deadline extension of contracts, increase in contract prices, termination of contracts,
4) Leases

Risk Management Committee

The Company has a Risk Management Committee, which is entrusted with the risk oversight of all the activities of the Company and the contribution to the development of the Risk Management Corporate Framework, as well as with the monitoring and reporting of the significant Corporate Risks.

The Risk Management Committee consists of ten (10) members. More specifically, the Risk Management Committee is composed of the CEO who is also its Chairman, the three (3) Deputy CEOs, the Chief Legal Affairs and Corporate Governance Officer, the Chief Finance Officer, the Chief Strategy & Transformation Officer, the CEO of PPC RENEWABLES S.M.S.A., the Chief Energy Management & Trading Officer and the Director of the Risk Management Department. The Director of the Risk Management Department also serves as the Secretary of the Committee and replaces the Chairman of the Committee in his absence.

For the fiscal year 2023, the Risk Committee met three (3) times and its main issues were the following:

- the pre-approval of the Company's Risk Taxonomy, before its introduction to the Board of Directors, for the decision-making,
- the pre-approval of the updated Price Hedging Strategy, before its introduction to the Board of Directors, for the decision-making,
- the approval of the updated Energy Management Policy of PPC,
- the approval of the Risk Assumption Framework of PPC,
- the approval of the plans for publications on the risks and their management,
- the briefing and guidelines on issues and corporate texts related to risk governance in the Company.

Hedging Committee

Within 2022, with Decision no. 221/2022 of the CEO, the Hedging Committee was established in order to elaborate the Trading Price Hedging Strategy of the Energy Management & Trading Business Unit, based on the relevant decisions and guidelines of the Risk Committee. The Committee consists of five (5) members and is composed of the Chairman and CEO, who acts as Chairman of the Committee, the Chief Energy Management and Trading Officer, as Deputy Chairman of the Committee, as well as the Chief Finance Officer, the Director of the Long-Term Trading Department of the Energy Management & Trading Business Unit, and the Director of the Market Analysis Department of the Energy Management & Trading Business Unit, as members.

The Committee met three (3) times during 2023, and its main issues are the following:

- the regulatory framework in the wholesale electricity market, which was implemented in July 2022, and how this affects PPC’s exposure to risk,
- the hedging strategy that is recommended for PPC to implement
- the latest developments in the energy market in Greece and the EU (market view)
- the establishment of a new indicator for monitoring the market risk.

Energy Management Committee

Within 2023, with Decision no. 61/3.08,2023 of the Board of Directors, the Energy Management Committee was established.

The Energy Management Committee consists of five (5) members and is composed of the CEO, who is also its Chairman, the Chief Finance Officer, the Chief Energy Management and Trading Officer, the Director of the Long-Term Trading Department and the Director of the Market Analysis Department.

The Committee met four (4) times during 2023, and the main issues it dealt with, within the scope of its responsibilities are the following:

- the analysis of PPC’s exposure to market risk,
- the hedging mandates that PPC should implement to limit its exposure to risk,
- the latest developments in the energy market in Greece and the EU (market view)
- the activity of developing long-term RES contracts (Power Purchase Agreements - PPAs),
- the establishment of a new indicator for monitoring the market risk,
- the participation in new Markets/Exchanges and new energy products,
- the approval of new counterparties and trading limits per counterparty,
- the Policies that regulate activities of the Energy Management & Trading Business Unit.

Cybersecurity Committee

The Cybersecurity Committee, which was established in 2022 by Decision no. 138/23-11-2022, and consists of the Chief Executive Officer as Chairman of the Committee, the Deputy Chief Executive Officer of Digital Transformation, as Deputy Chairman of the Committee, the two (2) Deputy Chief Executive Officers, the General Manager of Digital Systems Development and Exploitation, the Director of Cybersecurity Division and the Director of Risk Management.
The Cybersecurity Committee is informed on a regular basis about the following:

- The proper and effective implementation of the Corporate Information Security Framework.
- The management and handling of cybersecurity incidents of high risk and high impact issues.
- Governance issues (policies and procedures).
- Progress in implementing the cybersecurity strategy.

Within the fiscal year 2023, the Cybersecurity Committee met four (4) times and the main issues with which it dealt are the following:

- The strategy for establishing and managing a policy violation in the group.
- The extension of cybersecurity responsibilities to the group.
- Developing a strategy for partnerships with third parties.
- The construction of a cybersecurity incident monitoring and resolution center in the group.
- Monitoring the individual targeting of cybersecurity.

Sustainability Committee

Based on the Decision no. 142/9.11.2021 of the Board of Directors, a Sustainability Committee has been established with representation from the top management, which will be responsible for the supervision of Sustainable Development and for informing the Board of Directors on matters of Sustainable Development/Sustainability. The establishment of this Committee was carried out in the context of the TCFD (Task Force on Climate-Related Financial Disclosures) action plan, according to which the risks that the Company will face in its activities due to climate change, as well as the ways to address them, will be examined.

The purpose of the Sustainability Committee is at minimum the involvement, the understanding and reporting to the BoD of issues related to the following:

(a) overseeing, coordinating and promoting policies and actions related to Sustainable Development/Sustainability and Climate,

(b) overseeing the identification, monitoring and management of risks and opportunities related to Sustainable Development/Sustainability and Climate,

(c) overseeing the establishment, implementation and monitoring of the Sustainability strategy and policy,

(d) overseeing and approving the Sustainability Report and the wider implementation of appropriate non-financial reporting and ESG (Environment, Society, Governance) disclosure frameworks,

(e) overseeing and monitoring the annual targets related to Sustainable Development/Sustainability, CSV (Creating Shared Value) and Climate for all Group's Departments and sections, and with respect to HEDNO, monitoring its business plan in relation to Sustainability matters on behalf of the shareholder; and

(f) reporting to the Board of Directors on these matters on a regular basis, with the ultimate objective of further enhancing the Board's oversight and awareness on matters of Sustainable Development/Sustainability.

The Sustainability Committee consists of seven (7) members, namely the Chairman & CEO of PPC SA, as Chairman of the Committee, three (3) Deputy CEOs, the Chief Finance Officer, the CEO of the subsidiary PPC RENEWABLES S.M.S.A., and the Director of the Sustainability Department, as Secretary of the Committee and Deputy Chairman of the Committee.

In 2023, the Sustainability Committee met six (6) times. The main topics discussed during the meetings are listed below:

1. The 2022 Sustainability Report was presented, the important indicators were analysed and the respective findings were discussed.

2. The projects implemented by the Sustainability Department regarding SBTi, CDP as well as the ESG data management pilot program with a technology platform were presented.

3. The new Double Materiality methodology, which was applied in 2022 Sustainability Report, was presented,

4. The progress of the Group's ESG assessment by Ecovadis was reviewed.

5. The 2023-2026 Sustainability Strategy and the single action plan were analysed.

6. The setting of short-term and long-term targets for reducing the greenhouse gas emissions, which the Group is working on in order to submit them to the SBTi, was analysed.

7. The results of the Group's response to the EU Taxonomy were presented and a framework of actions that need to be launched to improve their performance in the future was discussed.

8. The 2022 Sustainability Report was presented and approved. The indicators that need further improvement as well as the objectives for the next Report (2023) were discussed.

9. The revised data collection and management process for the Sustainability Report was presented and approved.

10.The Strategic Sustainable Development Plan and the Action Plan were presented.

11. The setting of short-term and long-term targets at Group level to be submitted to the SBTi was approved.

12. The new Biodiversity Policy was approved.

VII. Diversity Policy

The Company disposes of and implements a Diversity Policy with the intention of promoting a suitable level of diversification inside the BoD and an inclusive team of members. Putting together a broad range of qualifications and skills when selecting BoD members guarantees diversity of insight and expertise with a view to sound decision-making. The Diversity Policy is taken into consideration when appointing new BoD members.

By adopting and implementing a Diversity Policy, the Company ensures that no one is excluded from selection and appointment on the BoD because of gender, race, colour, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation. In addition, the Company shall ensure an adequate representation of gender corresponding to at least twenty-five per cent (25%) of the total number of BoD members. In case of fraction, this number is rounded down to the previous integer. Respectively, through the Competent Units, the Company shall take appropriate initiatives to achieve a wider range of representation of shareholders at the BoD, who, either individually or in the aggregate, represent at least 10% of the Company's share capital. The Nomination, Remuneration & Recruitment Committee shall take these criteria into consideration when making proposals for the appointment of BoD members.

Specifically, the said Diversity Policy explains the Company's approach to equality and diversity within the Board of Directors. The Company is committed to promoting equality and diversity within the Board, as well as to promote a culture that, on the one hand, values and respects diversity and, on the other hand, recognizes that people from different backgrounds and experiences can make a valuable contribution to the work of the Board. The broader goal of the Company is to be an inclusive organization, which provides equal opportunities in the whole range of employment, including recruitment, training, and development of the members of the Board of Directors and the employees.

VIII. Related Parties Transactions Regulation

The Company has a “Related Parties Transactions Regulation”, which introduces regulations and internal procedures for the transparency and supervision of transactions and contracts of PPC S.A. with Related Parties of the Company, in order to strengthen the existing ones, in compliance with Law 4548/2018 (A 104) [Articles 97, 99-101 and 109, paragraph 3], the Decisions No. 1/434/3.7.2007 and 8/754/14.4.2016 of the Hellenic Capital Market Commission, and the Circular No. 45/21.07.2011 of the Hellenic Capital Market Commission.

This Regulation sets out the rules, procedures and in general the framework for the Company to carry out transactions and conclude contracts with related parties (related party transactions), i.e., with persons who can exercise control or undue influence over it.

With regard to the definition of the personnel-subjective scope of the Regulation, a reference is made to the provisions of the accounting law and, in particular, to the persons defined in IAS 24. The objective scope of the Regulation covers in principle all transactional relations between the Company and its related parties. Therefore, no distinction is made between loan and credit agreements/transactions, on the one hand, and "other agreements/transactions", on the other hand; on the contrary, all agreements/transactions, irrespective of whether they concern agreements/transactions from which only benefits for the Company arise, are subject to the provisions of the Regulation.

Furthermore, the Regulation governs the remuneration to members of the Board of Directors for services they provide to the Company on the basis of a special relationship, such as indicatively, by way of employment, work contract or mandate.

The Finance Division draws up a specific list in which the details of the related parties are registered and updated ("List of Related Parties"). The list of Related Parties is updated whenever required by the circumstances and in any case at least once a year, by requesting from the persons directly related to the Company (and/or their legal representatives) to confirm the information already submitted, including information already submitted and related to other persons that the directly related parties know or have good reason to believe that these persons also constitute (indirectly) related parties to the Company. In addition to the above periodic update, the Finance Division may, at any time it deems appropriate or necessary, request the update of the List.

The Annual Report of the Board of Directors of the Company (Law 3556/2007 as in force) includes the most important transactions of the Company with related parties, as defined in IAS 24, and at least the transactions between the Company and each related party that took place during the fiscal year and which substantially affected the financial position or performance of the Company during that year. (Significant Transactions with Related Parties for the fiscal year 2023 are set out in the Annual Report of the Board of Directors for the fiscal year 2023 of the Annual Financial Report 2023).

IX. General Meeting and Shareholder’s Rights

Responsibilities of the General Meeting

In accordance with the Company's Articles of Incorporation, the General Meeting of shareholders is the supreme authority of the Company and shall have the right to adopt resolutions on all matters concerning the Company, unless otherwise stipulated in the Articles of Incorporation, and more particularly to decide regarding:

The amendments to the Articles of Incorporation, considering also as such the increase or reduction of the share capital, subject to the provisions of Article 6 of the Articles of Incorporation and Article 117 par. 2 of Law 4548/2018, as in force. The resolutions concerning amendments to these Articles of Incorporation shall be valid, provided that the relevant amendment is not prohibited by an express provision hereof or by law,

- The election of Members of the BoD, pursuant to Article 9 of the Articles of Incorporation, of the CEO and of the regular auditors,
- The approval of the overall management pursuant to Article 108 of Law 4548/2018 and the discharge from liability of the auditors,
- The approval of the annual and consolidated financial statements of the Company,
- The distribution of the annual profits,
- The approval of the provision of remunerations in accordance with Article 17 of the Articles of Incorporation, as well as the approval of the Remuneration Policy of Article 110 and the Remuneration Report of Article 112 of Law 4548/2018.

- The issuance of loan through bonds convertible into shares, by virtue of those especially provided for in Article 71 of Law 4548/2018 and subject to those provided for in Article 6 of the Articles of Incorporation. The issuance of bond loans non-convertible into shares shall be allowed by resolution of the Board of Directors,
- The merger, division (demerger), conversion, revival, extension of term or dissolution of the Company and
- The appointment of liquidators.

Any holder of fully paid-up voting shares shall participate in the General Meeting of shareholders of the Company only to the extent of the number of shares which he/she holds.

Convocation of the General Meeting

The General Meeting of the shareholders of the Company shall be convened by the Board of Directors and shall meet at the seat of the Company and/or at any other venue other than its seat, in accordance with the provisions of Articles 119 and 120 of Law 4548/2018, at least once a year, no later than the tenth (10th) calendar date of the ninth month following the termination of the fiscal year in order to adopt resolutions on the approval of the annual financial statements and the election of auditors (Ordinary General Meeting). The Board of Directors may convene an Extraordinary General Meeting of the shareholders, whenever this is prescribed by special provisions or whenever the Board considers it appropriate.

The Board of Directors may, in accordance with Article 120, paragraph 3 of Law 4548/2018, as in force, decide that the General Meeting will not be convened at a specific venue, but will be held exclusively with the remote participation of shareholders via the electronic means provided for in the applicable Article 125 of Law 4548/2018.

Within ten (10) days from the submission by the auditors of a request to the Chairman of the Board, the Board of Directors shall be bound to convene the General Meeting of shareholders, setting as items on the agenda those listed in the submitted request.

Invitation to the General Meeting

The Invitation to the General Meeting, with the exception of repeat General Meetings and of meetings regarded as such, shall clearly state at least the venue, date, and time of the meeting, the items on the agenda, the shareholders entitled to participate, as well as precise instructions about the way the shareholders shall be able to participate in the meeting and exercise their rights in person or by proxy, or potentially through remote attendance (from a distance), shall be available in a prominent place at the registered office of the Company and shall be published by posting on the website of the Company and the website of the General Commercial Registry (G.E.MI.), and in any case, as provided for by law each time.

In case of application of the option provided for in Article 20, paragraph 2 of these Articles of Incorporation, the invitation of the General Meeting shall expressly provide for the option of participating remotely in the General Meeting via audiovisual or other electronic media, without the shareholder's physical presence at the venue, under the specific conditions provided for in Article 125 of Law 4548/2018, as in force.

With the exception of the adjourned Meetings, the General Meeting shall be convened at least twenty (20) full days prior to the date set for the meeting. The invitation shall be posted on the Company's website at least twenty (20) full days prior to the date of the General Meeting and at the same time it shall be registered with the Company's section at the General Commercial Register (G.E.MI.), as per law.

The day of publication of the notice of invitation to attend the General Meeting and the day on which such meeting shall be held are not counted.

In addition to the information of par.1 the invitation

includes information at least on:

- the shareholders' rights of par. 2, 3, 6 and 7 of Article 28 of the Articles of Incorporation, stating the time period within which each right may be exercised, the respective deadlines specified in the above paragraphs of Article 28 of the Articles of Incorporation or, alternatively, the closing date by which such rights may be exercised, on condition that the detailed information concerning the said rights and the terms of their exercise is posted, with an explicit reference in the invitation, on the Company's website www.dei.gr, and

- the procedure for the exercise of the voting right by proxy and in particular the printed forms used by the Company to this end, as well as the means and methods provided for in Article 22 of the Articles of Incorporation, in order that the Company may receive electronic notifications of any appointment and revocation of proxy holders,
- the procedures regarding the exercise of the voting right via registered mail or email according to those provided for in Articles 125 and 126 respectively, of Law 4548/2018 and Article 22 of the Articles of Incorporation,
- the specified record date, as provided for in Article 22 par. 2 of the Articles of Association in accordance with Article 124 par. 6 of Law 4548/2018, as applicable, pointing out that only persons who are shareholders on that date have the right to participate and vote at the General Meeting,
- the location where the full text of documents and draft resolutions provided for in cases c) and d) of par. 5 of Article 22 of the Articles of Incorporation are made available, as well as their reception mode,
- the Company's website address where the information of par. 5 of Article 22 of the Articles of Incorporation is posted.

The Company shall publish in the media referred to in par. 1 a summary of the invitation containing at least the precise address of the venue, the date and the time of the meeting, the shareholders entitled to participate, as well as an explicit reference to the address of the Company's website where the full text of the invitation and the information provided for in Article 123 of Law 4548/2018.

In the case of application of par. 2 of Article 141 of Law 4548/2018, the publication in the media in accordance with par. 1 of Article 21 of the Articles of Incorporation shall contain at least a clear indication that any revised agenda shall be posted on the Company's website and in the media referred to below. In addition to the publication in the media of par. 1 of Article 21 of the Articles of Incorporation including the Company's website, the full text of the invitation shall also be published within the prescribed deadline of par. 2 of Article 21 of the Articles of Incorporation, in such a way as to ensure rapid and non-discriminatory access to it, in the media that the Board of Directors considers reasonably reliable for the effective dissemination of information to the investors through printed and electronic media of national and Europe-wide circulation.

Participation in the General Meeting

Any shareholder shall be entitled to attend and vote at the General Meeting.

Any shareholder who holds and proves his shareholder capacity on the date of the General Meeting shall be entitled to participate in the General Meeting. In particular any person holding the shareholder capacity on the commencement of the fifth (5th) date prior to the date of the initial date of the General Meeting (Record Date) shall be entitled to participate in the General Meeting (initial meeting and repeat meeting). The above Record Date shall apply even in the event of a postponed or repeat meeting on condition that the postponed or repeat meeting is not held later than thirty (30) days from the Record Date. If that is not the case or if, in the event of a repeat General Meeting, a new Invitation is published in accordance with those provided for in Article 130 of Law 4548/2018, any person having the shareholder capacity on the commencement of the third (3rd) day prior to the date of the postponed or repeat General Meeting shall be entitled to participate in the General Meeting. The shareholder capacity shall be evidenced by any legal means and in any case based on the information received by the Company from the Hellenic Central Securities Depository, on condition that the latter provides registry related services.

Shareholders shall participate in the General Meeting either in person or by proxy. Each shareholder may appoint up to three (3) proxy holders/representatives. Any proxy holder holding proxies by several shareholders may cast votes differently for each shareholder. The appointment, revocation or substitution of any proxy holder shall be made in writing or by mail and shall be notified to the Company in accordance with the same procedure as above at least forty- eight (48) hours prior to the date set for such General Meeting. Legal entities shall participate in the General Meeting by their representatives.

Ten (10) days prior to the Ordinary General Meeting, the Company shall make available to the shareholders the annual financial statements thereof, together with the relevant reports of the Board of Directors and of the auditors, posting the relevant information on the Company's website as specified in par. 1 and 2 of Article 123 of Law 4548/2018.

Each shareholder, for each item on the agenda for which open vote is allowed, shall be entitled to participate in the General Meeting via distance voting, registered mail or through electronic means, with the voting being held prior to the General Meeting, subject to the conditions set out in Article 126 of Law 4548/2018.

As of the date of publication of the invitation to the General Meeting and until the date of the General Meeting, at least the following information shall be posted on the Company's website:

- the notice of invitation to the General Meeting,
- the total number of shares and voting rights on the date of such invitation,
- the documents to be submitted at the General Meeting,
- a draft resolution for each proposed item on the agenda or in case no resolution has been submitted for approval, a comment by the Board of Directors on each item on the agenda and any draft resolutions submitted by the shareholders, right after being received by the Company, and
- the printed forms to be used for the exercise of voting rights by proxy.

Standard Quorum and Majority

A quorum of the General Meeting shall be deemed to be achieved for the proper discussion of the items on the agenda, when shareholders representing at least one fifth (1/5) of the paid-up share capital are present or represented thereat.

If the quorum referred to in the preceding paragraph is not attained, the General Meeting shall be held again within twenty (20) days from the date of the postponed meeting, following invitation being sent at least ten (10) days prior to the meeting date. At such an adjourned meeting, a quorum shall be deemed to be attained in order to duly discuss the items set out on the original agenda, regardless of the proportion of the paid-up share capital represented thereat.

A new notice of invitation is not required, in the event that the original notice of invitation states the venue and date of the repeat meetings provided for by the law, in case a quorum has not been reached, on condition that there is a lapse of at least five (5) days between the postponed meeting and the repeat one.

The resolutions of the General Meeting shall be adopted by absolute majority of the votes represented thereat.

Extraordinary Quorum and Majority

Exceptionally, for resolutions involving:

- change in the nationality of the Company,
- modification of the object of the Company,
- issuance of bond loans convertible into shares, as stipulated by par. 1(g) of Article 19 of the Articles of Incorporation,
- increase of the shareholders' obligations,
- increase of the share capital, subject to the provisions of Article 6 of the Articles of Incorporation, or unless it is imposed by law or is effected by the capitalization of reserves,
- reduction of share capital, excluding the case of par. 6 of Article 49 of Law 4548/2018, as in force, or except for the cases where a special law or the Articles of Incorporation are otherwise regulated,
- change in the manner of profits' distribution,
- restriction or abolition of the pre-emption right of the old shareholders in the cases of and subject to the conditions set out in Article 27 of Law 4548/2018,
- merger, division (demerger), conversion, revival, extension of term or dissolution of the Company,
- granting or renewing of powers to the Board of Directors for the increase of the share capital or the issuance of a bond loan in accordance with the provisions of Article 6 par. 2(b) of the Articles of Incorporation, and
- any amendment to this Article 24 of the Articles of Incorporation <<Extraordinary Quorum and Majority>> and in any other case stipulated by the law.

The Meeting has quorum and legally meets on the items set out in the agenda, when shareholders representing one half (1/2) of the paid-up share capital are present or represented thereat.

If the said quorum is not attained, a repeat General Meeting shall be convened in accordance with the provisions of par. 2 of Article 23 of the Articles of Incorporation, a quorum of which shall be achieved for the proper discussion of the items on the initial agenda, when at least one fifth (1/5) of the paid-up share capital is present or represented thereat.

A new notice of invitation is not required on condition that the venue and time of the repeat meetings, as provided for by law, are set in the initial invitation, and that there is a lapse of at least five (5) days between each postponed meeting and each adjourned meeting.

The resolutions stipulated in par. 1 of Article 24 of the Articles of Incorporation shall be made by a two- third (2/3) majority of the votes represented thereat.

Chair to the General Meeting

The Chairman of the Board of Directors shall preside, provisionally, as chairman at the General Meetings. If he/she is unable to perform his/her duties, he/she shall be replaced by his/her substitute. Secretarial duties at the General Meetings shall be performed, provisionally, by a person appointed by the Chairman.

Following approval of the final list of shareholders with voting rights, the General Meeting shall proceed to the election of its Chairman and of one (1) Secretary, who shall also act as scrutineer.

Agenda - Minutes of the Meetings

The discussions and the resolutions of the General Meeting shall be limited to the items on the agenda published in accordance with Article 21 of the Articles of Incorporation.

A summary of all discussions and resolutions of the General Meeting shall be entered in a minute book signed by the Chairman and the Secretary. At the request of any shareholder, if any, the Chairman of the General Meeting shall be obliged to record an exact summary of the said shareholder's opinion in the minutes. In the same minute book, a list of shareholders who attended the General Meeting in person or by proxy shall also be recorded. The results of the voting shall be posted on the Company's website under the responsibility of the Board of Directors within five (5) days at the latest from the date of the General Meeting, indicating for each resolution at least the number of shares for which valid votes were cast, the proportion of the share capital represented by such votes, the total number of valid votes, as well as the number of votes cast in favour and against each resolution and the number of abstentions.

Copies of and excerpts from the minutes of the General Meeting shall be certified by the Chairman of the Board of Directors or his/her substitute and provided that there is an obligation to be registered with the General Commercial Register (G.E.MI.), they shall be submitted to the competent service of the G.E.MI. within twenty (20) days as of the holding of the General Meeting.

Minority rights

1. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall be bound to convene an Extraordinary General Meeting, setting the date of such a meeting, which shall not be later than forty-five (45) days from the date of service of such request to the Chairman of the Board of Directors. The agenda items shall be stated in detail in the said request. If the General Meeting is not convened by the Board of Directors within twenty (20) days from the service of the said request, the meeting shall be convened by the requesting shareholders at the expense of the Company, upon ruling of the Single-Member Court of First Instance at the Company's registered seat, issued following the procedure of interim measures. The place and date of the meeting, as well as the items on the agenda, shall be defined by the said ruling. This ruling may not be contested by any judicial remedies. The Board of Directors convenes the General Meeting, pursuant to the general provisions or uses the procedure set out in Article 135 of Law 4548/2018, unless the requesting shareholders have precluded that possibility.

2. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall be obliged to insert additional items on the agenda of a General Meeting already convened, if the relative request has been submitted to the Board of Directors at least fifteen (15) days prior to the General Meeting. The request for the addition of items on the agenda shall be accompanied by a justification or a draft resolution to be approved by the General Meeting and the revised agenda shall be published or notified under the responsibility of the Board of Directors, pursuant to Article 122 of Law 4548/2018, as applicable, according to the same procedure as above, thirteen (13) days prior to the holding of the General Meeting; at the same time it shall be made available to the shareholders on the Company's website along with the justification or the draft resolution submitted by the shareholders in accordance with the provisions of par. 5 of Article 22 of the Articles of Incorporation. In the event that these items are not published, the requesting shareholders are entitled to request the postponement of the General Meeting, pursuant to par. 5 of Article 22 of the Articles of Incorporation and proceed on their own to their publication, in accordance with the provisions of the present paragraph, at the expense of the Company.

3. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall make available to the shareholders in accordance with the provisions of par. 5 of Article 22 of the Articles of Incorporation, at least six (6) days prior to the General Meeting any draft resolutions on items included in the initial or the revised agenda, provided that such request is submitted to the Board of Directors at least seven (7) days prior to the date of the General Meeting.

4. The Board of Directors shall have no obligation to proceed to the insertion of items on the agenda nor to publish or notify such items along with the justification and the draft resolutions submitted by the shareholders in accordance with the above paragraphs 2 and 3 respectively if their content is obviously contrary to Law and morality.

5. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Chairman of the General Meeting shall be obliged to postpone, only once, the decision-making process by the Ordinary or Extraordinary General Meeting for all or specific items, setting at the same time as date when the meeting will reconvene for decision-making, the one specified in the request of the shareholders, which may not be later than twenty (20) days from the date of postponement.
The General Meeting, which follows the postponed one, is considered a continuance of the previous one and no repetition of the requirements for the publication of the shareholders' invitation is required. New shareholders may also attend this meeting, pursuant to the provisions of Article 22 of the Articles of Incorporation.

6 a) At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall be bound to announce to the General Meeting of shareholders, provided it is an Ordinary General Meeting, the amounts paid by the Company, for any reason whatsoever, within the last two (2) years, to members of the Board of Directors, to the Chief Officers, to the Directors or other employees of the Company, as well as any other benefit paid to the said persons or any contract of the Company concluded with the above mentioned persons for any reason whatsoever.

6 b) At the request of any of the shareholders, submitted to the Company within at least five (5) full days prior to the General Meeting, the Board of Directors shall be bound to provide any requested information with respect to the Company affairs, to the extent that such information is useful for the actual evaluation of the agenda items. The Board of Directors may give a common reply to all shareholders' requests having the same content. There shall be no obligation to provide information, on condition that such information is already posted on the Company's website, especially in question and answer form.
In both cases above, namely a) and b), the Board of Directors may refuse to provide the requested information, if sufficient material grounds exist, recording the reasons for such refusal in the minutes. Such reason may be, depending on the circumstances, the representation of the requesting shareholders at the Board of Directors, pursuant to Articles 79 or 80 of Law 4548/2018. In the cases of the present paragraph, the Board of Directors may give a common reply to all shareholders' requests having the same content.

7. At the request of shareholders representing one tenth (1/10) of the paid-up share capital submitted to the Company within the time limit referred to in the preceding paragraph, the Board of Directors shall be obliged to provide to the said shareholders during the General Meeting information on the progress of the corporate affairs and on the financial condition of the Company. The Board of Directors may refuse to provide the requested information, if sufficient material grounds exist, recording the reasons for such refusal in the minutes.

8. In the cases referred to in the par. 6a and 7, any issue in dispute over the validity of the reasons for such refusal by the Board of Directors shall be resolved by the Single Member Court of First Instance of the Company's registered seat, following the procedure of interim measures. By the same ruling, the court shall oblige the Company to provide any information it refused. This ruling may not be contested by any judicial remedies.

9. At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, a resolution concerning any item on the agenda of the General Meeting shall be made by open vote.

10. In all cases referred to in the par.1 to 9 (as mentioned above), the shareholders submitting such a request shall be obliged to provide during the exercise of their rights evidence of their shareholding capacity, in conjunction with Article 22 of the Articles of Incorporation, and except in the case of the second section of par. 6 of Article 22 of the Articles of Incorporation, of the number of their shares during the exercise of their right. The shareholding capacity may be evidenced by any legal means and in any case based on the information that the Company receives from the Hellenic Central Securities Depository, on condition that it provides registry-related services.

11. Shareholders of the Company representing one twentieth (1/20) of the paid-up share capital shall have the right to request by the Single-Member Court of First Instance of the Company's registered seat the performance of an audit of the Company. Such audit shall be ordered, in the event it is assumed that certain acts reported against the Company violate the provisions of the law, of the Articles of Incorporation or of the resolutions of the General Meeting. In all cases, the petitions requesting an audit shall be filed within three (3) years from the date of approval of the annual financial statements of the fiscal year within which such reported acts took place.

12. Shareholders of the Company representing one fifth (1/5) of the paid-up share capital shall have the right to request by the court referred to in the preceding paragraph the performance of an audit of the Company, provided it is assumed from the general progress of the corporate affairs, that the management thereof is not carried out in accordance with the principles of honesty and prudence. The last section of par. 3 of Article 142 of Law 4548/2018 is not applicable.

13. In the cases of par. 11 and 12 of the present Article, the shareholders who make a request should provide evidence to the Court that they are in possession of the shares granting them the right to request the audit of the Company, in conjunction with Article 22 of the Articles of Incorporation.

14. Without prejudice to the provisions on personal data protection, any shareholder may request a list of the Company's shareholders, bearing the full name and the address of each shareholder as well as the number of shares held by each shareholder. The Company shall not be obliged to include in this list shareholders holding up to one percent (1%) of the share capital.

15. Within ten (10) days as of the publication of the announcement concerning the granting of permission by the Board of Directors under par. 2 of Article 101 of Law 4548/2018, shareholders representing one twentieth (1/20) of the capital may request the convocation of a General Meeting in order to decide on the granting of such permission.

X. Sustainability Policy

The revised Sustainability Policy (Decision no. 88/12.7.2022 of the Board of Directors) sets the essential framework of the Group's commitments on Sustainability issues, with a view to integrating all factors related to the Environment, Society and Governance (ESG) into the Group's operating model. In the light of the ever-increasing environmental challenges and the need for full alignment with the new strategic planning of the Group, the basic principles of the Sustainability Policy are fully aligned with the Group's strategic plan, while the approach to sustainability issues is based on the continuous effort to Creating Shared Value for Society, the Company and Stakeholders.

In 2023 the Sustainability Department, within the framework of the above Policy, formulated the new Sustainability Strategy of the Group, which focuses on three pillars:

1. Net Zero carbon footprint, with a transition to a low-carbon economy and the development of RES,

2. Nature Positive operations, with a reduction in resource consumption, waste management and the conservation of natural ecosystems,

3. Creation of socio-economic shared value, by strengthening the economy, people and social collective action.

These three components serve as reference points for the implementation of any decision made within the framework of the Group’s operational strategy, ensuring the integration of Sustainable Development principles into its operational model in alignment with the United Nations Sustainable Development Goals (SDGs).

In 2023, actions and initiatives were undertaken and coordinated by the Sustainability Department, were supervised by the Sustainability Committee, in cooperation with other units of the Company and the Group's major subsidiaries (HEDNO and PPC Renewables), in order to monitor and strengthen the corporate transition which takes place in terms of sustainable development and based on ESG criteria, such as:

- ➢ The development of the Sustainability Strategy and the corresponding action plan, focusing on the Group’s impact on society, climate and the environment.
- ➢ The submission to the SBTi, for approval, of short-term and long-term objectives for the reduction of Greenhouse Gas emissions, according to the criteria of the SBTi.
- ➢ The response for the 2nd year in a row to CDP, a global initiative on climate change.

- The identification of material topics through the double materiality approach defined in the CSRD and the ESRS standards, in order to identify the potential risks and opportunities that may positively or negatively affect the current or future financial performance, position and/or cash flows of the Company (in the short, medium or long term) and, thus to affect its business value.
- The commitment to the global initiative of the Science Based Targets Network (SBTN), which supports companies in developing their scientific targets for the protection of nature and biodiversity.
- The development of ESG criteria adapted to the needs of our supply chain and the evaluation of our suppliers.
- The approval of the Biodiversity Policy by the Sustainability Committee.
- The presentation by the Strategy Department to the Sustainability Committee of the tasks regarding the monitoring and management of risks and opportunities associated with climate change and the policies implemented by the Company to address the climate crisis.
- The participation as signatories in the principles of the Responsible Remuneration REWARD VALUE, with the aim of supporting the Group with the improvement of its remuneration policy in terms of sustainable development, accelerating its positive global transition and enhancing its progress based on the principles of the UN Global Compact SDGs.
- The creation of specialized ESG indicators to monitor transformative projects within the Company, such as the lignite phase-out.
- The implementation of significant corporate responsibility actions, based on the philosophy of Creating Shared Value (CSV) between the company, society and the environment.
- The participation and active involvement in Greek and international forums focused on Sustainability and ESG criteria, such as CSR Europe, Global Compact Network Hellas, the P4SI (Hellenic Pact for Sustainable Industry) team of CSR Hellas, the ESG Committee of SEV (Hellenic Federation of Enterprises), and other initiatives promoting sustainability and good practices in the broader business ecosystem.

The Sustainability Policy and the Environmental Policy of PPC, as an integral part hereof, are an Annex to the Rules of Operation of PPC S.A. The full text of the Sustainability Policy is posted on the Company's website https://www.ppcgroup.com/en/sustainable-development/sustainability-policy/

XI. Non-Financial Reporting

The Non-Financial Reporting for the year 2023 is presented in a separate section of the Annual Financial Report and includes, among others:

- Reference to the risks related in the long-term sustainability of the Company.
- Reference to the standards the Company takes into consideration regarding the disclosure of such non-financial information.
- Information related to Article 8 of EU Regulation 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, as well as the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852.
- Climate change-related issues (Strategy, major impacts, risks and opportunities).
- Scope 3 GHG emissions
- Purpose of the non-financial reporting provided and the quality of its data.

ANNEX 1

Curricula Vitae of the Senior Managers of the Company

The curricula vitae of the Company's Top Management are listed below, according to the organizational structure as in force on 31.12.2023 (Article 18, par. 3 of Law 4706/2020):

Alexis Paizis, Deputy CEO of Conventional Generation

Mr. Alexis Paizis took over the position of Deputy CEO of Conventional Generation as of 1st of February 2023. Mr. Alexis Paizis is a Mechanical Engineer, a member of the Technical Chamber of Greece since 2001, with undergraduate, postgraduate and doctoral studies in Great Britain. During his 20-year career in Greece and abroad, he has undertaken positions of responsibility related to the planning - construction, operation - maintenance and management of technical projects. In recent years he has served as an executive in the Ellaktor Group, with a more recent position at Helector Company, which is active in the Energy and Environment sectors.

Chief Officers

Konstantinos Alexandridis, Chief Finance Officer

Mr. Alexandridis is an economist with many years of experience in the Financial Management of large listed companies, having served as senior executive at OTE Group (member of Deutsche Telekom Group). He holds a Bachelor of Science in Mathematics from the University of Ioannina, an MSc in Decision Modelling and Information Systems from Brunel University UK and an International MBA from the Athens University of Economics and Business.

Argiris Economou, General Counsel - Chief Legal Affairs & Corporate Governance Officer

Mr. Economou has been the General Counsel of the Company since February 1st, 2005. Before that, he was managing partner at “Stratigis & Associates” Law Firm and had served as legal counsel in various companies of both the private and public sector. Along with his capacity as General Counsel, he was since 2005 also acting as the Director of the Legal Department. Since September 24th, 2019, he has also been appointed as Chief Legal Affairs & Corporate Governance Officer. He has been an alternate member on the Hellenic Competition Commission, Chairman of Eurelectric’s Legal Affairs Working Group, Member of the Board of Directors of TAYTEKO (Insurance Fund of Bank and Public Utilities Employees) and “Egnatia Odos S.A.”. Since 2014 he has been Secretary General of the Hellenic Association of Energy Law. He has been member of various law drafting committees on listed Société Anonyme and has published various articles and studies on Corporate Governance, Compliance and Energy Law issues.

Georgia Christodoulopoulou, Chief Support Operations Officer

Ms Georgia Christodoulopoulou held the position of Director of the Executive Office since 2019. She has been in the Company’s workforce for 30 years and has held various positions of responsibility in the Company. She has 15 years of experience in transformation programs and in the introduction of new systems and processes. She has graduated from the Financial Department of the Agricultural University of Athens and holds a Master’s Degree in Marketing from the National University of Athens and an MBA from ALBA Graduate Business School.

Alina Papageorgiou, Chief Human Resources & Organization Officer

Ms. Alina Papageorgiou is the Chief Human Resources & Organization Officer of PPC since June 2022 and she has a 28-year experience in Human Resources Management. In her latest appointments she held the positions of the Chief HR Officer of Lamda Development, Chief HR Officer of Intralot Group and Group HR Director of Vivartia Group. She also held HR Director’s roles in large Multinational Companies, such as Diageo and Astrazeneca and Senior Management roles in Neste Hellas. She has a 6 year teaching experience at Deree, the American College of Greece. She holds a B.Sc. in Management & Organisational Behaviour from Deree, the American College of Greece, and an MBA from City University Business School of London.

Konstantinos Nazos, Chief Energy Management & Trading Officer

Mr. Konstantinos Nazos was appointed as Chief Energy Management & Trading Officer on December 17, 2020. He joined PPC S.A. in 2004 and since then, he has been working in the in the Department of Energy Management & Trading acquiring significant experience in the whole spectrum of energy management operations, being specialized in electricity markets analysis and modelling, bidding strategies analysis, optimization and risk management of complex energy portfolios and cross-border electricity trading. From July 2010, and for eight years, he served as Head of the Market Analysis Section and then he was promoted to the position of Head of Market Analysis Unit. In June 2020 he was appointed Acting Director of the Department of Energy Management & Trading, having among others the responsibility for managing the Department's transformation towards the transition of the Greek electricity market to the EU Target Model. In 2016, along with his duties in PPC, he was a member of the Board of Directors of the Insurance Fund for Bank and Utility Companies Employees (TAYTEKO), as representative of the employers, on behalf of the Company. Additionally, he was actively engaged in the establishment of the subsidiary company PPC Albania, in which he took the role of Executive Director and Vice Chair of the Board, from 2016 to 2019. Before joining PPC S.A., he worked for 7 years as production and maintenance engineer in the aluminium rolling industry and in the home appliances industry, thus acquiring significant industrial and construction-site experience. Mr. Konstantinos Nazos holds a diploma in Mechanical Engineering from the National Technical University of Athens (1994), as well as an MBA degree (Executive MBA) from Athens University of Economics and Business.

Sotirios Hadjimichael, Chief Strategy & Transformation Officer

Mr. Sotirios Hadjimichael has been working at PPC S.A. for the past 33 years. Prior to his appointment as Chief Strategy & Transformation Officer, he held important positions and acquired experience in a wide range of activities of PPC, the Transmission Network, the Electricity Market operation, etc. In particular he worked: In 1986 in the Planning Department, where he was involved in the Transmission Systems Plans, the elaboration of the Transmission System Development Plan, etc. In 1995, in the Purchasing Department, as Inspection Engineer, where he dealt with Inspection-Testing-Material Acceptance issues, acquiring significant experience on a multitude of materials and machineries of PPC, as well as on purchasing procedures. In 2000, at the Executive Office of PPC as Advisor, where he was involved in a variety of issues falling within the competence of the Chairman. In 2002 he was promoted to the position of Head of the New Business Activities Section of the Strategy Department. He was involved in the development of new activities in PPC, the expansion in new markets outside Greece, etc. In 2008, in the Testing, Research & Standards Center (TRSC) he worked as Head of the Research Programmes Section, where he was involved in the central organisation of PPC's participation in Research Programmes. In 2010 he was promoted to the position of PPC Executive Office Director. This position involves a wide range of activities in all PPC fields, as well as participation in the Board of Directors and in the Executive Committee of PPC. In 2015 he was appointed as Director of the Strategy Department, where he has been involved in a variety of activities ranging from the elaboration of the new Strategic Plan of the Company, the coordination of Regulatory Issues, the strategy planning in matters of Electricity Market and the development of PPC's CSR. He was the Project Manager of the sale of IPTO to the Hellenic Republic and a private investor. In 2019 he was promoted to Chief Strategy & Transformation Officer, heading the Departments of Strategy, Mergers & Acquisitions, Regulatory, Research Programmes and Representation in the European Union. His term of office as Chief Officer was renewed in 2023 for three more years. In 1978 he graduated from the Varvakeio Experimental School of Athens. In 1984 he graduated from the National Technical University of Athens with a Diploma in Electrical Engineering, with the orientation of Energy Engineering. In 1993 he obtained a PhD from the Imperial College London, in energy and RES issues.

Alexandros Soumelidis, Chief Production Design & Development Officer

Mr. Alexandros Soumelidis holds a diploma in Mechanical Engineering from the Aristotle University of Thessaloniki (1996) and an Executive Master of Business Administration from the University of Sheffield. Throughout his years of study he worked as a trainee engineer in a water treatment equipment and project manufacturing industry, participating early on in the development of innovative applications and equipment. On completion of his studies he worked as a Project Manager in a contractor/construction company with projects within Mines and Power Plants. From 2003 to 2011 he was founder and shareholder in an Organization Consulting company and from 2007 to 2016 he was co-founder and shareholder in a technical brush manufacturing industry with intense export activity (Europe and Middle East). He holds an international patent which was developed and put into production during his involvement in the industrial sector.

Since November 2023, he was appointed Chief Production Design & Development Officer He joined PPC S.A. in 1999, initially as Shift Engineer in the Thermal Power Plant of Western Macedonia and following the entire hierarchical structure of the Generation, he took over the position of Thermal Power Plant Director in 2018. While working in the Generation field, he designed and implemented multiple technical and organizational changes, achieving a significant improvements in availability, reliability and production costs indicators, while studying and implementing innovative technical solutions. From 2020 to 2023 he was assigned the duties of Chairman of the Board of Directors of Waste-Syclo Company representing PPC in the corporate structure. From 2021 to 2023 he was assigned the duties of Director of New Production Activities tasked with developing new production activities within the framework of business planning and aiming at maximizing the utilization of the Production Assets to be withdrawn. During that time, he played a key role in the shaping of the strategic planning for the development of new projects in the context of the lignite phase-out (district heating, conversion of generators into synchronous condensers, energy utilization of waste fuels, pumped storage...), through the design, study and implementation of corresponding projects for the majority of energy markets (DAM, Auxiliary Services, Balancing Market).

Georgios Protopapas, Chief Production Projects Planning & Implementation Officer

Mr. Georgios Protopapas holds a diploma in Civil Engineering from the National Technical University of Athens (Major in Hydraulics) and holds an MSc in Engineering Project Management from the University of Manchester Institute of Science and Technology (UMIST). He has worked for 22 years in positions of responsibility in the largest construction companies of Greece (MICHANIKI S.A. & AKTOR S.A.) involved in projects of significant budget in Greece and abroad, in recent years at NOVAL PROPERTY Real Estate Investment Company (VIOHALCO Group), as Senior Construction Manager of the company's ongoing investment projects. He has great experience in the successful organization, management and timely implementation of complex construction projects.

Dimitrios Metikanis, Chief Production Operations Officer

Mr. Dimitrios Metikanis is Chief Lignite Generation Officer (now Chief Production Operations Officer) since November 19, 2019. Mr. Metikanis has been a member of PPC staff since 1986; his career set off at Ptolemais Thermal Power Plant, where he remained for more than five years, therefore gaining significant know-how in the operation of thermal Power Plants. Thereafter, he was appointed in the central services of the Generation Division, holding posts in the Generation Exploitation Department and the Materials, Fuel and Purchasing Department (1992-2007), as well as in the Materials, Fuel Purchasing and Logistics Department (2007-2008) of the Finance Division. During his term in the above-mentioned Departments, he worked in several technical and administrative positions regarding, among others, Thermal Power Plants' operation and environmental affairs, as well as fuels' purchasing and management (lignite, coal, oil and natural gas). In May 2008 he was appointed Director of Generation Planning and Performance Department, vested with a series of competencies, ranging from the development of Generation's Strategic and Business Plan, the Units' operational planning up to the monitoring of their operational and financial efficiency. In January 2017 he assumed the duties of Chief Generation Officer and in November 2019 those of Chief Lignite Generation Officer. Prior to joining PPC he worked in the pharmaceutical industry. Mr. Metikanis holds a diploma in Chemical Engineering from the National Technical University of Athens (NTUA), as well as an MBA degree.

Vassilis Dimitropoulos, Chief Sales Officer

Mr. Vassilis Dimitropoulos joined the PPC workforce in June 2021 as Director of the Sales Department, and since July 2023 he holds the position of Chief Sales Officer. Before joining PPC, he has worked for 23 years in management positions in Marketing and Sales in multinational groups in Greece and abroad, such as Athenian Brewery/Heineken International, OTE/Deutsche Telekom Group, and Lamda Development. He has great experience in the field of sales networks organization and management, large service teams management, change management, and commercial transformation. Mr. Dimitropoulos holds a diploma in Chemical Engineering from the National Technical University of Athens (NTUA), as well as an MBA degree from Pennsylvania State University in USA.

Ioannis Tsagiannis, Chief Customer Management Officer

Mr. Ioannis Tsagiannis holds a Diploma from the Department of Primary Education of the National and Kapodistrian University of Athens. He has served for 23 years in various managerial positions, in the private sector, in the customer service sector in telecommunications such as Director of Customer Service, Chief Customer Relationships Officer and Chief Customer Experience Configuration Officer. He has great experience in the customer management sector, having achieved for a number of years to combine the knowledge of commercial procedures with change management, in the sector of organization and management of populous service groups, with optimal results.

Vassilis Mentzos, Chief Projects & Customer Experience Officer

Mr. Vassilis Mentzos is a PMO executive and business transformation expert with international experience in leading and managing major complex projects. During his 20-year career, he has held roles of increased responsibility mainly in telecom operators (Wind Hellas & Vodafone UK) where he led their network development activities. From 2018 to 2020 he led the 5G Network Deployment Programme for Vodafone UK in London. Until recently he held the position of the PMO Director for all commercial activities at PPC. He holds a Diploma in Civil Engineering from the Polytechnic School of the Democritus University of Thrace.

Aggelos Spanos, Chief Marketing and Products Officer

Mr. Aggelos Spanos is an executive with more than 25 years of experience in Product Marketing, New Business development, customer experience, project & demand management, budget management and Technology. He served in positions of responsibility abroad (Vodafone Albania), as well as in Greece (Vodafone Greece), with more than 15 years in management positions and being responsible for major projects, products and corporate transformation processes. From April 2020 to April 2021, he served as Director of Marketing & Pricing Policy at PPC and subsequently as Chief Marketing & Products Officer (including Pricing Policy and New Commercial Activities). He holds a BSc in Physics and a Telecommunications MSc from the National and Kapodistrian University of Athens (NKUA), while being awarded multiple additional certifications (Business Administration from AUEB, PRINCE II project management Practitioner, crisis & change management, etc.).

Efstathia Presveia, Chief Digital Systems Development & Operation Officer

Mrs Efstathia Presveia has more than 20 years of experience in the Banking and Consulting field. She started her career at Accenture and in a short time moved to Eurobank, where she worked for 16 years. In November 2023 she joined PPC, as Chief Digital Systems Development & Operation Officer of PPC S.A. Group. From 2020 to 2023 she held the position of Head of the General Directorate of Informatics & Digital Technology, Organization and Operations, Custody and Payments (CTOO) at Attica Bank. She was also a member of the Bank's Executive Committee. From 2016 to 2020, she worked in Accenture as a Director in the field of Financial Services, Payments and Digital Technologies in Greece and Cyprus. From 2010 to 2016, she held the position of Group Director of the e-Business Sector of Eurobank. At the same time, she was the Managing Director of Business Exchanges S.A., a subsidiary of Eurobank Group. From 2007 to 2010 she served as Chief Information Officer (CIO) of Eurobank Stedionica S.A., in Belgrade, Serbia. In 2005 she joined the new International IT Department of Eurobank and took over the management of the technological project of the establishment of Polbank, a subsidiary of Eurobank in Poland. She continued in Belgrade, Serbia where she managed the technological upgrade and merger project of Eurobank & Stedionica banks, until 2007. From January 2021 to December 2023, she was a member of the Board of Directors of DIAS Interbank Systems S.A. In 2023, she joined Greek Credit Bureau, Teiresias SA, as a Management Consultant. For two years (2017-2019), she held an advisory role in the Digital Transformation and Innovation Council of BIOHALCO company. In addition, for several years she was the only female representative in the Hellenic Institute of Information and Communication, as a member/Vice-President of the Board of Directors. She is a graduate of the Department of Informatics of the University of Piraeus.

Kyriakos Kofinas, Chief E–Mobility Officer

Mr. Kyriakos Kofinas has 30 years of executive experience in Europe, Middle East, Africa and Asia. He held positions as Regional CEO, Chief Officer, Principal and as Head Coach in the sectors of FMCG, Medical, Luxury, Executive Search, e-Mobility, and Retail. He holds a BA in Economics from the National and Kapodistrian University of Athens, an MBA from the Manchester Business School and an MSc in E-Commerce from the Athens University of Economics and Business. He is also a certified Executive & Business Coach.

Georgios Damaskos, Chief Telecommunications Officer

Mr. Damaskos served as Chief Human Resources Officer from 2013 to 2022. Mr. Damaskos joined the Company in 1987. For 16 consecutive years since his recruitment he has served as Head of various front-line operating units of the former Distribution Division (currently known as Hellenic Electricity Distribution Network Operator). From 2002 to 2006 he was Head of the Company's Tariffs Section. He has held the position of Director of the Corporate Development and Administration Department (currently Strategy Department and Office of the Executive), as well as the position of Director of Planning and Human Resources of the Commercial Activities Division. From 2008 until his assignment in the position of Chief Human Resources Officer in 2013, he was Director of Human Resources and Organization of the Company. From 2008 to 2011, along with his duties at PPC, he was member of the Board of Directors of the Insurance Fund for Bank and Utility Companies Employees (TAYTEKO) as representative of the employers, on behalf of the Company. He also served as member of the Executive Committee of IKA-ETAM/PPC Personnel Insurance Sector (TAP-DEH). Prior to joining PPC he worked in the private sector, in the Construction Industry, and he was specialized in the implementation of PPC projects, thus acquiring a significant construction and site experience. Mr. Mr. George Damaskos is an Electrical Engineer, member of the Technical Chamber of Greece, and holds a degree in Economic Sciences from the Economics Department of the Faculty of Law, Economics and Political Sciences of the Athens University. He also holds an MBA degree in Business Administration from the Kingston Business School (Kingston University).

It is noted that, since the beginning of 2024, the basic structure of the Company has acquired a Group dimension (https://www.ppcgroup.com/en/ppc-group/about-us/leadership-team/)

ANNEX 2

Shares held by the senior executives of the Company

The following table lists the number of shares held by the Company's Executive Officers on 31.12.2023 in accordance with par. 3 of Article 18 of Law 4706/2020:

Name of Executive Officer	Position in the Company	Number of Shares owned at 31.12.2023
Alexis Paizis	Deputy CEO of Conventional Generation	0
Argiris Economou	General Counsel and Chief Legal Affairs and Corporate Governance Officer	20,457
Konstantinos Alexandridis	Chief Finance Officer	24,292
Georgia Christodoulopoulou	Chief Support Operations Officer	4,457
Alina Papageorgiou	Chief Human Resources & Organization Officer	3,445
Konstantinos Nazos	Chief Energy Management & Trading Officer	17,618
Sotirios Hadjimichael	Chief Strategy & Transformation Officer	20,457
Alexandros Soumelidis	Chief Production Design & Development Officer	3,471
Georgios Protopapas	Chief Production Projects Planning & Implementation Officer	0
Dimitrios Metikanis	Chief Production Operations Officer	21,024
Vassilis Dimitropoulos	Chief Sales Officer	2,529
Ioannis Tsagiannis	Chief Customer Management Officer	19,789
Vassilis Mentzos	Chief Projects & Customer Experience Officer	14,632
Aggelos Spanos	Chief Marketing & Products Officer	14,692
Efstathia Presveia	Chief Digital Systems Development & Operation Officer	0
Kyriakos Kofinas	Chief E-Mobility Officer	18,753
Georgios Damaskos	Chief Telecommunications Officer	20,457

ANNEX 3

AUDIT COMMITTEE

PUPLIC POWER CORPORATION S.A.

Annual Report of the Audit Committee for the year 2023

I. Introduction

The Audit Committee (AC) submits this annual report to inform the Company's Shareholders of its activities for the year ended on December 31, 2023 (1.1.2023 - 31.12.2023), demonstrating its significant contribution to the Company's compliance with the laws and regulations governing its operations, in an environment characterized by complex challenges and intense uncertainties.

Despite external challenges, the Company has taken significant steps towards implementing its plan of transforming into a modern, outward-looking, and sustainable energy company. In this new context, the AC focused on strengthening the Internal Control System through its regular activities, actively contributing to management's efforts in safeguarding proper operations and decision-making in an environment where laws and best corporate governance practices are applied and risks are identified and managed, as required for the Company's sustainability.

II. Responsibilities - Purpose of the Audit Committee

The AC operates according to the provisions of Article 44 of Law 4449/2017, as amended, Article 10 of Law 4706/2020 "on corporate governance," and Article 9 of Law 4643/2019, as well as the provisions of secondary legislation, such as the relevant circulars and decisions of the Hellenic Capital Market Commission (HCMC) as in force (indicatively, circulars/letters 1302/28.4.2017, 1508/17.7.2020, 427/21.2.2022, 428/21.2.2022), of the Directorate of Listed Companies of the HCMC, and Regulation No. 537/2014 of the European Parliament and of the European Council of 16 April 2014.

The purpose of the AC is to assist the Board of Directors in fulfilling its duties and responsibilities towards the Company's shareholders and the investors' community, particularly in ensuring the integrity, objectivity, adequacy, and effectiveness of:

1. The process of preparing the financial statements, especially the process of financial reporting and the process of the audit of the individual and consolidated financial statements by independent Certified Auditors - Accountants.
2. The selection and evaluation of the independence of the Certified Auditors - Accountants.
3. The Internal Control System, including risk management, compliance, and the Internal Audit Unit.
4. The corporate governance system.
5. The procurement function.

The role, responsibilities and mode of operation of the AC are reflected in its Operating Charter, which is in accordance with the current legal and regulatory framework, has been approved by the Company's Board of Directors, and is available at the following link on the corporate website: https://www.ppcgroup.com/el/ependytikes-sxeseis/anakoinoseis/xrimatistiriakes-anakoinoseis/.

III. Type - Structure - Composition of the Audit Committee

The AC is an independent, "mixed" committee, consisting of independent non-executive members of the Board of Directors and third-parties, non-members of the Board of Directors, in accordance with Article 44, paragraph 1, case (a), subparagraph (ab), of Law 4449/2017, as amended, and Article 9 of Law 4643/2019.

By Decision No. 18/07-03-2023, the Board of Directors of the Company appointed Mr. Nikitas Glykas as the temporary replacement of the resigning, for professional reasons, member of the Audit Committee, Mr. Konstantinos Cholevas, for the period from 07-03-2023 to 31-03-2023, when the Extraordinary General Meeting of the Company's Shareholders was held, at which Mr. Nikitas Glykas was elected, in accordance with Article 9 of Law 4643/2019, to replace the aforementioned resigning member for the remainder of the term, until 07-05-2023, and subsequently was elected as a member of the Audit Committee for a three-year term, from 08-05-2023 to 07-05-2026, according to Article 44 of Law 4449/2017, as amended by Article 74 of Law 4706/2020 and in force.

The AC of PPC S.A. consists of six (6) members, appointed by the General Meeting of Shareholders (GMS), including:

- Four (4) members of the Board of Directors or non-members of the Board of Directors. Generally, any combination may be determined, provided there is at least one member of the Board of Directors and the majority of the members are independent of the Company, according to Article 9, paragraphs 1 and 2 of Law 4706/2020. The AC members must have sufficient knowledge of the sector in which the entity operates, and at least one (1) of them, independent of the Company, as per the provisions of Law 4706/2020, must have sufficient, documented knowledge and experience in auditing or accounting.
- Two (2) members, according to Article 9 of Law 4643/2019, are selected from a list of persons with proven experience in the field of contract and procurement management of projects and services, who are independent of the Company, within the meaning of the provisions of Law 4706/2020.

Following the above, the current Audit Committee was constituted at its meeting on April 5, 2023.

Two (2) of the above-mentioned members, namely Ms. Maria Psillaki and Mr. Christos-Stergios Glavanis, according to Article 44 of Law 4449/2017, as amended by Article 74 of Law 4706/2020 and in force, have sufficient knowledge and experience in auditing or accounting.

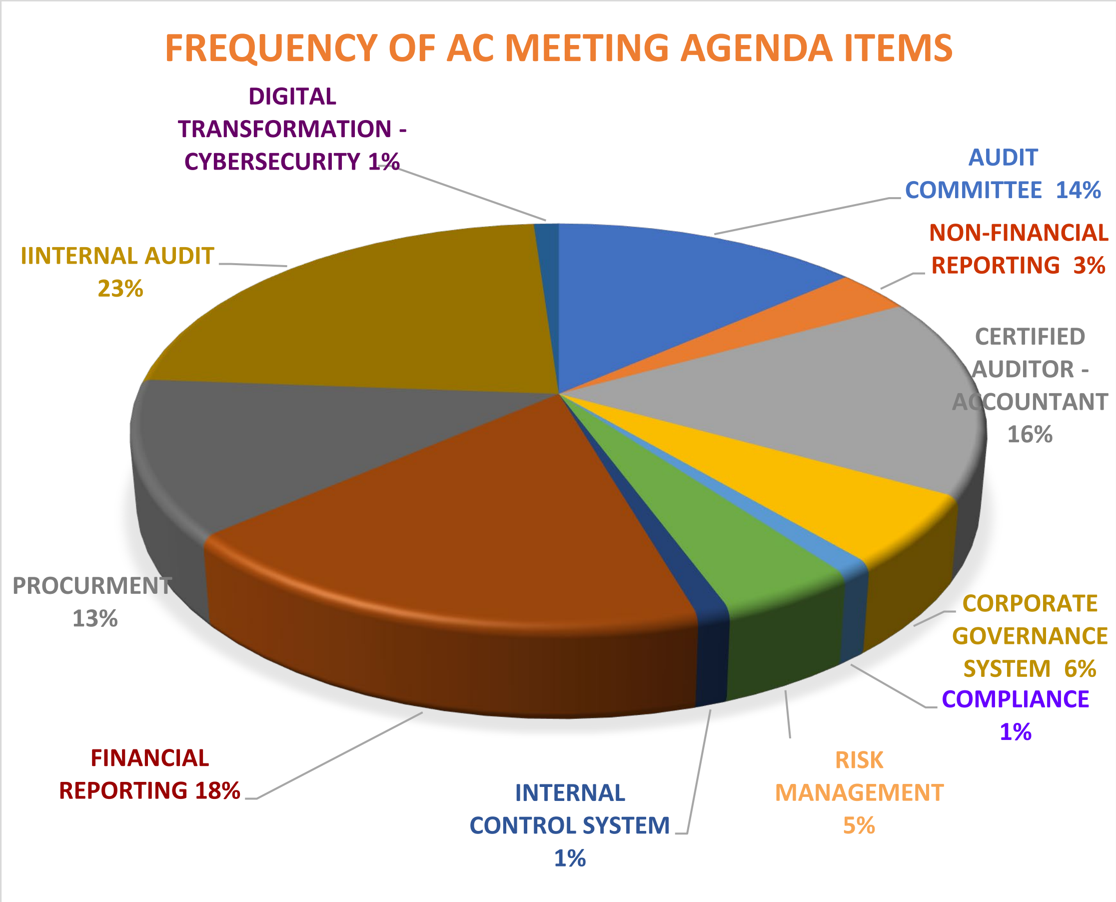
VI. Audit Committee Meetings

In 2023, the AC held twenty-three (23) meetings. The participation of the members of the AC in these meetings is summarized in the table below:

Name	Position	Tenure	Participation
Maria Psillaki	Chair of the AC, Independent Non-Executive Member of the Board of Directors	17.12.2021 - 16.12.2024	23/23
Despoina Doxaki	Independent Non-Executive Member of the Board of Directors	27.06.2019 - 26.06.2022 29.06.2022 - 28.06.2025	18/23
Stefanos Kardamakis	Independent Non-Executive Member of the Board of Directors	22.08.2019 - 21.08.2022 22.08.2022 - 21.08.2025	18/23
Evangelos Angeletopoulos	Independent Non-Board Member	08.05.2020 - 07.05.2023 08.05.2023— 07.05.2026	23/23
Konstantinos Holevas	Independent Non-Board Member	05.05.2022 - 07.05.2023 (in replacement of a resigned member)	3/13
Christos-Stergios Glavanis	Independent Non-Board Member	14.12.2022 - 13.12.2025	23/23
Nikitas Glykas	Independent Non-Board Member	07.03.2023 – 07.05.2023 08.05.2023 – 07.05.2026 (in replacement of a resigned member)	18/23

According to the provision of Article 5 of the Operating Charter of the AC “Representation of Third Parties in Meetings”, during 2023, the Director of Internal Audit was invited and participated in the meetings of the AC. Additionally, the AC held meetings with the participation of the Company's executives, such as the Deputy CEO of Digital Transformation, the Chief Legal Affairs & Corporate Governance Officer, the Chief Support Operations Officer, the Chief Finance Officer, the Chief Human Resources and Organization Officer, and the Directors of Compliance, Risk Management, Sustainable Development, Accounting Services, Procurement System Transformation, Renewable Energy Procurement, among others. The Certified Auditor Accountant of the 2023 financial statements was also invited and participated in meetings, as required. Finally, the Secretary of the AC attended all meetings of the AC.

The supporting material for the meetings was distributed to all members through the PPC portal. Minutes were kept for all AC meetings held in 2023. The meetings of the AC addressed topics in the following thematic areas.



A. External Audit / Financial Reporting Process

Selection of External Independent Certified Auditor - Accountant

The AC is responsible for the selection of the Certified Auditors Accountants and proposes the statutory auditors-accountants or the audit firms to be appointed to the BoD, in accordance with Article 16 of Regulation (EU) No 537/2014, unless paragraph 8 of Article 16 of Regulation (EU) No 537/2014 applies.

Since the three-year period (2020-2022) for which the assignment of the mandatory audit of the Company's individual and consolidated financial statements to Ernst & Young Certified Auditors - Accountants S.A. (EY) ended in 2023, the AC initiated the process for the selection of the external independent Certified Auditor - Accountant for the next years. According to it and taking into account, among others, the technical adequacy and experience of EY, its performance during the previous three-year period, as well as the absence of conflicts of interest regarding the statutory audit services, the AC proposed to the shareholders the election of EY as the Certified Auditor-Accountant of the Company for the years 2023 and 2024, as well as the approval of its fee for the year 2023, which includes the fee for the statutory audit of the financial statements and the fee for issuing the tax certificate.

The decision for the fiscal year 2024 will be renewed by the Annual Ordinary General Meeting of Shareholders of that year.

The aforementioned audit firm will also be proposed for the audit of the Group's subsidiaries for the same period, based on the corresponding fees for each company.

Ensuring the independence and objectivity and maintaining the effectiveness of the Company's certified auditors

The AC is responsible to ensure the external auditor’s independence and objectivity, as well as to monitor the effectiveness of the statutory audit. Additionally, the AC, as per its established practice and in accordance with Article 5 of EU Regulation No 537/2014, as well as its Operating Charter, pre-approves all audit and non-audit services provided to the Company by the Certified Auditors - Accountants or audit firms that have undertaken the statutory audit of its financial statements.

During 2023, additional engagements were assigned to EY, which were not related to the statutory audit for the fiscal year 2023. The AC consented to these assignments, having duly assessed compliance with the relevant legal framework and the objectivity and independence of the statutory auditors, examining, for each assignment, in accordance with Article 22b of Directive 2006/43/EC:

i) the total amount of fees of EY,

ii) the type and nature of the permitted non-audit services,

iii) the adequacy of any required safeguards, and

iv) the reasons for their selection (confidentiality, efficiency) compared to other providers.

The AC determined in each case that these projects fall within the permitted non-audit services and do not raise independence issues, in accordance with the provisions of Law 4449/2017 and Article 5 of Regulation (EU) No 537/2014. Additionally, the AC determined that the total fees for these services did not exceed 70% of the average fees paid over the last three consecutive years for the statutory audit of the Parent Company and the Group.

Financial Statements

In the context of monitoring the financial reporting process and the progress of the statutory audit of the Company's individual and consolidated financial statements for the fiscal year 2022, the AC took the following actions:

1 Held meetings with the Certified Auditor - Accountant and the relevant Company units to assess the progress of the annual audit of the individual and consolidated financial statements for the year 2022, as well as the approach to addressing significant audit matters to be included in the Audit Report.

2 Was thoroughly informed of: a) the use of the going concern assumption adopted for the preparation of the financial statements, b) significant judgments, assumptions, and estimates made by Management in preparing the individual and consolidated financial statements for the year 2022, c) the adequacy of disclosures regarding significant risks faced by the Company and the Group, which may adversely affect their financial position or profitability, in conjunction with the financial impact of measures to curb the Covid-19 pandemic, and d) significant transactions of the Company with related parties.

   It is noted that particular emphasis was placed on the methodology for calculating unbilled revenue, a factor that significantly affects both the figures and the financial results of the Company and presents significant fluctuations between periods, depending on seasonality, energy demand, the Company's share in the retail market, and the prices in the wholesale market.

3 Was also informed about all pending legal matters to be included in the individual and consolidated financial statements for the fiscal year 2022, with particular emphasis on cases that may result in significant cash outflows for the Company and the Group, as well as about the content of the Corporate Governance Statement included in the Board of Directors' Annual Report for the fiscal year 2022.

4 Reviewed the financial statements before their approval by the Board of Directors, to assess the completeness of the provided information and their consistency, in relation to both the detailed material, which had been brought to its attention, and the accounting principles applied by the Company and the Group.

5 Reviewed both the Audit Report and the Supplementary Audit Report of the Certified Auditor - Accountant for the year 2022.

In the context of monitoring the financial reporting process and the progress of the statutory audit of the individual and consolidated financial statements of the Company for the fiscal year 2023, the AC took the following actions:

- Was informed by the Certified Auditor-Accountant about the annual statutory audit program for the year 2023. To this end, the Certified Auditor-Accountant submitted a schedule and a list of the audits / tasks to be carried out, as well as the most important risks and audit issues that in the opinion of the Certified Auditor-Accountant might need to be addressed.
- Held meetings with the Certified Auditor-Accountant and the relevant Company units regarding the preparation, review, and disclosure of the individual and consolidated financial statements of the Company for H1 2023.
- Reviewed the Certified Auditor's – Accountant's Report for H1 2023.
- Monitored the process of preparing the individual and consolidated financial statements of the Company for Q1 2023 and the nine-month period of 2023, along with the key operational and financial figures of the Company disclosed for the respective periods, with particular emphasis on the conditions created both by the Covid-19 pandemic and the new conditions prevailing in the global energy markets due to the Ukraine-Russia conflict.
- Was informed by the Finance Group Function on each date of preparation of individual and consolidated financial statements, regarding the amount of the calculated unbilled revenue, seeking extensive clarifications on the observed fluctuations between periods.
- Was informed about the method of consolidation of ENEL Romania companies into the Company's consolidated financial statements, following their acquisition by PPC S.A., the process of auditing the consolidated figures of the new subsidiaries, as well as the extent to which the figures and results of the Company's consolidated financial statements will be affected.

It is noted that the AC met four (4) times with the external auditors, overseeing the process of auditing the 2022 financial statements, while regarding the audit of the fiscal year 2023, it held three (3) meetings within the year.

B. Internal Control System / Risk Management Department, Compliance Department, and Internal Audit Department

The Company, by decision no. 154/20.12.2022 of its Board of Directors, assigned to KPMG Certified Auditors S.A. the assessment of the adequacy and effectiveness of the Internal Control System of the Company and its significant subsidiaries, PPC Renewable Energy S.A. and Hellenic Electricity Distribution Network Operator S.A. (HEDNO S.A.), as of December 31, 2022, in accordance with the provisions of par. 1 of article 3 and par. 4 of article 14 of Law 4706/2020 and decision 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission, as applicable (the "Legislative Framework").

The assurance engagement was performed in accordance with the audit program included in decision no. 040/2022 of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the

International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

Based on the work performed by the assessor regarding the adequacy and effectiveness of the Internal Control System of the Company and its significant subsidiaries, no material weaknesses were identified.

Risk Management Department (RMD)

During 2023, the AC was informed by the Risk Management Director on the activities of the RMD and risk management in the Company. Particularly:

- The final drafts of the Corporate Risk Management Framework and the Operating Charter of the Risk Management Committee were presented to the AC, which were then introduced to the Board of Directors and were approved during its meeting on 20.2.2023.
- The current classification, assessment, and ranking of risks of the Company and the Group were presented and discussed with the AC, any changes were noted, and the quarterly review process was outlined.
- The close collaboration between the RMD and the Internal Audit Department was confirmed.
- The AC was informed about the key risks affecting the Company's financial statements. The prioritization of key risks, which is updated quarterly, was confirmed, and the process of identifying, assessing, and monitoring risks was discussed.
- The risk rating scale and ranking methodology were presented to the AC. Details were provided regarding the documentation and preparation of detailed response plans for addressing significant risks. It was clarified that while the Company has actions and processes in place for addressing key risks, these are not yet codified.
- The Company's Risk Appetite Framework was presented to the AC, and the key principles and procedures it entails were analyzed.
- The AC was informed about the implementation progress of the Corporate Risk Management Framework.

Compliance Department (CD)

The AC was informed by the Compliance Director about the action plan and the objectives achieved during 2023, during which the CD absorbed the role and responsibilities of the Director of Energy Transactions.

Specifically, the AC was informed about the preparation of a registry of key regulatory obligations, an issue highlighted during the assessment of the Company's Internal Control System by the External Auditor in March 2023, and about the development of a CD portal for the digital registration in a single point ("one-stop-shop") of all information pertaining to the thematic responsibilities of the CD.

Furthermore, the AC was informed about the achievements of all pillars of the CD, including compliance with the regulatory framework of energy transactions of the General Division of Energy Management, the anti-money laundering policy, and compliance with the legal framework for personal data protection.

Internal Audit Department (IAD)

Regarding the planning of the audit activities of the IAD, the AC received and evaluated the annual plan and resource requirements for its implementation. The annual audit plan of the IAD was developed based on the relevant legislative framework concerning the obligations of the IAD, as well as risk assessment. It includes audits related to:

- The implementation of the Operating Regulation and the Internal Control System, especially regarding the adequacy and accuracy of financial reporting, regulatory compliance, and the corporate governance code applied by the Company,
- quality assurance controls,
- corporate governance controls,
- the adherence to the commitments included in the Company's prospectus and business plans,
- the Company's procurement system and, specifically, the implementation of the Regulation of Projects, Procurements and Services (RPPS),

- compliance of the General Division of Energy Management with the regulatory obligations related to the energy exchange.

The AC submitted to the Board of Directors the IAD 's proposed annual audit program and the need to strengthen the IAD with the required audit resources. Additionally, it assessed and adopted IAD's recommendations to the Board of Directors regarding required changes to the annual audit program during the year and aligned the commencement of the annual audit plan with the calendar year.

Regarding the monitoring of the audit work and the results of the internal audits, the AC received the detailed reports of the audited units. Additionally, it monitored the work of the IAD through quarterly reports and was extensively briefed on the key audit issues and the response of the audited units to the improvement recommendations of the IAD. Based on the above, the AC submitted to the Board of Directors the quarterly reports of the IAD.

Following the recommendation of the AC, the IAD, having set specific operational and strategic objectives, adopted Key Performance Indicators (KPIs) to monitor the achievement of the established objectives and evaluate its performance.

During 2023, the AC initiated the evaluation process of the Director of IAD for the year 2022, in accordance with the Company's operating framework.

The AC monitored the independence and adequate access of the IAD to organizational units and information as required for exercising its duties during the year.

C. Company's Procurement Function

Regarding the operation of the procurement function of PPC SA and PPC Renewables S.M.S.A and in accordance with the provisions of the current legal and regulatory framework that governs its operation, the AC performed the following in 2023:

- Conducted audits to monitor the proper implementation of the current framework of the Company (Procurement Manual, RPPS, etc.) during the fiscal year 2022.
- Monitored the performance of the procurement function of the above-mentioned companies for the year 2023, using specific Key Performance Indicators (KPIs).
- Monitored the Inventory Control System, the inventory counts, and the inventory operations of PPC S.A.
- Monitored the transformation of the procurement function.
- Submitted an annual report to the Board of Directors regarding the audit results, the performance of the procurement function, and recommendations for improving its efficiency and effectiveness.

D. Sustainable development

In 2023, PPC, within the context of the revised Sustainable Development Policy (No. 88/12.7.2022 decision of the Board of Directors), formulated the Group's new sustainable development strategy, which is coordinated by the Sustainable Development Division and focuses on three pillars:

1.Net zero carbon footprint, with a transition to a low-carbon economy and the development of renewable energy sources (RES).

2. Nature positive operations, through resource use reduction, waste management, and preserving natural ecosystems.

3. Creating socio-economic shared value by enhancing the economy, empowering people, and promoting social collective action.

In 2023, the AC was informed by the Sustainable Development Division on the progress of projects and actions implementing the strategy in the context of the Sustainable Development Policy.

Furthermore, the AC was informed about the preparation and publication of the PPC Group Sustainable Development Report for 2022, which was conducted in accordance with the international standards of the Global Reporting Initiative Organization (GRI Standards). This is the third Sustainable Development Report at Group level, and the first time that a Double Materiality analysis was carried out to identify material issues, based on the guidelines of the CSRD regulatory framework.

In the 2022 report, 50 performance indicators were consolidated for the three significant companies of the Group (PPC, HEDNO, PPC Renewables), while the number of indicators that received external assurance, both the GRI ones (from 69 in 2021 to 80 in 2022) and those of the ATHEX ESG category (from 16 in 2021 to 129 in 2022), were substantially increased to enhance the credibility and transparency of the report.

Furthermore, the contribution of the Group's companies to the achievement of the United Nations' Sustainable Development Goals (SDGs) was presented to the Committee, through the implementation of specific actions, considering the impact of the activities of the Group's significant companies.

Maria Psillaki
Member of the Board of Directors and Chair of the AC

APENDIX

Definitions and reconciliations of Alternative Performance Measures ("APMs")

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

The Group and the Parent Company use Alternative Performance Measures («APMs") in taking decisions concerning their financial, operational and strategic planning, as well as for the evaluation and publication of their performance. These APMs serve to better understand the financial and operating results of the Group and the Parent Company, their financial position and cash flows. Alternative indicators (APMs) should always be read in conjunction with the financial results that have been prepared in accordance with IFRS and in no way replace them.

Alternative Performance Measures ("APMs")

In discussing the Group's and the Parent Company's performance, "Adjusted" measures are used such as: EBITDA Recurring without one-off effects and EBITDA Recurring margin % without one-off effects as well as Profit / (Losses) without one-off effects. These adjusted measures are calculated by deducting from performance measures directly derived from amounts of the annual Financial Statement the effect and costs arising from events which have occurred during the reporting period and which have not affected the amounts of previous periods.

EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes).

EBITDA serves to better analyze the operating results of the Group and the Parent Company and is calculated as follows: Total turnover minus total operating expenses before depreciation and impairment. The EBITDA margin (%) is calculated by dividing EBITDA by total turnover. Calculation of EBITDA and EBITDA margin is presented in Table A.

Operating Expenditure before tax, depreciation, amortization net financial expenses, profit/(losses) from sale of related companies excluding one-off effects

This measure is calculated by subtracting the one-off effects mentioned in the EBITDA Recurring note below, from the EBITDA measure. It is presented in Table B.

EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes, excluding one-off effects)

EBITDA Recurring serves to better analyze the Group's and the Parent Company's operating income, excluding the impact of one-off effects. For the year 2023, the one-off effects that affected the Recurring EBITDA are the following: a) a provision for allowance for employees' severance payments amounting to € 25,257 thousand for the Group and € 13,699 thousand for the Parent Company (negative impact) b) the valuation of PPA derivative financial instruments amounting to € 7,118 thousand for the Group (negative impact) and € 25,234 thousand for the Parent Company (positive impact). For the year 2022, the one-off effects that affected EBITDA Recurring are as follows : a) a provision for allowance for employees' severance payments amounting to € 50,476 thousand for the Group and € 49,194 thousand for the Parent Company (negative impact), b) an extraordinary levy for electricity producers amounting to €245,322 thousand for the Group and the Parent Company (negative impact) and c) a retroactive charge due to the recovery of special allowances from the implementation of the Collecctive Labour Agreement 2021-2024 amounting to € 6,593 thousand for the Group and the Parent Company (negative effect). EBITDA Recurring Margin (%) is measured by dividing EBITDA Recurring by Total Turnover. EBITDA Recurring and EBITDA Recurring margin are presented in Table C.

EBIT (Operating Income before net financial expenses and taxes)
EBIT serves to better analyze the Group's and the Parent Company's operating results and is calculated as follows: EBITDA (Operating Income before depreciation and impairment, net financial expenses and taxes) less depreciation and impairment. EBIT margin (%) is calculated by dividing EBIT with total turnover. Calculation of EBIT and EBIT margin is presented in Table D.

Net amount of Depreciation, Financial Expense and Profit from Associates.
This Index is calculated as the net amount of depreciation expense, net financial expenses and profits/ (losses) from the Group's associates. The detailed calculation is presented in Table E.

Net Debt
Net debt is an APM that Management uses to evaluate the capital structure of the Group and the Parent Company as well as leverage. Net debt is calculated by adding long-term loans, the current portion of long term loans and short term loans and subtracting from the total, cash and cash equivalents, restricted cash related to loan agreements and financial assets measured at fair value through other comprehensive income and adding the unamortized portion of borrowing costs. Calculation of Net Debt is presented in Table F.

TABLE A - EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes)		
Amounts in '000€		
	Group	
	01.01-31.12.2023	**01.01-31.12.2022**
Total Turnover (1)	**7,686,767**	**11,253,107**
Less:		
Operating expenses before depreciation and impairment (2)	**6,431,728**	**10,601,815**
Payroll cost	782,156	768,554
Lignite	5,786	16,216
Liquid Fuels	724,522	853,239
Natural Gas	739,939	1,758,161
Energy purchases	1,944,223	4,720,240
Materials and consumables	104,824	121,547
Transmission system usage	169,520	143,321
Distribution system usage	49,299	-
Utilities and maintenance	264,132	210,920
Third party fees	308,487	184,403
CO2 emission rights	826,209	1,037,545
Risk allowances	(63,883)	(16,653)
Provisions for impairment of materials	9,660	(6,801)
Provisions for bad debt	186,262	207,526
Extraordinary contribution on electricity suppliers	200,000	-
Extraordinary contribution on electricity generators	-	245,322
Other Income	(54,461)	(23,430)
Other Expenses	235,053	381,705
EBITDA (A) = [(1) - (2)]	**1,255,039**	**651,292**
EBITDA MARGIN [(A) / (1)]	**16.3%**	**5.8%**

TABLE A - EBITDA (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes)		
Amounts in ‘000€		
	Company	
	01.01-31.12.2023	**01.01-31.12.2022**
Total Turnover (1)	**6,606,765**	**10,847,079**
Less:		
Operating expenses before depreciation and impairment (2)	5,986,558	10,582,824
Payroll cost	492,764	480,782
Lignite	5,786	14,657
Liquid Fuels	724,063	850,141
Natural Gas	714,967	1,758,161
Energy purchases	1,651,663	4,883,818
Materials and consumables	64,415	92,161
Transmission system usage	169,286	143,321
Distribution system usage	580,663	429,551
Utilities and maintenance	154,535	135,940
Third party fees	165,741	116,185
CO2 emission rights	826,209	963,855
Risk allowances	(12,923)	5,796
Provisions for impairment of materials	7,851	1,168
Provisions for bad debt	177,246	161,662
Extraordinary contribution on electricity suppliers	200,000	-
Extraordinary contribution on electricity generators	-	245,322
Other Income	(80,735)	(25,964)
Other Expenses	145,027	326,268
EBITDA (A) = [(1) - (2)]	**620,207**	**264,255**
EBITDA MARGIN [(A) / (1)]	**9.4%**	**2.4%**

TABLE B - Operating Expenditure before tax, depreciation, amortization and impairment, total net financial expenses profit/(loss) affiliated companies excluding one-off effects			
Amounts in '000€	**Group**		**COMMENTS**
	01.01-31.12.2023	**01.01-31.12.2022**	
Operating expenses before depreciation and impairment (2)	6,431,728	10,601,815	
Less :			
Provision for allowance for employees' severance payments	25,257	50,476	Note 33.2 of the Annual Financial Report 2023
Retroactive charge due to recovery of special allowances from the implementation of the Collective Labour Agreement 2021-2024	-	6,593	Note 8 of the Annual Financial Report 2023
Extraordinary contribution on electricity generators	-	245,322	Note 25 of the Annual Financial Report 2023
(Gains)/losses from valuation of PPA derivative financial instruments	7,118	-	Note 14 and 46.4 of the Annual Financial Report 2023
Operating expenses before depreciation and impairment without one-off effects (2)	**6,399,353**	**10,299,424**	

TABLE B - Operating Expenditure before tax, depreciation, amortization and impairment, total net financial expenses profit/(loss) affiliated companies excluding one-off effects			
Amounts in '000€	**Company**		**COMMENTS**
	01.01-31.12.2023	**01.01-31.12.2022**	
Operating expenses before depreciation and impairment (2)	5,986,558	10,582,824	
<u>Less :</u>			
Provision for allowance for employees' severance payments	13,699	49,194	Note 33.2 of the Annual Financial Report 2023
Retroactive charge due to recovery of special allowances from the implementation of the Collective Labour Agreement 2021-2024	-	6,593	Note 8 of the Annual Financial Report 2023
Extraordinary contribution on electricity generators	-	245,322	Note 25 of the Annual Financial Report 2023
(Gains)/losses from valuation of PPA derivative financial instruments	(25,234)	-	Note 14 and 46.4 of the Annual Financial Report 2023
Operating expenses before depreciation and impairment without one-off effects (2)	**5,998,093**	**10,281,715**	

TABLE C - EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes excluding one-off effects)			
Amounts in '000€			
	Group		**COMMENTS**
	01.01-31.12.2023	**01.01-31.12.2022**	
EBITDA (1)	**1,255,039**	**651,292**	
Plus one-of effects (2):	**32,375**	**302,391**	
Provision for allowance for employees' severance payments	25,257	50,476	Note 33.2 of the Annual Financial Report 2023
Retroactive charge due to recovery of special allowances from the implementation of the Collective Labour Agreement 2021-2024	-	6,593	Note 8 of the Annual Financial Report 2023
Extraordinary contribution on electricity generators	-	245,322	Note 25 of the Annual Financial Report 2023
(Gains)/losses from valuation of PPA derivative financial instruments	7,118	-	Note 14 and 46.4 of the Annual Financial Report 2023
EBITDA Recurring excluding one-off effects (3) = [(1)+(2)]	**1,287,414**	**953,683**	
Total Turnover (4)	**7,686,767**	**11,253,107**	
EBITDA Recurring margin excluding one-off effects (3)/(4)	**16.7%**	**8.5%**	

TABLE C - EBITDA Recurring (Operating Income before depreciation, amortization and impairment, net financial expenses and taxes excluding one-off effects)			
Amounts in '000€	**Company**		**COMMENTS**
	01.01-31.12.2023	**01.01-31.12.2022**	
EBITDA (1)	**620,207**	**264,255**	
Plus one-of effects (2):	**(11,535)**	**301,109**	
Provision for allowance for employees' severance payments	13,699	49,194	Note 33.2 of the Annual Financial Report 2023
Retroactive charge due to recovery of special allowances from the implementation of the Collective Labour Agreement 2021-2024	-	6,593	Note 8 of the Annual Financial Report 2023
Extraordinary contribution on electricity generators	-	245,322	Note 25 of the Annual Financial Report 2023
(Gains)/losses from valuation of PPA derivative financial instruments	(25,234)	-	Note 14 and 46.4 of the Annual Financial Report 2023
EBITDA Recurring excluding one-off effects (3) = [(1)+(2)]	**608,672**	**565,364**	
Total Turnover (4)	**6,606,765**	**10,847,079**	
EBITDA Recurring margin excluding one-off effects (3)/(4)	**9.2%**	**5.2%**	

Table D - EBIT (Operating Income before net financial expenses and taxes)		
Amounts in ‘000€		
	Group	
	01.01-31.12.2023	**01.01-31.12.2022**
EBITDA	**1,255,039**	**651,292**
Less :		
Depreciation and Amortization	672,105	640,380
Impairment loss on assets	33,718	(197,675)
EBIT (A)	**549,216**	**208,587**
Total turnover (1)	**7,686,767**	**11,253,107**
EBIT MARGIN [(A) / (1)]	**7.1%**	**1.9%**

Table D - EBIT (Operating Income before net financial expenses and taxes)		
Amounts in ‘000€		
	Company	
	01.01-31.12.2023	**01.01-31.12.2022**
EBITDA	**620,207**	**264,255**
Less :		
Depreciation and Amortization	298,604	306,147
Impairment loss on assets	32,607	(199,966)
EBIT (A)	**288,996**	**158,074**
Total turnover (1)	**6,606,765**	**10,847,079**
EBIT MARGIN [(A) / (1)]	**4.4%**	**1.5%**

Table E - Net amount of Depreciation, Financial Expense and Profit / (Loss) from Subsidiaries and Associates		
Amounts in '000€		
	Group	
	01.01-31.12.2023	**01.01-31.12.2022**
Depreciation Net Financial Expense and Profit / (Loss) from Associates	**957,313**	**874,963**
Depreciation and Amortization	672,105	640,380
Financial expense	422,628	344,451
Financial income	(140,191)	(55,464)
Net (profit)/loss from associates	5,080	(61,677)
Net loss/(profit) from FX differences	(2,309)	7,273

Table E - Net amount of Depreciation, Financial Expense and Profit / (Loss) from Subsidiaries and Associates		
Ποσά σε '000€		
	Company	
	01.01-31.12.2023	**01.01-31.12.2022**
Depreciation Net Financial Expense and Profit / (Loss) from Associates	**448,013**	**511,346**
Depreciation and Amortization	298,604	306,147
Financial expense	329,210	283,895
Financial income	(177,412)	(86,045)
Net (profit)/loss from associates	37	-
Net loss/(profit) from FX differences	(2,426)	7,349

TABLE F – NET DEBT				
Amounts in '000€				
	Group		**Company**	
	31.12.2023	**31.12.2022**	**31.12.2023**	**31.12.2022**
Long-term borrowing	4,419,795	3,822,907	2,598,691	2,496,509
Current portion of long-term borrowing	1,180,371	591,894	840,735	357,662
Short-term borrowing	240,760	108,333	-	50,000
Cash and cash equivalents	(2,599,802)	(3,159,484)	(1,853,051)	(2,760,552)
Restricted cash	(154,446)	(50,843)	(19,128)	(23,008)
Financial assets measured at fair value through other comprehensive income	(308)	(330)	(295)	(329)
Unamortized portion of borrowing costs	81,454	75,666	66,111	74,017
TOTAL	**3,167,824**	**1,388,143**	**1,633,063**	**194,299**

Athens, April 9th 2024

For the Board of Directors

The President and CEO

The Vice President

Georgios I. Stassis

Pyrros D. Papadimitriou

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C. AUDITOR’S REPORT

ERNST & YOUNG (HELLAS)
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Building a better working world

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Public Power Corporation S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate and consolidated financial statements of Public Power Corporation S.A. (the Company), which comprise the separate and consolidated statement of financial position as of December 31, 2023, the separate and consolidated income statement and the statement of other comprehensive income, the statements of changes in equity and cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the separate and consolidated financial statements present fairly in all material respects the financial position of Public Power Corporation S.A., and its subsidiaries (the Group) as at December 31, 2023 and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We remained independent of the Company and Group throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the separate and consolidated financial statements.

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<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Unbilled revenue recognition and related contract assets from low tension customers (separate and consolidated financial statements)</td></tr>
<tr><td>The Company's and the Group's unbilled revenue for the year ended December 31, 2023 and the related contract assets from low tension customers as at December 31, 2023 amounted to €350mil.

The estimation method used, requires the management to make judgments and use estimates and assumptions with a high degree of uncertainty, of which the most significant are related to the technical and non-technical losses of the distribution network, the invoicing period, the average revenue and the adjustments for expected credit losses.

We have identified the estimation process of the unbilled revenue and the related contract assets from low tension customers as one of the key audit matters due to the inherent risk of revenue recognition in the correct period, the significant audit effort required, and the high degree of subjectivity in the management's judgments, estimates and assumptions used in this process.

The Company's and Group's disclosures relevant to the accounting policy, the judgments, the estimates and the assumptions used to determine the unbilled revenue and the related contract assets from low tension customers can be found in notes 4.3, 4.4, 7 and 24 to the separate and consolidated financial statements.</td><td>The audit procedures that we performed, among others were as follows:

- We discussed with management and assessed the design of internal controls over the estimation of the unbilled revenue and the related contract assets from low tension customers.

- We received and audited the calculation of the management's estimate, evaluating the judgments, estimates and assumptions related to the technical and non-technical losses of the distribution network, the invoicing period, the average revenue and the adjustments for expected credit losses.

- We assessed the consistency of application of the estimation, the methods, the assumptions, and the calculations used between periods and whether events of the current year that alter the environment, the circumstances and data, in which the estimates and assumptions used by the management are based, have been taken into consideration, as well as changes in the business practices, accounting principles and policies affecting the related calculations.

- We tested the calculations for mathematical accuracy and the correct accounting treatment of the related amounts in the separate and consolidated financial statements.

- Finally, we assessed the adequacy and appropriateness of related disclosures in the separate and consolidated financial statements.</td></tr>
</table>

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Key audit matter	***How our audit addressed the key audit matter***
Trade receivables impairment test (separate and consolidated financial statements)	
At December 31, 2023, the Company's and the Group's trade receivables amounted to €1.207mil and €1.553mil., after accumulated impairment losses of €2.444mil. and €2.694mil., respectively.	The audit procedures that we performed, among others were as follows: - We discussed with management and assessed the design of internal controls over the impairment process of trade receivables impairment test.

Key audit matter	***How our audit addressed the key audit matter***
Trade receivables impairment test (separate and consolidated financial statements) (continue)	
The Company and Group apply the simplified approach of IFRS 9 "Financial Instruments" and determine lifetime expected credit losses on their trade receivables by using historical information, including the current economic conditions, which reflect the expected effect of current information in future. We have identified the process of trade receivables impairment test as a key audit matter due to the magnitude of the related accounts and the significance of management's assumptions and estimates used. The Company's and Group's disclosures relevant to the accounting policy, the judgements, the estimates and the assumptions used for the impairment test of trade receivables can be found in notes 4.3, 4.4 and 23 to the separate and consolidated financial statements.	- We received and audited the calculation of trade receivables impairment performed by management, evaluating, among others, the completeness and accuracy of the data used for the determination of expected credit losses and the assumptions on which the management's estimation was based. - We tested the calculations for mathematical accuracy and the correct accounting treatment of the related amounts in the separate and consolidated financial statements. - Finally, we assessed the adequacy and appropriateness of related disclosures in the separate and consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Valuation of Property, Plant and Equipment (separate and consolidated financial statements)	
At December 31, 2023, the Company's and the Group's property, plant and equipment amounted to €5.112mil. and €13.306mil., respectively. Property, plant and equipment are measured at revalued amounts (fair values less accumulated depreciation and impairment loss), except for the mines and lakes that are measured at cost (less accumulated depreciation and impairment) and property, plant and equipment under construction, that are measured at cost (less accumulated impairment loss). The fair values of property, plant and equipment that are measured at revalued amounts, are determined by independent appraisers periodically, in order to assure that the carrying value of an asset does not differ significantly from its fair value. The determination of the fair values of property, plant and equipment requires the management to make, among others, estimations, assumptions and judgements regarding the ownership, the use and the existence of any physical, operational and economic obsolescence.	audit procedures that we performed, among others were as follows: - We discussed with management and assessed the design of management controls over the evaluation process of whether the fair values of the property, plant and equipment have changed significantly, and whether impairment indications or indications of reversal of an impairment loss recognised in prior periods exist for the property, plant and equipment. - For property, plant and equipment that are measured at fair values, we evaluated the management's assessment on whether their fair values remained unchanged. - For property, plant and equipment that are measured at cost, we assessed the management's evaluation on whether there indications of impairment or indications of reversal of impairment loss recognised in prior periods existed.

Key audit matter	How our audit addressed the key audit matter
Valuation of Property, Plant and Equipment (separate and consolidated financial statements) (continue)	
In addition to the above, the Company and the Group assess annually whether impairment loss indications or indications of reversal of an impairment loss recognised in prior periods exist and if this is the case, estimate the recoverable amount of the related property, plant and equipment. This process incorporates judgements, estimates and assumptions with high degree of subjectivity, the most important of which are related to the estimated future production capacity and the use of the property, plant and equipment, the determination of the cash generating unit on which the estimation of the recoverable amount of the property, plant and equipment will be performed, their discounted future cash flows and other factors. In the context of the process for the assessment of impairment loss indications and indications of reversal of an impairment loss recognised in prior periods and taking also into consideration the requirements of the	- For property, plant and equipment that are measured at cost, and for which impairment indications or indications of reversal of impairment loss recognised in prior periods existed, we assessed with the contribution, where necessary, of EY valuation specialists, the reasonability and accuracy of the assumptions and methodology used in estimating the recoverable amounts. - We tested the calculations for mathematical accuracy and the correct accounting treatment of the related amounts in the separate and consolidated financial statements. - Finally, we assessed the adequacy and appropriateness of the related disclosures in the separate and consolidated financial statements.

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<table>
<tr><td>updated lignite phase-out plan, management estimated the recoverable amount of the related property, plant and equipment, which resulted in an impairment loss of €2mil. for the Company and the Group, which waw recognised in the current year's separate and consolidated income statements.

We have identified the valuation of property, plant and equipment as a key audit matter due to the magnitude of the related accounts and the significance of management's judgments, estimates and assumptions on which is based.

The Company's and Group's disclosures relevant to the accounting policy, the judgments, the estimates and the assumptions used for the valuation in fair values and the assessment of impairment loss indications and indications of reversal of an impairment loss recognised in prior periods for the property, plant and equipment can be found in notes 4.3, 4.4, 16 and 38 to the separate and consolidated financial statements.</td><td></td></tr>
<tr><td>Key audit matter</td><td>How our audit addressed the key audit matter</td></tr>
<tr><td colspan="2">Accounting treatment of the acquisition of subsidiaries in Romania (separate and consolidated financial statements)</td></tr>
<tr><td>On 25 October 2023, the Company acquired a majority stake in 29 companies operating in Romania for a purchase price of €1.371mil., gaining control over them.

In the context of the above acquisition, inter alia, the payment of an additional contingent consideration is provided, the fair value of which was determined at the acquisition date at €18mil.

In the separate financial statements, the investments in subsidiaries are measured at acquisition cost in accordance with IAS 27 "Separate Financial Statements". The acquisition cost of €1.433mil. includes the purchase price (€1.371mil.), plus the estimated additional contingent consideration (€18mil.) and the costs related to the transaction (€44mil.).

In the consolidated financial statements, the business combinations are accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations". At the acquisition date, the Group recognised and accounted and accounted for acquired assets, liabilities and contingent liabilities at their value (€1.803mil.), recognizing at the same time the non-controlling interests proportionate share of net</td><td>audit procedures that we performed, among others were as follows:

- We verified based on the sale and purchase agreements, as well as the criteria defined in IFRS 10 "Consolidated Financial Statements", the management's assessment with regard to the control over the acquired subsidiaries and their consolidation in the consolidated financial statements

- We evaluated the management's judgments and estimates in relation to the application of IFRS 3 "Business Combinations" when determining the acquisition cost, as well as, when determining the identifiable assets and liabilities assumed of the acquired subsidiaries and their measurement.

- We received the fair value assessment of the identifiable assets and liabilities assumed, as well as the fair value assessment of the contingent consideration conducted by an independent appraiser and assessed with the contribution of EY valuation specialists, the appropriateness of the methodology, as well as the</td></tr>
</table>

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assets of the subsidiaries (€180mil.). Comparing the net fair value of the above (€1.623mil.) with the acquisition cost of €1.389mil., a negative goodwill of €234mil. resulted, which was recorded in the consolidated income statement after the reassessment of the purchase price allocation. The costs of the transaction were recognised in the consolidated income statement. We have identified the accounting treatment of the acquisition of subsidiaries in Romania as a key audit matter due to the magnitude of the related accounts, the degree of judgment in the application of the appropriate accounting treatment and the importance of management's estimates and assumptions in determining the fair values of the identifiable acquired assets and liabilities assumed.	reasonability and accuracy of the assumptions used in estimating the recoverable amounts. - We assessed the appropriateness of the accounting policies adopted and the correctness of their application in the separate and consolidated financial statements. - We evaluated the competence, capabilities and objectivity of the independent appraiser to whom the management engaged the fair value assessment of the identifiable assets and liabilities assumed and the fair value assessment of the contingent consideration. - We tested the calculations for mathematical accuracy and the correct accounting treatment of the related amounts in the separate and consolidated financial statements.

Key audit matter	***our audit addressed the key audit matter***
Accounting treatment of the acquisition of subsidiaries in Romania (separate and consolidated financial statements) (continue)	
The Company's and the Group's disclosures relevant to the accounting policy, the judgments, the estimates and the assumptions used for the accounting treatment of the acquisition of subsidiaries in Romania can be found in notes 4.3, 4.4 and 3.6, of the separate and consolidated financial statements.	- Finally, we evaluated the adequacy and the appropriateness of the related disclosures in the separate and consolidated financial statements.

Other information

Management is responsible for the other information in the Annual Report. The other information, includes the Board of Directors' Report, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", the Statements of the Members of the Board of Directors, and any other information either required by law or voluntarily incorporated by the Company in its Annual Report prepared in accordance with Law 3556/2007, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (Law 44 v.4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated in Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as incorporated in Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

a) The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/2018.

b) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150-151 and 153-154 and paragraph 1 (c and d) of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the separate and consolidated financial statements for the year ended December 31, 2023.

c) Based on the knowledge and understanding concerning Public Power Corporation S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

2. Unbundled Financial Statements

The management is responsible for the preparation of the Company's and the Group's unbundled financial statements as required by the article 141 of Law 4001/2011 and the Decision 266/2014 of the Regulatory Authority for Energy (RAE) and for those internal controls that management determines are necessary to enable the preparation of the Company's and Group's unbundled balance sheets as at December 31, 2023 and the unbundled statements of income before tax for the period from January 1, 2023 to December 31, 2023 that are free from material misstatement, whether due to fraud or error. The methodology of preparation of the unbundled financial statements is described in note 2 of appendix 1 to the separate and consolidated financial statements.

In our opinion, the Company's and Group's unbundled financial statements as at December 31, 2023, as presented in the relevant appendix to the separate and consolidated financial statements, have been prepared in accordance with the provisions of article 141 of Law 4001 / 2011 and the Decision 266/2014 of the Regulatory Authority for Energy (RAE).

3. Additional Report to the Audit Committee

Our opinion on the separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, in accordance with article 11 of the EU Regulation 537/2014.

4. Provision of Non-audit Services

We have not provided any prohibited non-audit services per article 5 of the EU Regulation 537/2014.

Non-audit services provided by us to the Company and its subsidiaries during the year ended December 31, 2023, are disclosed in Note 14 of the separate and consolidated financial statements.

5. Appointment of the Auditor

We were firstly appointed as auditors of the Group by the General Assembly on June 7, 2018. Our appointment has been uninterruptedly renewed annually by virtue of decisions of the annual general meetings of the shareholders for a total period of five years.

6. Rules of Procedure

The Company has in place Rules of Procedure, the context of which is in accordance with the provisions of article 14 of Law 4706/2020

7. Reasonable Assurance report on the European Single Electronic Format

We have examined the digital files of the company Public Power Corporation S.A. (hereafter "Company" and "Group") prepared in accordance with the European Single Electronic Format ("ESEF") as defined in the EU Delegated Regulation 2019/815, as amended by the EU Delegated Regulation 2020/1989 of the European Commission (hereinafter referred to as "the ESEF Regulation"), that comprise an XHTML file ""213800T9Y5XCOVRZ4Y57-2023-12-31.xhtml" which includes the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, and an XBRL file "213800T9Y5XCOVRZ4Y57-2023-12-31-en.zip" with appropriate tagging of the aforementioned consolidated financial statements, including the explanatory notes (Notes to the financial statements).

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Regulatory Framework

The digital files of the European Single Electronic Format are prepared in accordance with the ESEF Regulation and the Interpretative Communication of the European Commission 2020/C 379/01 dated 10 November 2020, as required by Law 3556/2007 and the relevant communications of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter referred to as the "ESEF Regulatory Framework"). This Framework provides, among others, the following requirements:

- all annual financial reports should be prepared in XHTML format.

- for the consolidated financial statements prepared in accordance with International Financial Reporting Standards, the financial information in the income statement, the statement of other comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows, as well as the financial information included in the explanatory notes, should be marked-up (XBRL tags and block tags), according to the Taxonomy of ESEF (ESEF Taxonomy), as applicable. The technical specifications for ESEF, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the ESEF Regulatory Framework provide appropriate criteria for us to express a reasonable assurance conclusion.

Responsibilities of Management and Those Charged With Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company for the year ended December 31, 2023, in accordance with the requirements set out in the ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of the digital files that is free from material misstatement, whether due to fraud or error.

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Building a better working world

Auditor's Responsibilities

Our responsibility is to plan and perform this assurance engagement in accordance with the Decision 214/4/11-02-2022 of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board and the "Guiding instructions to auditors in connection with their assurance engagement on the European Single Electronic Format (ESEF) of public issuers in regulated Greek markets", as issued by the Institute of Certified Public Accountants of Greece on February 14, 2022 (hereinafter referred to as "ESEF Guiding Instructions"), in order to obtain reasonable assurance that the separate and consolidated financial statements prepared by management in accordance with ESEF comply, in all material respects, with the ESEF Regulatory Framework.

Our work was performed in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, and we have fulfilled our other ethical independence responsibilities in accordance with Law 4449/2017 and the EU Regulation 537/2014.

The assurance engagement we performed, in accordance with the International Standard on Assurance Engagements 3000, "Assurance Engagements Other Than an Audit or Review of Historical Financial Information", is limited to the objectives included in the ESEF Guiding Instructions. Reasonable assurance is a high level of assurance, but it is not a guarantee that this reasonable assurance engagement will always detect a material misstatement with respect to non-compliance with the requirements of the ESEF Regulatory Framework when it exists.

Conclusion

Based on the procedures performed and the evidence obtained, we express the conclusion that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, in XHTML file format "213800T9Y5XCOVRZ4Y57-2023-12-31.xhtml" as well as the required XBRL file "213800T9Y5XCOVRZ4Y57-2023-12-31-en.zip" with appropriate tagging on the aforementioned consolidated financial statements, have been prepared, in all material respects, in accordance with the ESEF Regulatory Framework.

Athens 9 April 2024

Ioannis Pierros
Certified Auditor Accountant
SOEL R.N. 3505

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PUBLIC POWER CORPORATION S.A.

Consolidated and Separate Financial Statements

December 31st 2023

In accordance with the International Financial Reporting Standards adopted by the European Union

The attached separate and consolidated financial statements have been approved by the Board of Directors of Public Power Corporation S.A. on April 9th 2024 and they are available on the web site of Public Power Corporation S.A. at www.ppcgroup.com.

The attached separate and consolidated financial statements have been translated from the original version in Greek.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN	CHIEF FINANCIAL OFFICER	ACCOUNTING DEPARTMENT DIRECTOR
GEORGIOS I. STASSIS	PYRROS D. PAPADIMITRIOU	KONSTANTINOS A. ALEXANDRIDIS	STERGIOS A. TSIFOTOUDIS

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts in thousands of Euro)

		GROUP		COMPANY	
	Note	01.01.2023-31.12.2023	01.01.2022-31.12.2022	01.01.2023-31.12.2023	01.01.2022-31.12.2022
REVENUES:					
Revenue from energy sales	7	6,409,218	10,712,719	5,928,340	10,694,874
Revenue from natural gas sales	7	58,558	4,920	20,771	4,945
Other sales	7	1,218,991	535,468	657,654	147,260
		7,686,767	**11,253,107**	**6,606,765**	**10,847,079**
EXPENSES:					
Payroll cost	8	782,156	768,554	492,764	480,782
Lignite		5,786	16,216	5,786	14,657
Liquid fuels		724,522	853,239	724,063	850,141
Natural gas		739,939	1,758,161	714,967	1,758,161
Depreciation and amortization	10	672,105	640,380	298,604	306,147
Energy purchases	9	1,944,223	4,720,240	1,651,663	4,883,818
Materials and consumables		104,824	121,547	64,415	92,161
Transmission system usage		169,520	143,321	169,286	143,321
Distribution system usage		49,299	-	580,663	429,551
Utilities and maintenance		264,132	210,920	154,535	135,940
Third party fees		308,487	184,403	165,741	116,185
Emission allowances	11	826,209	1,037,545	826,209	963,855
Provisions for risks	44,34	(63,883)	(16,653)	(12,923)	5,796
Provision for impairment of inventories	22	9,660	(6,801)	7,851	1,168
Provision for expected credit losses	23,24,25	186,262	207,526	177,246	161,662
Financial expenses	12	422,628	344,451	329,210	283,895
Financial Income	13	(140,191)	(55,464)	(177,412)	(86,045)
(Gains) from the sale of a subsidiary/ spin-off of post-lignite branch	5.2	(124,294)	-	(124,294)	-
Bargain gain from Romanian subsidiaries acqusition	3.6	(233,919)	-	-	-
Impairment loss on assets	38	33,718	(197,675)	32,607	(199,966)
Contribution on electricity suppliers	2.1	200,000	-	200,000	-
Extraordinary contribution on electricity generators	25	-	245,322	-	245,322
Other (income)	14	(54,461)	(23,430)	(80,735)	(25,964)
Other expenses	14	235,053	381,705	145,027	326,268
Gains from associate and joint ventures	20	5,080	(61,677)	37	-
Gain from partial sale of a subsidiary	5	-	-	-	(790,021)
Foreign currency (gains)/losses		(2,309)	7,273	(2,426)	7,349
		7,064,546	**11,279,103**	**6,342,884**	**10,104,183**
PROFIT/(LOSS) BEFORE TAX		**622,221**	**(25,996)**	**263,881**	**742,896**
Income tax	15	(137,239)	17,081	(85,382)	27,196
NET PROFIT/(LOSS)		**484,982**	**(8,915)**	**178,499**	**770,092**
Attributable to:					
Owners of the Parent		**428,322**	**(19,003)**		
Non – controlling interests		**56,660**	**10,088**		
Profit/(Loss) per share, basic and diluted		1.31	(0.02)		
Weighted average number of shares		**370,370,209**	**380,104,130**		

- The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts in thousands of Euro)

		GROUP		COMPANY	
	Note	**01.01.2023 - 31.12.2023**	**01.01.2022 – 31.12.2022**	**01.01.2023 – 31.12.2023**	**01.01.2022 – 31.12.2022**
Net Profit/(Loss) for the year		**484,982**	**(8,915)**	**178,499**	**770,092**
Other Comprehensive (losses)/income to be reclassified to profit or loss in subsequent periods					
Reclassification of hedging transactions through the statement of comprehensive income	30	(23,268)	(237,309)	(24,302)	(237,309)
Foreign exchange differences		(4,746)	20	-	-
Gains/ (losses) from the valuation of hedging transactions	30	139,602	(6,122)	150,153	(8,181)
Gains/ (losses) from associates		2,239	-	-	-
Deferred tax on gains/ losses from the valuation of hedging transactions	15	17,993	2,682	16,396	3,134
Net Other Comprehensive (losses)/ income to be reclassified to profit or loss in subsequent periods		**131,819**	**(240,728)**	**142,247**	**(242,355)**
Other Comprehensive (losses) / income not to be reclassified to profit or loss in subsequent periods					
Gains / (Losses) on financial assets at fair value through total income		42	2	17	1
Disposal of fixed assets with revaluation surplus	16	(5,518)	-	(3,937)	-
Deferred taxes on disposal of fixed assets with revaluation surplus	15	1,214	-	866	-
Provision for decommissioning and dismantling of facilities/ equipment of Units, Wind Parks and Mines	34	17,615	5,619	17,378	8,573
Deferred taxes on provision for decommissioning and dismantling of facilities/ equipment of Units, Wind Parks and Mines	15	(3,875)	(1,236)	(3,823)	(1,886)
Actuarial gains/ (losses)	33	(12,015)	29,976	(6,981)	17,652
Deferred tax on actuarial gains/ (losses)	15	2,606	(6,594)	1,536	(3,883)
Net Other Comprehensive (losses) / income not to be reclassified to profit or loss in subsequent periods		**69**	**27,767**	**5,056**	**20,457**
Other Comprehensive (losses) / income for the year after tax		**131,888**	**(212,962)**	**147,303**	**(221,898)**
Total Comprehensive (losses)/ income for the year after tax		**616,870**	**(221,877)**	**325,802**	**548,194**
Attributable to:					
Owners of the Parent		**560,210**	**(231,964)**		
Non-controlling interests		**56,660**	**10,088**		

- The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2023
(All amounts in thousands of Euro)

	Note	GROUP 31.12.2023	GROUP 31.12.2022	COMPANY 31.12.2023	COMPANY 31.12.2022
ASSETS					
Non - Current Assets :					
Property, plant and equipment	16	13,305,792	10,550,781	5,112,229	5,210,419
Intangible assets	17	1,126,027	613,939	831,537	518,094
Right of use assets	45	207,795	175,470	137,473	147,724
Investments in subsidiaries	19	-	-	2,650,327	1,019,518
Investments in associates	20	65,170	60,147	9,865	537
Financial assets measured at fair value through other comprehensive income	26	308	330	295	329
Other non – current assets	18	140,714	24,168	139,128	11,841
Deferred tax asset	15	291,832	426,393	694,835	760,852
Derivative financial instruments	46	14,641	15,482	24,748	-
Total Non – Current Assets		**15,152,279**	**11,866,710**	**9,600,437**	**7,669,314**
Current Assets :					
Inventories	22	1,046,531	840,184	600,989	616,689
Trade receivables	23	1,552,674	1,365,605	1,207,131	1,200,734
Contract assets	24	893,287	868,662	555,784	868,662
Other receivables	25	2,388,806	1,330,661	1,555,128	1,268,002
Loan receivables from subsidiaries	3.6	-	-	523,362	-
Derivative financial instruments	46	1,521	-	7,429	-
Income tax receivable	15	38,716	7,439	-	-
Cash and cash equivalents	27	2,599,802	3,159,484	1,853,051	2,760,552
Restricted cash	27	177,487	67,847	42,169	40,012
Total		**8,698,824**	**7,639,882**	**6,345,043**	**6,754,651**
Total assets held for sale	5.2	-	20,623	-	20,623
Total Current Assets		**8,698,824**	**7,660,505**	**6,345,043**	**6,775,274**
Total Assets		**23,851,103**	**19,527,215**	**15,945,480**	**14,444,588**
EQUITY AND LIABILITIES					
EQUITY :					
Share capital	28	947,360	947,360	947,360	947,360
Share premium	28	1,018,747	1,018,747	1,018,747	1,018,747
Legal reserve	29	173,780	136,635	173,780	136,635
Statutory revaluation surplus		(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus	16	5,134,571	5,150,332	3,053,027	3,064,597
Other Reserves	30	(1,190,629)	(1,321,801)	184,727	39,190
Treasury shares	28	(143,861)	(40,683)	(143,861)	(40,683)
Retained earnings		(451,071)	(869,348)	1,176,343	1,011,644
Total Equity attributable to the Owners of the Parent		**4,541,555**	**4,073,900**	**5,462,781**	**5,230,148**
Non – controlling interests		**816,411**	**605,970**	**-**	**-**
Total Equity		**5,357,966**	**4,679,870**	**5,462,781**	**5,230,148**
Non – Current Liabilities :					
Long - term borrowings	32	4,419,795	3,822,907	2,598,691	2,496,509
Post-retirement benefits	33	159,151	137,395	79,568	75,992
Provisions	34	799,855	804,029	799,135	801,977
Financial lease liability	45	175,340	142,838	119,233	122,604
Contract liabilities	36	2,917,803	2,384,657	425,451	435,732
Subsidies	35	207,270	182,955	83,109	89,217
Long term financial liability from the securitization of receivables	47	377,126	350,089	377,126	350,089
Financial liability from NCI Put option	5	1,431,001	1,420,017	-	-
Derivative Financial instruments	46	19,748	-	5,244	-
Other non – current liabilities	37	60,323	35,541	22,524	512
Total Non – Current Liabilities		**10,567,412**	**9,280,428**	**4,510,081**	**4,372,632**
Current Liabilities :					
Trade and other payables	39	2,095,150	1,146,725	925,021	735,889
Short term financial liabilities from the securitization of receivables	47	10,198	8,540	10,198	8,540
Income tax payable	15	78,932	42,955	6,640	15,175
Short – term borrowings	40	240,760	108,333	-	50,000
Current portion of long - term borrowings	32	1,180,371	591,894	840,735	357,662
Short – term financial lease liability	45	43,232	36,131	30,228	28,282
Accrued and other current liabilities	42	2,111,616	1,983,756	1,998,239	1,997,677
Derivative Financial instruments	46	12,163	11,732	11,945	11,732
Current portion of the provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration areas	34	75,050	81,963	75,050	81,963
Current portion of post-retirement benefits	33	62,988	64,803	59,297	64,803
Short-term contract liabilities	41	2,015,265	1,490,085	2,015,265	1,490,085
Total Current Liabilities		**7,925,725**	**5,566,917**	**5,972,618**	**4,841,808**
Total Equity and Liabilities		**23,851,103**	**19,527,215**	**15,945,480**	**14,444,588**

- The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

(All amounts in thousands of Euro)

GROUP

	Note	Share Capital	Share Premium	Treasury shares	Legal Reserve	Revaluation Surplus	Statutory Revaluation Surplus	Other Reserves: Fair Value of financial assets through comprehensive income	Other Reserves: Foreign exchange, Tax-free and Other Reserves	Other Reserves Total	Retained Earnings	Total Equity	Non-Controlling Interest	Total Equity
Balance, January 1st, 2022		**947,360**	**1,018,753**	**-**	**128,317**	**5,163,915**	**(947,342)**	**(470)**	**306,847**	**306,377**	**(1,538,702)**	**5,078,678**	**329**	**5,079,007**
Net Profit/(Loss) for the year		-	-	-	-	-	-	-	-	-	(19,003)	(19,003)	10,088	(8,915)
Other total (losses) / income for the period, after tax		-	-	-	-	4,383	-	2	(217,347)	(217,345)	-	(212,962)	-	(212,962)
Total comprehensive income/ (loss) for the year, after tax		**-**	**-**	**-**	**-**	**4,383**	**-**	**2**	**(217,347)**	**(217,345)**	**(19,003)**	**(231,965)**	**10,088**	**(221,877)**
Expenses of the share capital increase		-	(6)	-	-	-	-	-	-	-	-	(6)	-	(6)
Disposals of property, plant and equipment	16	-	-	-	-	(17,966)	-	-	-	-	17,966	-	-	-
Financial liability from NCI put option		-	-	-	-	-	-	-	(1,410,833)	(1,410,833)	-	(1,410,833)	-	(1,410,833)
Sale of subsidiary	5	-	-	-	-	-	-	-	-	-	678,686	678,686	637,203	1,315,889
Dividend distribution	5	-	-	-	-	-	-	-	-	-	-	-	(41,650)	(41,650)
Treasury shares	28	-	-	(40,683)	-	-	-	-	-	-	-	(40,683)	-	(40,683)
Formation of legal reserve	29	-	-	-	8,318	-	-	-	-	-	(8,318)	-	-	-
Other movements											23	23	-	23
Balance, December 31st, 2022		**947,360**	**1,018,747**	**(40,683)**	**136,635**	**5,150,332**	**(947,342)**	**(468)**	**(1,321,333)**	**(1,321,801)**	**(869,348)**	**4,073,900**	**605,970**	**4,679,870**
Balance, January 1st, 2023		**947,360**	**1,018,747**	**(40,683)**	**136,635**	**5,150,332**	**(947,342)**	**(468)**	**(1,321,333)**	**(1,321,801)**	**(869,348)**	**4,073,900**	**605,970**	**4,679,870**
Net Profit/(Loss) for the year											428,322	428,322	56,660	484,982
Other total (losses) / income for the period, after tax		-	-	-	-	9,436	-	42	122,410	122,452	-	131,888	-	131,888
Total comprehensive income/ (losses) for the year, after tax		**-**	**-**	**-**	**-**	**9,436**	**-**	**42**	**122,410**	**122,452**	**428,322**	**560,210**	**56,660**	**616,870**
Expenses of the share capital increase		-	-	-	-	-	-	-	-	-	-	-	-	-
Share capital increase		-	-	-	-	-	-	-	-	-	-	-	15,611	15,611
Disposals of property, plant and equipment	16	-	-	-	-	(27,779)	-	-	-	-	27,779	-	-	-
Free of charge stock awards		-	-	5,947	-	-	-	-	8,720	8,720	1,290	15,957	-	15,957
Acquisition of subsidiary	3	-	-	-	-	-	-	-	-	-	-	-	180,116	180,116
Acquisition of minority from subsidiary in Bulgaria		-	-	-	-	-	-	-	-	-	-	-	(296)	(296)
Dividend distribution	5	-	-	-	-	-	-	-	-	-	-	-	(41,650)	(41,650)
Treasury shares	28	-	-	(109,125)	-	-	-	-	-	-	-	(109,125)	-	(109,125)
Formation of legal reserve	29	-	-	-	37,145	-	-	-	-	-	(37,145)	-	-	-
Other movements		-	-	-	-	2,582	-	-	-	-	(1,969)	613	-	613
Balance, December 31st, 2023		**947,360**	**1,018,747**	**(143,861)**	**173,780**	**5,134,571**	**(947,342)**	**(426)**	**(1,190,203)**	**(1,190,629)**	**(451,071)**	**4,541,555**	**816,411**	**5,357,966**

- The accompanying notes are an integral part of the consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023
(All amounts in thousands of Euro)

COMPANY								Other Reserves				
	Note	Share Capital	Share Premium	Treasury Shares	Legal Reserve	Revaluation Surplus	Statutory Revaluation Surplus	Fair Value of financial assets through comprehensive income	Tax-free and Other Reserves	Other Reserves Total	Retained Earnings	Total Equity
Balance, January 1st, 2022		**947,360**	**1,018,753**	**-**	**128,317**	**3,000,597**	**(947,342)**	**(401)**	**263,727**	**263,326**	**249,016**	**4,660,027**
Net Profit/(Loss) for the year		-	-	-	-	-	-	-	-	-	770,092	770,092
Other total income / (loss) for the year, after tax		-	-	-	-	6,687	-	1	(228,586)	(228,585)	-	(221,898)
Total comprehensive income / (loss) for the year, after tax		**-**	**-**	**-**	**-**	**6,687**	**-**	**1**	**(228,586)**	**(228,585)**	**770,092**	**548,194**
Share capital increase												
Expenses of the share capital increase		-	(6)	-	-	-	-	-	-	-	-	(6)
Disposals of property, plant and equipment	16	-	-	-	-	(13,952)	-	-	-	-	13,952	-
Absorption of lignite subsidiaries	5.1	-	-	-	-	71,265	-	-	4,446	4,446	(13,099)	62,612
Treasury shares	28	-	-	(40,683)	-	-	-	-	-	-	-	(40,683)
Formation of legal reserve		-	-	-	8,318	-	-	-	-	-	(8,318)	-
Other movements		-	-	-	-	-	-	-	3	3	1	4
Balance, December 31st, 2022		**947,360**	**1,018,747**	**(40,683)**	**136,635**	**3,064,597**	**(947,342)**	**(400)**	**35,590**	**39,190**	**1,011,644**	**5,230,148**
Balance, January 1st, 2023		**947,360**	**1,018,747**	**(40,683)**	**136,635**	**3,064,597**	**(947,342)**	**(400)**	**35,590**	**39,190**	**1,011,644**	**5,230,148**
Net Profit/(Loss) for the year											178,499	178,499
Other total income / (loss) for the period, after tax		-	-	-	-	10,484	-	17	136,802	136,819	-	147,303
Total comprehensive income/ (loss) for the year, after tax		**-**	**-**	**-**	**-**	**10,484**	**-**	**17**	**136,802**	**136,819**	**178,499**	**325,802**
Disposals of property, plant and equipment	16	-	-	-	-	(22,054)	-	-	-	-	22,054	-
Treasury shares	28	-	-	(109,125)	-	-	-	-	-	-	-	(109,125)
Free of charge stock awards	21	-	-	5,947	-	-	-	-	8,720	8,720	1,290	15,957
Formation of legal reserve	29	-	-	-	37,145	-	-	-	-	-	(37,145)	-
Other movements		-	-	-	-	-	-	-	(2)	(2)	1	(1)
Balance, December 31st, 2023		**947,360**	**1,018,747**	**(143,861)**	**173,780**	**3,053,027**	**(947,342)**	**(383)**	**185,109**	**184,727**	**1,176,343**	**5,462,781**

- The accompanying notes are an integral part of the consolidated and separate financial statements.

(All amounts in thousands of Euro)

		GROUP		COMPANY	
	Note	01.01.2023-31.12.2023	01.01.2022-31.12.2022	01.01.2023-31.12.2023	01.01.2022-31.12.2022
Cash Flows from Operating activities					
Profit/ (Loss) before tax		**622,221**	**(25,996)**	**263,881**	**742,896**
Adjustments:					
Depreciation and amortization	10	632,761	619,883	267,685	290,366
Depreciation of right-of-use assets	10	48,006	33,426	37,026	25,038
Impairment loss on assets	38	33,718	(197,675)	32,607	(199,966)
Gain from the sale of a Subsidiary/ spin-off of post-lignite branch	5.2	(124,294)	-	(124,294)	-
Amortization of subsidies	10	(8,663)	(12,929)	(6,107)	(9,257)
Income from long-term contract liabilities	36	(101,390)	(96,343)	(248)	(248)
Gain from partial sale of a subsidiary	5	-	-	-	(790,021)
Contribution on electricity suppliers	2.1	200,000	-	200,000	-
Bargain gain from Romanian subsidiaries acqusition	3.6	(233,919)	-	-	-
Trade receivable from PSO	25	(176,273)	-	(176,273)	-
(Gains)/losses from valuation of PPA derivative financial instruments	46.4	7,118	-	(25,234)	-
Free of charge stock awards	28	15,957	-	14,673	-
Provision for post retirement benefits	33	23,226	50,476	9,496	49,194
(Gains)/losses from associates	20	5,080	(61,677)	37	-
Interest income and dividends		(140,191)	(43,857)	(177,412)	(86,045)
Other provisions		168,827	179,343	188,195	166,295
Valuation of derivatives – swap agreements		(4,467)	125	(9,260)	11,732
Utilization of provision for decommissioning/ dismantling of Units, Mines	34	(32,522)	(26,785)	(31,798)	(26,785)
Finance expense for the provision for decommissioning	12	34,143	33,024	33,103	32,898
Foreign exchange gains losses on loans and borrowings		2,309	(7,273)	2,426	(7,349)
Unbilled revenue	24	226,804	(154,882)	320,755	(154,882)
Disposals of property, plant and equipment and intangible assets	16,17	(7,294)	(5,775)	(1,146)	(13,811)
Amortization of loans' issuance fees	12	11,101	6,527	10,896	6,440
Interest and other expense		237,972	187,076	150,591	126,665
Operating profit/ before working capital changes		**1,440,230**	**476,688**	**979,599**	**163,160**
(Increase)/decrease in:					
Trade receivables	23	(322,668)	(487,418)	(217,960)	(584,788)
Other receivables	25	(98,851)	(141,770)	(44,197)	(95,127)
Inventories	22	(84,514)	(205,102)	524	(134,288)
Increase/(decrease) in:					
Trade payables	39	441,952	33,670	146,937	84,046
Other non – current liabilities	37	560,631	484,676	554,684	485,899
Accrued and other liabilities (excluding accrued interest)		(101,744)	115,679	(101,548)	66,861
Restricted cash		(90,614)	(1,991)	(2,157)	8,266
Change in Intangible assets (Emission allowances)	17	(280,702)	(185,311)	(280,702)	(185,311)
Proceeds from long-term contract liabilities	36	95,472	134,216	-	-
Income tax (paid) /received	15	(53,468)	(72,302)	(8,500)	(56,699)
Net Cash from/ (used) in Operating Activities		**1,505,724**	**151,035**	**1,026,680**	**(247,981)**
Cash Flows from Investing Activities					
Interest and dividends received	13	139,004	43,857	154,550	86,045
Capital expenditure for property, plant and equipment and intangible assets	16,17	(1,168,056)	(686,211)	(224,248)	(206,095)
Proceeds from subsidies	35	6,000	58,336	-	-
Investments in subsidiaries and associates		(2,784)	-	(240,983)	(304,389)
Sales of property, plant and equipment	16	-	17,958	-	17,958
Proceeds from the sale of subsidiary	5	-	-	-	1,323,276
Acquisition of subsidiaries, net of cash acquired	3	(1,220,846)	(57,191)	(1,371,032)	-
Acquisition of subsidiary loan receivables from former shareholder	3.6	(523,362)	-	(523,362)	-
Net Cash from/ (used in) Investing Activities		**(2,770,044)**	**(623,251)**	**(2,205,075)**	**916,795**
Cash Flows from Financing Activities					
Net change in short-term borrowings	40	(39,968)	(163,004)	(50,000)	(210,000)
Proceeds from long-term borrowing	32	2,424,900	392,304	1,602,160	215,669
Principal payments of long-term borrowing	32	(1,276,526)	(471,404)	(1,027,394)	(317,432)
Principal lease payments of right-of-use assets	45	(49,615)	(39,122)	(35,522)	(29,810)
Interest paid and loans' issuance fees		(198,164)	(160,368)	(109,225)	(107,411)
Dividends paid	5	(62,475)	(41,650)	-	-
Treasury shares	28	(109,125)	(40,683)	(109,125)	(40,683)
Proceeds from the sale of subsidiary	5	-	1,323,276	-	-
Share capital from NCI	19	15,611	-	-	-
Net Cash used in Financing Activities		**704,638**	**799,349**	**270,894**	**(489,667)**
Net increase / (decrease) in cash and cash equivalents		(559,682)	327,133	(907,501)	179,147
Cash and cash equivalents at the beginning of the year		3,159,484	2,832,351	2,760,552	2,512,204
Cash and cash equivalents from Absorption	5.1	-	-	-	69,201
Cash and cash equivalents at the end of the year		**2,599,802**	**3,159,484**	**1,853,051**	**2,760,552**

- The accompanying notes are an integral part of the consolidated and separate financial statements.

D. NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Public Power Corporation S.A. ("PPC" or the "Parent Company") was established in 1950 in Greece for an unlimited duration as a State owned and managed corporation for electricity generation, transmission and distribution throughout Greece.

In January 1, 2001 PPC was transformed into a société anonyme with a duration of 100 years and effective December 2001, PPC's shares are listed on the Athens Stock Exchange.

PPC's headquarters are located at 30 Chalkokondili Street, Athens, 104-32 Greece.

The accompanying financial statements include the separate financial statements of PPC and the consolidated financial statements of PPC and its subsidiaries ("the Group").

On December 31st, 2023 the number of personnel employed by the Group was 16,495 (2022: 12,755). On December 31st, 2023, 88 employees of the Group (2022: 93)., have been transferred to several State agencies. Out of which, 85 employees were compensated by PPC (2022: 88).where the total payroll cost of such employees, for the fiscal year ended December 31st, 2023 amounted to € 3,822 (2022: € 4,308). Additionally, on December 31st, 2023, PPC's transferred employees in EFKA (Greek Single Social Security Institution) amounted to 123 (2022: 147) for which payroll cost amounted to € 5,156 (2022: € 7,779).

PPC Group generates electricity energy ("E/E") from the power generating stations of the Parent Company, of its subsidiary 'PPC RENEWABLES S.M.S.A.' and other subsidiaries of Renewable Energy Sources and distributes energy to consumers through the distribution network for Medium and Low voltage owned by its subsidiary "HEDNO S.A.". Lignite consumed by the Group's lignite-fired power stations is extracted, to a significant extent, from its own lignite mines.

The Group develops activities of electricity and natural gas trading activities in Greece.

Also, the Group develops activities of electricity and natural gas trading, distribution of electricity and generation of energy through Renewable Sources, in Romania.

Also, the Parent Company develops an urban Fiber Optic Network on the Distribution Network and is a provider of infrastructure and charging services to individuals, businesses and public bodies for the development of electromobility throughout the territory.

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(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK

Description of significant changes in the legal framework within 2023. For any changes that have significantly affected the financial statements, a relevant reference has been given in notes and sections of the financial statements.

2.1. ELECTRICITY MARKET

- Article 92 of Law 5027/2023 (OG A' 48/02.03.2023) defined the exemption from the application of the Temporary Mechanism of the Revenue Part of the Day-Ahead Market and Intraday Market of energy sales transactions which are sold and are settled on the Day-Ahead Market and concern quantities of electricity, which are available through physical delivery contracts, from a Liable Participating Producer or Aggregators of RES and HECHP to energy-intensive industrial consumers, known as Power Purchase Agreements ("PPA").

  The said consumers can be recipients of the energy available through a contract, either directly with the Participating Producer or Aggregators of RES and HECHP, or through electricity supply license holders representing the load of the said consumers.
  The sale of energy cannot generate income for the producer or Aggregators of RES and HECHP greater than the upper limit of par. 1 of Article 6 of Regulation (EU) 2022/1854 (€180/MWh of electricity produced).
  The Group and the Parent Company have entered, within 2023, into contracts (PPA) for the sale of energy with energy-intensive industrial consumers (Note 46).

- By the Decision of the Hellenic Ministry of the Environment and Energy YPEN/DIE/80965/1519 (OG B' 4802/28.07.2023) the period of validity of the Temporary Mechanism for Returning Part of Producers' Revenues to the Day-Ahead Market and Intraday Market of Article 12A of Law 4425/2016 was extended anew until December 31, 2023 (an extension until September 30, 2023, based on the Decision YPEN/GGEOPY/54277/4 (OG B' 3312/18.05.2023)). By means of this Mechanism, the exposure of the Power Generation activity in the Interconnected System to the fluctuation of fuel, CO_2 and electricity prices no longer exists for the Group and the Parent company for the year 2023 (Note 46).

- By the Decision YPEN/DIE/28266/608 (OG B' 1693/20.03.2023) the modification of the special levy imposed on the natural gas units came into effect as from 21.03.2023 in favor of the Energy Transition Fund (ETF), regarding the amount of the levy, which was changed from the fixed price of €10/MWh to a percentage of 5% of the arithmetic average of the daily average prices of the natural gas trading platform "Title Transfer Facility" ("TTF"); this modification has been incorporated since 06.11.2022 in the calculations of the regulated price (RP) with which the natural gas Units are remunerated under the Temporary Mechanism for Returning Part of the Electricity Producers' Revenues to the Day-Ahead Market and the Intraday Market, and therefore the liable Electricity Producers are not significantly burdened with this levy.

- Law 4951/2022 (OG A' 129/04.07.2022) as amended by Law 4964/2022 (OG A' 150/30.07.2022) and in force, enacted the conclusion of Contracts for Emergency Standby Capacity between IPTO and the owners of thermal power plants (PPC) located in the electricity systems of the island regions, which no longer fall under the Non-Interconnected Islands (interconnection with mainland's Transmission System). It was foreseen to issue a Joint Ministerial Decision within 3 months from the entry into force of the law, which would specify, for the period from 01.01.2004 until the entry into force of the Contracts for Emergency Standby Capacity for the electrical systems of the islands of Andros, Tinos, Mykonos, Syros and Paros, the amount of the relevant consideration to be paid to PPC, which should be calculated based on documented full cost ex-post data provided by PPC and HEDNO, with coverage of the consideration through the Special Account for Public Service Obligations. Since the completion of the actions provided for in the law regarding the amendment of the relevant regulations by the RAEWW based on the relevant recommendations of the competent administrators is pending, the Standby Contracts of par. 1 of the same Article have not consequently come into force.

  Currently, no provision has been made in the financial statements of the Group and the Parent Company for the amount of the consideration to be received by PPC, as it is expected to be determined by a joint decision of the Ministers of Environment and Energy and Finance, following the opinion of RAE.

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

Electricity Retail Market issues

- By the Decision YPEN/DIE/80965/1519/28.07.2023 (OG B' 4802/28.07.2023 with release date 31.07.2023) the ban on the application of an adjustment clause or an equivalent clause to variable electricity supply tariffs was amended and extended anew up until December 31, 2023 (initial extension until September 30, 2023 based on the Decision YPEN/GGEOPY/54277/4 (OG B' 3312/18.05.2023)), and the suspension of application of a Unit Charge of Adjustment (clause) in the calculation of the applicable Universal Service Charges was amended and extended anew until January 1, 2024 (initial extension until October 1, 2023).

- By the Decisions YPEN/DIE/53610/1043, (OG B' 3327/19.05.2023), YPEN/DIE/62907/1180 (OG B' 3843/14.06.2023), YPEN/DIE/78894/1476 (OG B' 4712/27.07.2023), YPEN/DIE/107113/1919 (OG B' 6142/25.10.2023), the Decision YPEN/DIE/119216/2095 (OG B' 6559/17.11.2023), the Decision YPEN/GDE/137854/7831 (OG B' 7650/31.12.2023), and the decision YPEN/DIE/11523/213 (OG B' 980/09.02.2024) the "Reference Tariffs" of Universal Service were determined per Customer category for the period May to July, October to December 2023, and January 2024 respectively, based on the procedure under Article 138 of Law 4951/2022, where it was stipulated that in case that the total tariffs of the five Default Suppliers, including PPC S.A., show a deviation of more than 20% compared to the average of the next four in order most expensive tariffs, a different tariff from the tariff with the highest billing price, which will not fall short of the average of the four most expensive tariffs per default supplier and per customer category, shall be determined as the Reference Tariff.

- The subsidy granted for the consumption of electricity under variable-rate electricity supply tariffs (as a credit to the beneficiaries' bills by suppliers) through the Energy Transition Fund (ETF), which was established by Law 4839/2021, was also granted for the year 2023.

  For all residential electricity consumers, regardless of the type of residence, a scaled subsidy was granted, for monthly electricity consumption from 0 to 500 kWh, from 501 kWh to 1,000 kWh and for consumptions exceeding 1,000 kWh, under which for monthly consumption that exceeds the consumption limits of a certain tier, the excess consumption was subsidized based on the unit subsidy price of the next tier in order. Specifically, the unit subsidy for the three tiers, from the lowest to the highest monthly consumption, was set for January 2023 at €330/MWh, €280/MWh and €190/MWh respectively. In addition, an incentive to save electricity was introduced for all residential consumers, except for SRT (Social Residential Tariff) and SST (Solidarity Services Tariff) beneficiaries, whose consumption exceeds 500 kWh, setting an additional subsidy of €50/MWh for residential consumers who achieve a 15% reduction in their average daily consumption, compared to last year's corresponding consumption.

  For February and March 2023, the subsidy was set at €40/MWh for residential consumers with monthly consumption up to the limit of 500 kWh, while for consumptions exceeding 500 kWh, the same monthly subsidy was set but only subject to the achievement of the energy saving target for a 15% reduction in average daily consumption compared to the corresponding consumption of last year.

  For the period April to July 2023 and September to October 2023, the subsidy was set at €15/MWh, for August 2023 it was set at €10/MWh while for November to December 2023 at €25/MWh, for residential consumers with monthly consumption up to the limit of 500 kWh, while for consumptions exceeding 500 kWh the same monthly subsidy was set but only subject to the achievement of the energy saving target for a 15% reduction in average daily consumption compared to the corresponding consumption of last year.

  In addition, beneficiaries of the subsidy were all the beneficiaries of the Social Residential Tariff (SRT) and the Solidarity Services Tariff (SST), regardless of consumption limit. For these consumers, the monthly subsidy was set for the period January to May 2023 at €378/MWh, €88/MWh, €84/MWh and €54/MWh respectively, for June to October 2023 at €50/MWh, for November at €65/MWh, and December 2023 at €60/MWh.

  For the months of January and February 2023, a subsidy was set for all non-residential electricity consumers (Agricultural, Commercial, Industrial, Business, Other Uses, etc.), which are contracted to variable-rate electricity supply tariffs, equal to €134/MWh and €20/MWh respectively, regardless of consumption limit. For the non-residential consumers with agricultural power supply, regardless of voltage level, a subsidy was set for March 2023 at €40/MWh, for the period April to July 2023 at €15/MWh, for August 2023 at €10/MWh, for the period September to October 2023 at €15/MWh and for the months of November and December 2023 at €25/MWh.

2. LEGAL FRAMEWORK (CONTINUED)

Moreover, the additional subsidy from the ETF for electricity consumption was provided to all non-residential electricity consumers with business activity who meet the following requirements: 1) Have power supplies up to 35 kVA or have a main activity with an Activity Code Number (ACN) 10.71, i.e. bakeries, irrespective of the supply power limit and voltage level, or have an agricultural supply, irrespective of the supply power limit and voltage level, set for January 2023 for non-residential consumers (except consumers with agricultural tariff), with a power supply of up to 35kVA and monthly consumption of up to 2,000 kWh, as well as for the total consumption of bakeries (ACN 10.71) at €158/MWh and for non-residential consumers with an agricultural tariff at €196/MWh. For the month of February 2023, an additional subsidy equal to €20/MWh was set for non-residential consumers with an agricultural tariff.

Article 93 of Law 5027/2023, through an amendment to paragraph 3 of Article 61 of Law 4839/2021, stipulates that consumers, who have entered into bilateral contracts for the physical delivery of electricity, the quantities of which, based on Article 92 of the same law, are not taken into account during the application of the Temporary Mechanism for Returning Part of the Revenues of the Day-Ahead and Intra-Day Market to Electricity Producers, shall not be granted any subsidy for the quantities delivered under these contracts.

In this context, during the year 2023, amounts totaling €935 million (2022: €3.9 billion) were credited to PPC from the RES & Guarantees of Origin Operator (DAPEEP) for electricity consumption, as this subsidy was included in electricity bills, reducing the amount due to PPC by the consumers. Additionally, on December 31, 2023, the Group and the Parent Company have recognized receivables from state subsidies amounting to €547.6 million (31.12.2022: €459.2 million) which are included in Other Receivables (Note 25).

- By Article 40 of Law 4994/2022 (OG A’ 215/18.11.2022), as amended by Article 91 of Law 5072/2023 (OG A’ 48/02.03.2023) and in force, a Temporary Mechanism for Returning Part of the Revenues from Electricity Suppliers was established, under which an extraordinary contribution is imposed on each electricity supplier, based on its excessive revenues from its activity in the domestic retail electricity market during the validity period defined in par. 1 of Article 138 of Law 4951/2022, from 01.08.2022 to 31.12.2023, which is related to the non-application of the adjustment clause or any relevant clause applying to variable-rate electricity supply tariffs and which is linked to the fluctuation of the wholesale market sizes and the obligation of electricity suppliers to announce on a monthly basis their supply charges (tariffs).
  By the Joint Ministerial Decision of the Ministers of Environment and Energy and Finance (JMD) number YPEN/DIE/112266/2012 (OG B’ 6312/06.11.2023), after a proposal by RAEWW, the method of calculation, the procedure and matters related to the application and collection of the extraordinary levy, were defined.
  For the calculation of the excessive revenues, the Reasonable Maximum Retail Price is taken into account for each month under examination, based on the weighted average supply cost, increased by a reasonable activity margin, which was set at €25/MWh, and the Average Billing Price, as the weighted average of the commission revenue (CR), before the application of any government subsidy to the electricity bills, as the weighted average billing price on the tariffs provided by the supplier, based on consumption per tariff, excluding any state subsidy, taking also into account tariff types and fixed and variable rates, for low voltage consumers as a priority, as well as discounts provided by suppliers, minus the amounts that the supplier has paid in the context of netting-off monthly hedging transactions.

  The amount of the levy is calculated per supplier by the RAEWW and is imposed by the Ministry of the Environment and Energy. The proceeds of the levy shall be attributed to the RES & Guarantees of Origin Operator, as the administrator of the special account "Energy Transition Fund", for the purpose of subsidizing electricity bills for consumers.

  For the first time of application of the Mechanism, the period for calculating the amount of the extraordinary levy was 01.08.2022-31.12.2022. From there on, the extraordinary levy is imposed on a quarterly basis and applies periodically for the immediately following 3 months, until the end of the validity period of the Mechanism. 60% of the calculated extraordinary levy is imposed and collected until the end of the Mechanism's validity period and the remaining 40% after the end of the Mechanism's validity period. At the end of the application period of the Mechanism, a provision is made for an interim and final settlement of the extraordinary levy for the entire period of validity of the Mechanism.

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

The Group and the Parent Company, after taking into consideration what KYA defines, have recognized on December 31, 2023 in accrued and other liabilities an amount of €200 million as an extraordinary electricity supplier contribution. This amount is an estimate of the company and was based on provisional data. Also, from the above-mentioned KYA, a normalization factor is provided as an increase of the energy losses, which has not been determined by any decision until today. If the normalization factor used by the Parent Company increases/decreases by 0.5% then the relative estimate would amount to €170 million and €230 million respectively.

- The Decision RAEWW E-160/2023 (OG B' 6001/16.10.2023) defined the terms of electricity supply to residential customers as well as to non-residential customers with a supply power of up to 25kVA, in view of the end of the emergency measures from 01.01.2024 taken by virtue of Article 138 of Law 4951/2022. The provisions of this Decision regulate the rules and the corresponding obligations of electricity suppliers, regarding 1) informing consumers about the amendments to the terms of the supply contracts, which will come into force on 1.1.2024, 2) the content of supply contract terms, 3) the special arrangements for the supply charge of the variable-rate products and 4) the establishment of a "Transparency Labelling" (color labels) for electricity products (fixed-rate products, variable-rate products and dynamic products), which must be clearly depicted on all standard forms of the Supplier, on its website as well as on promotional actions.

- Article 17 of Law 5066/2023 (OG A' 188/14.11.2023) established regulations on the supply of electricity with the addition of Article 138A to Law 4951/2022, which provided for the creation by electricity suppliers of one (1) variable-rate Special Electricity Supply Tariff for each category of Low Voltage (LV) customers, which may also include a Fixed Fee, equal to a maximum of five (5) euros/month, as well as discounts, provided that these are not linked to the fluctuation of wholesale market sizes.
  For the electricity consumption of the year 2024, suppliers are obliged to switch customers who were subject to the provisions of Article 138 of Law 4951/2022 to this Special Tariff, except for customers with a fixed-rate fixed-term contract and customers who will object to their inclusion in the Special Tariff up until December 31, 2023.
  Suppliers may also create and offer other products, fixed or variable-rate, provided that these are appropriately color-labeled. The Special Tariff may also be chosen by consumers after December 31, 2024.
  During the period of validity of the provisions of Article 17, the Default Supplier Tariff is shaped based on the Special Tariff, in accordance with the calculation method under Article 138 of Law 4951/2022.

- The Decision YPEN/DIE/120637/2107 (OG B' 6600/21.11.2023), as amended by the Decision YPEN/DIE/10469/192 (OG B' 742/31.01.2024), defined the way of calculating the fluctuation mechanism and the coefficients of the Special Tariff, the variables of the fluctuation mechanism coefficients, the time intervals to which the change in the coefficients and the Basic Supply Price relates, the way of labeling and depicting tariffs on Electricity Bills as well as specific issues regarding announcements and information to Consumers. Moreover, it was defined that products that combine characteristics from different tariff categories fall under the variable-rate products and that the minimum duration of a Supply Contract to be offered by the suppliers to a small customer is set at one (1) year, unless the customer requests and/or consents to the conclusion of a Supply Contract for a shorter period, which cannot be less than six (6) months, based on the Electricity Supply Code (OG B' 832/09.04.2013).

- The Decisions YPEN/DIE/136162/2333 (OG B' 7330/22.12.2023) and YPEN/DIE/10481/193 (OG B' 742/31.01.2024), through the amendment to Decision Δ5-ΗΛ/Β/Φ29/16027/6.8.2010 entitled "Implementation of the Social Residential Tariff" as in force, introduced a new Social Residential Tariff for large families (Category SRT C), the beneficiaries of which are large families (with four or more dependent children) that will enjoy a discount of €0.100/KWh on the supply charge for day and night consumption. Moreover, the beneficiaries of SRT C are exempted from the variable part of the System Usage Charge (SUC) and the Network Usage Charge (NUC), which are calculated based on the energy consumed within the four-monthly consumption limit for the SRT C and are fully exempted from the remaining parts of the SUC and the NUC. An energy-saving incentive is given based on the four-monthly consumption limit, with an additional discount due to fulfilling the saving target, which cannot exceed 20% of the basic discount (namely €0.12/kWh). The decision defines the criteria that the beneficiaries of SRT C should meet, the four-monthly consumption limit (120 days), as well as the procedure for joining the said category. The decision shall take effect on February 1, 2024. With regard to the beneficiaries who will apply to join the SRT C by February 29, 2024, the inclusion in the SRT C and the granting of the discount will apply as from January 1, 2024. Electricity suppliers are required to offer this discount to the beneficiaries by April 30, 2024.

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

2.2. Public Service Obligations (PSOs)

- According to the Joint Ministerial Decision YPEN/DIE/39688/789/19.04.2023 (OG B' 2550/19.04.2023) an amount of €60 million from the surplus of the special account of Public Service Obligations (PSOs) was attributed in installments to the RES & Guarantees of Origin Operator from HEDNO on 28/04/2023 and on 10/05/2023 for the financing of the special account "Energy Transition Fund" (ETF).

2.3. Hellenic Electricity Distribution Network (HEDN)

- By the RAE Decision 198/2023 (OG B' 2021/30.03.2023) the Charges for the Use of the Hellenic Electricity Distribution Network - HEDN (NUC) were determined, with entry into force on May 1, 2023, determining the peak load periods of the Network, the categories of consumers and the corresponding unit charges, in accordance with the procedure for determining the NUC, following the recommendation of the Network Operator (HEDNO), based on the Required Revenue approved by RAE. Based on RAE Decision 164/2023/30.03.2023 the amount of the Required Revenue for 2023 shall amount to €981.8 million.

- By the Decision of RAEWW E-96/2023 (OG B' 4988/09.08.2023) the Network Development Plan (NDP) for the period 2022-2026 was approved, which includes all the necessary projects for the development of the Hellenic Electricity Distribution Network, the improvement of the services provided to the users of the network, the operation of the electricity markets of the Non-Interconnected Islands (NII) and the servicing of the electricity market. For each project, the necessary information about feasibility, its implementation schedule, and financial data such as the amount of investment and cash flows for the years 2022 to 2026 are included.

2.4. Other Issues of the Electricity Market

- By the Decision E-42/2023 of the Energy Sector of RAEWW, following the relevant request of PPC S.A., the revocation of the Generation License of the Lignite Unit 3 of Megalopolis A' TPP, with a capacity of 300 MW, was approved and the said Unit was permanently decommissioned.

2.5. NATURAL GAS MARKET

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2.6. ELECTROMOBILITY

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2.7. ISSUES OF RENEWABLE ENERGY SOURCES (RES) AND HIGH EFFICIENCY CO-GENERATION OF HEAT AND POWER (HECHP) - ELECTRIC ENERGY STORAGE

- Law 5037/2023 (OG A' 78/28.03.2023) as amended by Law 5043/2023 (OG A' 91/13.04.2023) defined, inter alia, issues related to the modernization of the legislation on the use and generation of electricity from RES, the access of RES to networks and infrastructures, the monitoring of support schemes, the renewable energy communities, the citizen energy communities, RES - HECHP power plants from self-consumers, the promotion of storage systems installations, the granting of operating license for RES power plants in stages, guarantees of origin, the special framework for operational support to hybrid plants in the NIIs, the utilization of the available margin of wind parks in the NII systems, the promotion of the implementation of offshore wind farm pilot projects, the ban on the issuance of new licenses for electricity generation fueled with black coal, lignite, natural gas or petroleum products and the possibility of converting electricity generation licenses into electricity storage licenses, and the strengthening of electromobility.

- Decision YPEN/DIE/55948/1087 (OG B' 3416/20.05.2023) defined the framework of the competitive procedures for the granting of investment and operational funding to electricity storage plants (ESPs). By the Decision of RAEWW E-130/10.08.2023, the competitive bidding process for the granting of investment and operational aid to electricity storage plants was completed and the final lists of the selected, runners-up, and disqualified participants were drawn up. Among the participants, there are two projects of PPC Renewables of a maximum capacity of 50MW and 48MW with a guaranteed capacity of 100MWh and 96MWh respectively (storage lasting 2 hours), whose ESPs were selected for inclusion in a support scheme in the form of investment and operational funding. The storage plants that were included in this measure must have been commissioned by December 31, 2025.

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

2.8. SPECIAL ISSUES

- By the Decisions RAE 823/2022 (OG B' 56/12.01.2023) and RAE 911/2022 (OG B' 98/16.01.2023), the Standard Contracts were approved for the compensation of the Liable parties, among which PPC S.A., of Actions D4 and D3, respectively, of the Preventive Action Plan (PAP), as approved and valid by virtue of RAE Decisions 672/2022 & 792/2022, and which concern the obligation to maintain a safety reserve of natural gas in Revythousa from natural gas-fired power plants without the possibility of fuel switching and with the obligation to maintain natural gas reserves in the underground storage infrastructure of another Member State (Italy, Bulgaria) for the period November 2022 – March 2023.

  In this regard, by RAE Decision 822/2023 (OG B' 69/13.01.2023) the amendment to the National Natural Gas System Administration Code was approved, regarding the Implementation Procedure of Action D4 of the Preventive Action Plan.

- By Decision RAE 841/2022 (OG B' 201/19.01.2023) the updated Emergency Plan (EP) was approved in accordance with Regulation (EU) 2017/1938 (regarding the measures to safeguard the security of natural gas supply), which is applied during the occurrence of crises that affect or may affect the smooth operation of the Greek natural gas market and/or its security of supply, as laid down in the Regulation.

- By Decision RAEWW E-163/2023 (OG B’ 6085/20.10.2023), the Preventive Action Plan (PAP) was re-approved, in accordance with Regulation (EU) 2017/1938 regarding the measures to secure the security of natural gas supply.

  With the revised PAP, 6 appropriate measures (Actions) are adopted to reduce or eliminate the risks that may affect the country's natural gas supply security, in the event of significant disruptions in demand and/or supply.

  PPC S.A. is also liable for Action D5, as the owner of the Komotini and Lavrio IV power units, which burn natural gas and can switch fuel according to the terms of their license. In this context, the owners of the said units are obliged to maintain reserves of alternative fuel (diesel) for 20 days or up to the maximum storage capacity of the existing tank, if lower, with a deadline for filling the tanks on November 1st of each year. In compliance with the above action, PPC maintains increased fuel switching reserves at the Komotini and Lavrio IV Units.

  In this regard, PPC is also liable to Action D1, based on which, a Mechanism is activated for the priority operation of units with alternative fuel in the electricity market in the event of a Level 3 Emergency Natural Gas crisis, following a decision of the Crisis Management Group for its activation.

  Finally, under paragraph 6 of Article 73 of Law 4001/2011, as applicable, for the financing of the Preventive Action Plan (PAP) measures, DESFA (National Natural Gas System Operator) collects from all Users, among which owners of natural gas-fired power plants, such as PPC S.A., a Supply Security Levy (SSL) per unit of natural gas quantity that the latter receive from ESFA (National Natural Gas System), which is recovered by natural gas customers.

  Initially, the Decision RAEWW E-81/2023 (OG B' 4388/07.07.2023), following the Decision RAE 888/2022 (OG B' 6917/30.12.2022), adjusted the amount of the unit SSL for each category of natural gas customers to finance the measures provided for in the 2022 PAP (Interruptible consumers: €0/MWh, Electricity producers: €0.50/MWh, Other consumptions: €0.40/MWh and Protected consumers: €0.57/MWh); then the Decision RAEWW E-221/2023 (OG B' 7503/29.12.2023) established the unit SSL per category of Natural Gas Customers (Interruptible Consumers: €0/MWh, Electricity Producers: €0.64/MWh, Other Consumption: €0.48/MWh and Protected Consumers: €0.78/MWh) to finance the measures provided for in the 2023 PAP and adjusted the unit SSL per consumer category for the financing of the measures which were provided for in the 2022 PAP, to be applied to natural gas consumptions as from January 1, 2024.

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

2.9. REGULATORY FRAMEWORK IN ROMANIA

Energy sector in Romania is regulated by the National Energy Regulatory Authority ("ANRE") which is an autonomous administrative authority, under parliamentary control, , having as object the elaboration, approval and monitoring of the application of mandatory regulations at national level necessary for the functioning of the energy sector, natural gas in conditions of efficiency, competition, transparency and consumer protection.

RENEWABLE ENERGY SOURCES (RES)

Windfall of tax producers

Government Emergency Ordinance (GEO) no. 27/2022 on the measures applicable to final customers in the electricity and natural gas market between April 1, 2022 and March 31, 2023, as well as for amending and supplementing certain normative acts in the field of energy, was adopted in March 2022 and has undergone numerous amendments, continuing the application of the windfall tax introduced up to March 31, 2025 to electricity producers by collecting to the Energy Transition Fund 80%/100% of the additional income resulting from the difference between the average monthly sale price of electricity and the price of RON 450/MWh (Euro 91/ MWh). This taxation does not apply for parks that were in operation after April 1, 2022. Group has established a provision for this windfall tax amounting to €56.6 million and is included in “Accrued and other current liabilities” in the Statement of Financial Position, while the Income Statement is burden by appr. €7.7 million as the remaining amount concerns periods before the acquisition of the subsidiaries in Romania.

Green certificates (GC)

The promotion system through green certificates applies to producers who have production capacities from renewable sources and who are accredited by ANRE. Accredited producers benefit from a number of green certificates issued monthly by the transmission system operator proportional to the quantity of electricity produced from renewable sources.

According to ANRE Order no. 4/04.02.2015 regarding the Regulation for issuing green certificates, ANRE decisions for the accreditation of the Company no. 1593/27.06.2021 and 2376/29.10.2024 and the electricity production license granted by ANRE no. 1000/11.03.2011 the Group is granted 1 green certificate per MWh for wind parks, respectively 6 green certificates per MWh for photovoltaic power plants at the level of the quantity injected into the grid and declared monthly to ANRE.

Furthermore, in accordance with Art. 6 of Law 220/2008, deferred green certificates related to the production from the previous financial years are issued for trading on a monthly basis. Starting with 2018, the Group is no longer granted deferred green certificates for wind parks and starting with 2021 for photovoltaic power plants.

The support scheme is applicable 15 years from the moment of accreditation. While for the parks put in function after January 1, 2017 the scheme of green certifcates is no longer applicable. All wind parks and photovoltaic parks of the Group in Romania are in operation before 2016.

According to art.13 GEO no 24/2017, during the period March 31, 2017 to March 31, 2032 the transaction value of one green certificate is at least €29.4 and at maximum to €35. Since 2017, GS’s have been traded on the Green Certificate Markets at floor price (€29.4/GC).

SUPPLY COMPANIES

Abnormal global events (Covid-19, the war Russia Ukraine) and global energy crisis caused price increases on the energy and natural gas markets in Romania leading the Government of Romania to adopt compensation and support schemes for the payment of energy and natural gas bills for the period November 1, 2021 - March 31, 2025, so that energy and natural gas prices paid by customers not to aggravate the level of energy poverty.

Therefore, starting from November 2021, various support schemes have been implemented to assist final consumers, approved through government ordinances (OUG) successively issued by the Romanian Government, as well as through laws approving the OUGs, as follows:

(All amounts in thousands of Euro, unless otherwise stated)

2. LEGAL FRAMEWORK (CONTINUED)

- November 2021 - March 2022: OUG No. 118/2021 concerning the establishment of a compensation scheme for electricity and natural gas consumption during the 2021-2022 winter season for residential and non-residential customers in special categories provided in the ordinance: Law No. 259/2021 approving OUG No. 118/2021; Law No. 226/2021.
- April 2022 - August 2022: OUG No. 27/2022, with subsequent changes and additions.
- September 2022 - December 15, 2022: OUG No. 119/2022.
- December 16, 2022 - July 13, 2023: Law No. 357 approving OUG No. 119/2022 amending OUG No. 27/2022 with subsequent changes and additions: OUG No. 192/2022.
- July 14, 2023 - December 31, 2023: Law No. 206 approving OUG No. 153/2022 and amending OUG No. 119/2022.

The support schemes include mandatory price capping for electricity/natural gas billed to final consumers, based on specific criteria and conditions for residential and non-residential customers. Price capping may change from month to month, depending on the monthly consumption of consumers (for higher consumption the price is higher). In this context, as of December 31, 2023 the Group has a receivable from the Romanian state of appr. € 531.9 million (Note 25), as the subsidy to final customers was included in the electricity/natural gas bills, reducing the amount of customers' bills due to Romanian supply companies. This amount is included in Other Receivables in the Statement of Financial Position.

DISTRIBUTION COMPANIES

In Romania, distribution operators can be concessionaires or non-concessionaires, depending on the area served by the distribution networks in question - concessionaires, for networks located in public areas, and non-concessionaires, for distributions in private areas (e.g. industrial parks). The distribution companies of the Group operate the power grid in the south eastern and western regions of Romania (Banat, Dobrogea, South Muntenia), having a regulated monopoly position in their geographical areas. Their estimated regulated asset base as of December 31, 2023 is at approximately 1.2 billion.

The distribution companies operate under a 49 - year concession agreement signed with the Ministry of Energy for their distribution network, valid until 2053/2054, with potential extension for another 25 years. The distribution companies pay an annual royalty fee recognized in the distribution tariff of 1/1000 of the income from electricity distribution.

According to the concession agreements, the Ministry will buy back at the end of the concession period the ownership right over the relevant assets, at a price equal to the value of the regulated asset base at the end of the concession period.

According to the Methodology for establishing the tariff for the electricity distribution service, the tariff is established taking into account the following elements: controllable and non-controllable operation and maintenance costs; the cost of electricity purchased for own technological consumption (losses in the distribution network); regulated depreciation expense; profitability of the regulated asset base; revenues related to reactive energy and revenues from other activities, as well as corrections from previous periods.

The tariffs applicable to distribution companies for the period October 25, 2023 to December 31, 2023 are as follows:

Banat		Dobrogea		Muntenia	
Voltage	**Cumulated tariff €/Mwh**	**Voltage**	**Cumulated tariff €/Mwh**	**Voltage**	**Cumulated tariff €/Mwh**
HV	3.6	HV	5.5	HV	3.0
MV	14.7	MV	18.7	MV	14.3
LV	47.2	LV	56.2	LV	48.9

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS

3.1. Effects of the COVID-19 Pandemic

The COVID-19 pandemic has affected the global social and economic life in the recent years. In Greece, from mid-April 2021 the restrictive measures gradually began to be lifted, as a result of the program of massive vaccination applied, while there was a complete liberalization of the operation of stores since 2022. In May 2023, the World Health Organization (WHO) announced that COVID-19 is no longer a health emergency.

The Group's and the Parent Company's Management through continuously monitoring of the developments of the COVID-19 pandemic and especially the way of dealing with it worldwide, considers that, after the announcement of WHO, it has ceased to effect the operation, the financial position and the results of the Group and the Parent Company.

3.2. War Russia-Ukraine

The current geopolitical crisis in Ukraine, combined with the economic sanctions imposed on Russia by the European Union, the United States of America and many other countries, have created conditions of uncertainty in the economic environment at European and global level.

PPC Group does not have a relevant commercial presence in Russia and Ukraine and as a result there is no direct effect on its activities, but the indirect effect, as it developed, is particularly important.
The increased cost in the wholesale electricity market due to the unprecedented increase in the price of natural gas in 2022 was a development that indirectly affected the activities of the Group, which was, however, largely protected by the vertically integrated nature of its activities, due to its presence in both generation and supply of electricity. The aforementioned protection of the Group due to its vertically integrated nature was mitigated to some extent, as a consequence of the Temporary Mechanism of Law 4971/2022 (Article 122) for Returning Part of Income of the Next Day Energy Market.

Based on this Mechanism, which was valid during the period 8/7/2022-31/12/2023, the power generation units of the Interconnected System (except Crete) were compensated in the Pre-Day and Intra-Day Market based on regulated prices (in the event that these regulated prices were lower than the Clearing Prices that were freely set in the Pre-Day and Intra-Day Market), as defined by Ministerial Decision (practically part of their income was withheld from the Pre-Day and Intra-Day Market, with which the special account "Energy Transition Fund" was financed).

With the above Mechanism, the income of Generation in the Pre-Day and Intra-Day Market had an upper limit (cap) which arised based on the variable cost of the units (cost plus), while the costs of Supply in the same Market arised based on the Clearing Price of this Market.

As an emergency measure to strengthen the energy sufficiency of the country and reduce the supply of natural gas from Russia, the PPC Group launched within 2022 the increase of lignite production, contributing to the adequacy of the country's electrical system for the period of the energy crisis, through a revision of the mining planning and by changing the estimated withdrawal plan of the lignite units, with a slight extension of it, depending on the market conditions.
The above measures combined with geopolitical developments led to a significant de-escalation of natural gas and electricity prices during the year 2023 across Europe, including Greece. The risk of high prices thus the risk of prolongation of the energy crisis, has not been eliminated, given also the new threat of war in the Middle East.

Indirect effects from the Russian – Ukraine war may arise due to the consequent reduction of our customers' disposable income, as a result of increased energy costs and the intensification of inflationary pressures. In addition a significant decrease in electricity demand was observed in the second half of 2022 that continued during 2023.

Any overall final economic impact of the Russia-Ukraine war or the threat of war in the Middle East on the global and Greek economies and the businesses of the Group and the Parent Company cannot be estimated at present, due to the high degree of uncertainty arising from the inability of predicting the final outcome, but also due to the secondary effects listed above.

In any case, the Management of the Group and the Parent Company continuously monitors the relevant developments and evaluates any possible further effects on the operation, financial position and results of the Group and the Parent Company, being in a state of increased vigilance to take appropriate precautionary measures to safeguard the liquidity and business activities of the Group and the Parent Company.

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

3.3. War in the Middle East

With the commence of the war within October 2023 on Israel's borders, the recently escalating attacks on commercial ships in the Red Sea and its possible spread over the wider Middle East region, concerns are raised about the prolongation of the energy crisis in Europe. PPC Group does not have a relevant commercial presence, as a result of which there is no direct impact on its activities. In any case, the Group's and the Parent Company's Management continuously monitors the relevant developments and assesses any impact on the operation, financial position and results of the Group and the Parent Company.

3.4. Commercial policy in Greece

And in 2023 PPC fully and immediately implemented all the State supporting measures , incorporating the subsidies to beneficiary customers in both electricity and natural gas. PPC continued to apply the requirements of Law 4951/2022, the validity of which was extended until December 31, 2023 and to irrevocably announce the prices for fluctuating electricity supply products on the 20th day of every month.

In April 2023, it launched the new residential product PPC myHome 4All, which rewards customers who have registered on the myEnergyCoach online platform and achieve their energy saving targets.

Since May 2023, PPC launced PPC myEnergySolarNet, an integrated solution for the supply and installation of photovoltaic systems for residential and professional customers roofs.

Moreover, in 2023, PPC was also successfully active in the heat pump market by promoting sales to the partner companies LG and Daikin. The inclusion of heat pumps for the electrification of heating in the household and the businesses of PPC's customers is expecting to bring a significant increase in the consumption of electricity.

In September 2023, PPC launched two new competitive fluctuating electricity products for businesses and professionals, PPC MyBusiness 4All is addressed to businesses with a consumption of up to 10 MWh per year and PPC myBusiness 4All+ is addressed to businesses with a consumption of more than 10 MWh per year. In addition, it is available to professional customers the GreenPassPro service, through which PPC guarantees that as much energy as the company consumes, as much is bound by guarantees of origin from Renewable Energy Sources. At the same time, it enriched the portfolio of Natural Gas products, with myHomeGasControl, which offers fixed prices throughout the duration of the contract.Finally, PPC, implemented the provisions of Law 5066/2023 by adjusting its product portfolio. Launched since 1/1/2024 for Low Voltage customers Special Tariffs ("green" marked transparency) and Fluctuating Products ("Yellow" marked transparency), while at the same time adjusted the price of its Fixed products ("Blue" marked transparency) - PPC myHomeEnter & PPC my HomeOnline-, making PPC's proposals even more competitive.

In the context of its corporate operation, PPC has been developing action programs for a long time, with the main objective of improving its collections and at the same time providing integrated solutions to customers in terms of servicing their debts. In particular, it improves its credit policy in accordance with the Electricity Supply Code by creating scalable actions of information and collection, which are constantly evolving, and it measures their effectiveness.

At the same time, PPC continues its cooperation with a company that provides specialized support services in the context of the securitization of company's trade receivables with the aim of reducing overdue debts and preventing the creation of new ones, imposed by the criticality of the situation in the field of Energy.

It continues to apply the new debt settlement policy, which is in effect since 2022, for its entire customer base giving flexible settlement programs and personalized solutions according to the needs of its customers. To improve the collectability of settlements, PPC develops settlement models that classify customers based on their characteristics in order to identify the best debt restructuring plan with the highest probability of repayment.

Finally, PPC creates alternative payment services using the capabilities of technology and utilizing its partnerships with major financial institutions in order to provide optimal solutions to its customers.

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

3.5. Acquisition of RES portfolio subsidiaries

In January 2023, following the 22.12.2022 agreement with Piraeus Equity Partners, the Group through its subsidiary WINDARROW ENERGEIAKI S.M.S.A. entered into an agreement to purchase 100% of the shares of the companies AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.

Specifically, the Group acquired 100% of the shares of AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA which owns two Wind Parks, with a total installed capacity of 43.8 MW in the locations "LEFKES" and "MPELECHERI" of the Municipality of Evrotas Lakonia, Region of Peloponnese and 100% of KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A, which has a license to operate a Photovoltaic Power Plant with a power of 1.99 MW in the location "Vlachopigado" of the Municipality of Estaiotida, P.E. Trikala.

The fair value of the assets and liabilities of the companies recognized in the Group's financial statements at the acquisition date amounted to:

	Fair Value
	Amounts in thousands of €
Property, plant and equipment(Note 16)	55,276
Intangible assets (Note 17)	23,812
Right of use assets	197
Other non – current assets	8
Total Non – Current Assets	**79,293**
Trade receivables	1,226
Cash and cash equivalents	1,749
Restricted cash	19,026
Total Current Assets	**22,001**
Total Assets	**101,294**
Post-retirement benefits to employees	(3)
Long - term borrowings (Note 32)	(34,927)
Subsidies (Long-term portion)	(4,343)
Provision for dismantling cost	(233)
Long- term financial lease liability	(181)
Deferred tax liabilities	(12,481)
Total Non – Current Liabilities	**(52,168)**
Trade and other payables	(2,963)
Current portion of long - term borrowings (Note 32)	(1,670)
Short – term financial lease liability	(19)
Accrued and other current liabilities	(292)
Income tax payable	(36)
Total Current Liabilities	**(4,980)**
Total Liabilities	**(57,148)**
Total net assets acquired at fair value	**44,146**

On the acquisition date, an assessment of the definition of "business" in accordance with IFRS 3 was carried out and goodwill of €10.7 million was recognized in intangible assets that was not allocated to any specific intangible asset.

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

On December 23, 2023, the Group, through its subsidiary PPC Renewables, signed an agreement with the "Kopelouzos" and "Samaras" groups for the acquisition of 100% of the shares of the company "THRAKIKI WIND 1 S.A." which holds the Production License for the 216 MW Offshore Wind Park (OWP) off Alexandroupolis. From this acquisition, €30.6 million was recognized in the intangible assets of the offshore wind research license.
The consideration is payable in subsequent years.The consideration is payable in subsequent years. This acquisition according to IFRS 3 falls under the concept of acquisition of assets and not of a "business".

This Offshore Wind Park falls within the provisions of article 174 of Law 4964/2022 for the Pilot application of Offshore Wind Parks, and it is planned to be installed in the sea area off Alexandroupolis and to be permanently located.

3.6. Acquisition of subsidiaries in Romania

On March 9, 2023, the Parent Company signed a binding agreement with Enel S.p.A. ("Enel") for the acquisition of all the holdings held by Enel and its subsidiaries in Romania for a total initial consideration of approximately €1,260 million (based on the total enterprise value determined at approximately €1,900 million). The final consideration amounted to €1,240 million after adjustments, while there is an additional contingent consideration based on the future increase in the value of the Supply activities in Romania to be determined (if a payment obligation exists) within 2025. For the completion of the transaction of the purchase of ENEL's holdings as a condition, among other things, included the approval from the relevant antitrust authorities. The acquisition was completed on October 25, 2023, the date that the consideration was paid and all conditions included in the share purchase agreement, were met.

PPC financed part of the acquisition through a combination of debt and equity capital out of which an amount of € 315 million originated from a loan with duration of 18 months from Alpha Bank (Note 32).

The costs related directly to the transaction amounting to €43.8 million are included in the investment cost in subsidiaries in the Parent Company based on accounting policies, while on Group level those costs have charged Third party fees in the Statement of Income.

The acquisition represents a transformational event for PPC's growth strategy with the acquisition of a significant renewable's portfolio (both operating and pipeline), leading electricity distribution and supply businesses. The acquisition is PPC's first material expansion abroad.

Following the agreement of PPC S.A. with Enel on March 9, 2023 in order to acquire all of Enel's holdings in Romania, the Parent Company on April 19, 2023 signed an agreement with Fondul Proprietatea S.A. ("Fondul") for the acquisition of all the holdings held by Fondul in the companies E-Distributie Muntenia S.A. (12%), Enel Energie Muntenia S.A. (12%), E-Distributie Dobrogea S.A. (24.1%), E-Distributie Banat S.A. (24.1%), and ENEL Energie S.A. (12%) in Romania, for a total consideration of approximately €130 million. On October 26, 2023, the acquisition of the minority shares was completed with the payment of the initially agreed consideration.

With the completion of the acquisition, the Parent Company directly and indirectly acquired 29 new subsidiaries (full consolidation method), namely: Retele Electrice Muntenia S.A. (formerly E-Distributie Muntenia S.A.), PPC Energie Muntenia S.A. (formerly Enel Energie Muntenia S.A.), Retele Electrice Dobrogea S.A. (formerly E-Distributie Dobrogea S.A.), Retele Electrice Banat S.A. (formerly E-Distributie Banat S.A.), PPC Energie S.A. (formerly ENEL Energie S.A.), PPC Energy services Co (formerly Enel Romania S.A.), PPC Renewables Romania S.R.L. (formerly Enel Green Power Romania S.R.L.), PPC Advanced Energy Services Romania S.R.L. (formerly Enel ex Romania S.R.L.), PPC Blue Romania S.R.L. (formerly Enel x way Romania S.R.L.), PPC Trading S.R.L. (formerly Enel Trade Energy S.R.L.), PPC Servicii Comune S.A. (formerly Enel Servicii Comune S.A.), Wind Energy Green Park S.R.L., South Wind Energy S.R.L., Dara Solar investment S.R.L., Energo Sonne S.R.L., Solas Electricity S.R.L., Topwind Energy S.R.L., Prowind Windfarm Viisoara S.R.L., Prowind Windfarm Bogdanesti S.R.L., Toplet Power Park S.R.L., GV Energie Rigenerabili Ital-ro S.R.L., Elcomex Solar Energy S.R.L., De Rock Intl S.R.L., Zephir 3 Constanta S.R.L., Oravita Power Park S.R.L., Potoc Power Park S.R.L., Prowind Windfarm Ivesti S.R.L., Prowind Windfarm Deleni S.R.L, Sun Challenge S.R.L. The shareholding percentages in each new subsidiary after the acquisition of the minority interests held by Fondul are set out in Note 19.

Based on the terms of the acquisition agreement with ENEL for the payment of an additional consideration of the Supply activities, the Group and the Parent company recognized on October 25, 2023, a contigent additional consideration of fair value of €18.0 million. The fair value of the contigent consideration was determined by the use of a Monte Carlo valuation model. The Parent company increased its investment in subsidiaries companies PPC Energie S.A., PPC Energie Muntenia S.A., PPC Advanced Energy Services Romania S.R.L. and to PPC Blue Romania S.R.L. by €5.2 million, €10.9 million, €1.0 million and €0.7 million respectively and at the same time recognized a financial liability of €18.0 million which is included in long-term liabilities (Note 37).

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

Additionally, on the day of the acquisition, the Parent company paid Enel the amount of €517.8 million for the acquisition of the intercompany balances (Short- term loans) between the former shareholder and the Romanian subsidiaries PPC Energie S.A., PPC Energie Muntenia S.A., PPC Advanced Energy Services Romania S.R.L., PPC Blue Romania S.R.L. and PPC Trading S.R.L. and recognized total short-term loan receivables of €516.5 million (RON 2,563.1 million) without guarantees, for general corporate purposes, with ROBOR of 0.6% to 2.7% (average cost: 7.18%) and accrued interest claim of €1.3 million (RON 6.5 million). These loans on December 31, 2023 amount to €515.1 million (RON 2,563.1 million) plus €8.3 million accrued interest, the maturity of which was within 2023 and 2024 and it will be extended for one year from their expiration date by the Board of Directors Decision as of April 9, 2024 of the Parent Company.

The fair value of the assets and liabilities of the companies recognized in the Group's financial statements at the acquisition date amounted to:

	Fair Value
	Amounts in thousands of €
Non – Current Assets	
Property, plant and equipment	2,251,379
Intangible assets	120,417
Right of use assets	32,345
Financial assets measured at fair value through other comprehensive income	12
Other non – current assets	6,619
Total Non – Current Assets	**2,410,772**
Current Assets	
Inventories	139,182
Trade receivables	228,797
Contract assets	294,796
Other receivables	563,976
Income tax receivable	14,250
Cash and cash equivalents	197,914
Total Current Assets	**1,438,915**
Total Assets	**3,849,687**
Non – Current Liabilities	
Post-retirement benefits to employees	21,245
Provisions	45,429
Long- term financial lease liability	29,828
Contract liabilities	550,546
Subsidies	6,967
Deferred tax liabilities	69,195
Total Non – Current Liabilities	**723,210**
Current Liabilities	
Trade and other payables	506,256
Income tax payable	2,453
Short – term borrowing	688,884
Short – term financial lease liability	2,220
Accrued and other current liabilities	123,556
Total Current Liabilities	**1,323,369**
Total Liabilities	**2,046,579**
Total net assets acquired at fair value	**1,803,108**
NCI (after the acquisition of Fondul's share)	180,115
Consideration transferred to FONDUL	130,940
Consideration transferred to ENEL	1,240,092
Contingent consideration to ENEL	18,041
Bargain gain from Romanian subsidiaries acquisition	**233,919**

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

The date of acquisition of control of the subsidiaries is October 25, 2023, the date the consideration was paid and all conditions included in the share purchase agreement with ENEL, were met. On that date, the Group acquired 78% in Retele Electrice Muntenia S.A., 51% in Retele Electrice Banat S.A., 51% in Retele Electrice Dobrogea S.A., 51% in PPC Energie S.A., 78% in PPC Energie Muntenia S.A. and 100% in PPC Advanced Energy Services Romania S.R.L., PPC Blue Romania S.R.L., PPC Energy services Co and PPC Renewables Romania S.R.L. While, the following day, the Group also acquired the minority share of FONDUL (as above). The acquisition of the minority stakes is a transaction directly linked to the acquisition of the majority stakes, as it was negotiated at the same time and would not have been completed without the acquisition of the majority holdings held by ENEL.

The acquisition of the 29 subsidiaries had the purpose to obtain control over the entire operations of Enel in Romania, integrating substantially all of its assets, liabilities and business activities and benefit from existing synergies between the acquired companies. For this reason, the acquisition of the 29 subsidiaries was accounted for as a single transaction and based on the Management's assessment, it was considered a business combination in accordance with IFRS 3 and the allocation of the acquisition costs to the individual identifiable assets and liabilities was determined, based on valuations at fair value, with the difference being considered as bargain gain of the acquisition.

The Group re-assessed whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviewed the procedures used to measure the amounts recognised at the acquisition date. As after this re-assessment, the valuation still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the bargain gain of €233.9 million was recognised in the Statement of Income of the Group.

In the context of determining the assets of the acquired subsidiaries, an intangible asset was recognized of the customer base of the supply companies PPC Energie Muntenia S.A. and PPC Energie S.A., amounting to € 27.3 million with a useful life of 5 to 8 years.

The initial accounting of this acquisition in the financial statements of the Group is considered provisional as the Group will make use of paragraph 45 of IFRS 3 which provides the possibility of final measurement of the relevant amounts for a period of up to one year from the date of acquisition. The use of this paragraph was made as the acquisition was completed very close to the year end and concerns 29 new subsidiaries with a significant amount of net assets. It will therefore complete the relevant assessment and valuation within the first half of 2024.

Finally, the acquisition agreement with ENEL contains terms for indemnification of PPC in the event that the Romanian subsidiaries are called upon to pay funds for taxes and surcharges relating to a period prior to the acquisition date and for specific legal cases.

3.7. Signing of an agreement for the acquisition of an 84 MW wind park in Romania

On July 21 2023, PPC Renewables has signed an agreement with European subsidiaries of Lukoil Group to acquire a 100% stake in Land Power SRL, a Romanian wind park owner of a total installed capacity of 84MW. The wind park is located in Dorobantu and Topolog, Romania, the regions with the best wind conditions in Romania and generates more than 200GWh per year. The transaction was realized through a competitive process, with international companies participating, during which PPC Renewables was selected as the preferred bidder. The closing of the transaction was completed in March 2024.

3.8. Agreement for the acquisition of "KOTSOVOLOS"

On November 2, 2023, the Parent Company announced the signing of an agreement with Currys plc for the acquisition of the company Dixons South - East Europe Commercial and Industrial S.A with the trade name"Kotsovolos" for a price of € 200 million, an amount corresponding to the value of the business, without taking into account borrowings, the company's cash reserves and excluding leases according to IFRS 16.

The agreement for the acquisition of Kotsovolos is for PPC a strategic move of transformation and energy transition. Kotsovolos has 95 physical stores in Greece and Cyprus, of which 27 are megastores. In addition, it has an integrated nationwide supply chain network with its own warehouses, a privately owned fleet of vehicles and a large network of partners for installations of the appliances. It has a multichannel sales network which, in addition to physical stores, includes a call center and a successful e-shop (kotsovolos.gr).

Following the approval of the transaction by the Hellenic Competition Commission on March 5, 2024, the completion of the acquisition is expected within the first fortnight of April 2024.

(All amounts in thousands of Euro, unless otherwise stated)

3. SIGNIFICANT EVENTS (CONTINUED)

3.9. Other significant events of the period

Within 2023, the spin-off of the branch Post-Lignite Exploitation of the Core Lignite Phase-out Zones of PPC to the newly established subsidiary METALIGNITIKI S.A. and the sale of 100% of its shares to the Greek State (Note 5.2) were completed.

4. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

4.1. BASIS OF PREPARATION

Basis of Preparation of Financial Statements

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Approval of financial statements

The Board of Directors of the Parent Company approved the accompanying financial statements for the year ended December 31st, 2023, on April 9th ,2024. These financial statements are subject to approval by the Parent Company's General Shareholders' Meeting.

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, except for property, plant and equipment (exluding lakes and mining land), financial assets valued at fair value through other comprehensive income and derivative financial instruments that have been measured at fair value and assuming that PPC will continue as a going concern. The financial statements are presented in thousands of Euro and all values are rounded to the nearest thousand, unless otherwise stated. The Group's operating currency is Euro, and from the date of the acquisition of the subsidiaries in Romania, it also includes the RON. Management considers that the going concern principle is the appropriate basis for the preparation of the present financial information.

Basis of consolidation

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries, drawn up to December 31st each year. Subsidiaries (companies in which the Group directly or indirectly or through other subsidiaries has an interest of more than one half of the voting rights or otherwise has power to exercise control over their operations) have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Losses are apportioned to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary (without any change in control) is accounted for as an equity transaction. All inter-company balances and transactions have been fully eliminated as well as unrealized intra – group gains and losses. Where necessary, the accounting policies of subsidiaries have been revised to ensure consistency with the accounting policies adopted by the Group.

In case that the Group loses control of a subsidiary then the following are :

Derecognized :

- The assets (including the surplus value) and liabilities of the subsidiary
- The book value of the non-controlling interest
- The accumulated exchange differences, which have been recorded in Equity

Recognized:

- The fair value of the price obtained
- The fair value of the remaining participation
- Any surplus or deficit in the Statement of Income
- The Parent Company's share in the elements previously recognized in the comprehensive income statement, in the income statement or the retained earnings where that is judged necessary.

(All amounts in thousands of Euro, unless otherwise stated)

4.2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies on the basis of which the annual separate and consolidated financial statements were prepared for the year ended December 31st, 2023 are consistent with those used in the preparation of the annual corporate and consolidated financial statements for the year ended December 31st, 2022 with the exception of the following amendments and standards, and the change in the accounting estimate of expected credit loss provisions of Low Voltage customer trade receivables (Note 23).

Due to the acquisition of the Romanian subsidiaries by the Parent Company on October 25, 2023 (Note 3.6), the following new accounting policies were adopted for the Group and the Parent company:

Financial Liability for Contingent Consideration for the acquisition of subsidiaries

Contingent consideration for the acquisition of subsidiaries is recognized on the date of completion of the acquisition of a subsidiary as a financial liability in the Statement of Financial Position based on the fair value of the contingent consideration, increasing the cost of investment in the new subsidiary in the Parent Company's financial statements. In the Group, the initial recognition of the contingent consideration forms the goodwill/bargain of the acquired business.

Subsequent changes in the fair value of the financial liability resulting from the remeasurement of the contingent consideration are recognized in the Income Statement in the financial expenses of the Group and the Parent company based on IFRS 9.

Upon payment of the contingent consideration, the financial liability is derecognized with the amount that is finally paid by the Group and the Parent Company. Whereas if, at the expiry of the obligation, no additional consideration is due, the financial liability of the Parent company is derecognized by reducing the cost of investment in the subsidiary and any difference affects the financial expenses of the Income Statement, while the financial obligation of the Group is derecognized in favor of financial income of the Income Statement.

Costs of obtaining contract with customers

The incremental costs of obtaining or fulfilling a contract of supply of energy and natural gas are recognized as an intangible assets when incurred and expensed over the period in which the corresponding benefit is received by the Group. The average period for the Group is assessed to be 7 years and which is reassessed periodically.
These capitalized contract costs share characteristics of an intangible asset as they mainly represent acquisition costs of customer relationships. Therefore, the Group concluded to present, all capitalized contract costs as non-current in intangible assets. In general, incremental costs of obtaining or fulfilling a contract at Group level refer to:

- sales commissions to third-party dealers
- sales commissions to employees

New standards, amendments to standards and interpretations mandatory in the current year

New standards, amendments to standards and interpretations were published that are mandatory for accounting periods commencing on January 1, 2023 and thereafter, that the Group and the Parent Company have adopt as of January 1, 2023:

- **IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments),**
- **IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments),**
- **IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments),**

The newly adopted IFRS and amendments to IFRS did not have a material impact on the Group's and Parent Company's accounting policies.

(All amounts in thousands of Euro, unless otherwise stated)

4.2.CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

- **IAS 12 International Tax Reform - Pillar Two Model Rules (Amendments)**

  The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later. The Organisation for Economic Co-operation and Development's (OECD) published the Pillar Two model rules in December 2021 to ensure that large multinational companies would be subject to a minimum 15% tax rate. On 23 May 2023, the IASB issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12. The amendments introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities on the potential exposure to Pillar Two income taxes. The Amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023, but are not required for any interim period ending on or before 31 December 2023. A relevant disclosure is included in Note 15.

New standards, amendments to standards and interpretations mandatory in subsequent periods

New standards, amendments to standards and interpretations endorsed by the European Union, are effective in subsequent periods and have not been applied for the preparation of these consolidated and separate financial statements.

The Group and the Parent Company is in the process of assessing the impact of the application of the amendments to its financial statements.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments).** The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8.
- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments).** The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.

New standards, amendments to standards and interpretations that are not yet effective and they have not yet been endorsed by the European Union for which the Group and the Parent Company is in the process of assessing the impact of their application to its financial statements.

- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments).** The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted.
- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments).** The amendments are effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted.

- **IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.** In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

(All amounts in thousands of Euro, unless otherwise stated)

4.3. MATERIAL ACCOUNTING JUDGMENTS AND ESTIMATES OF MANAGEMENT

The preparation of financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates. The significant judgments and estimates referring to events, the development of which could significantly affect the items of the financial statements during the forthcoming twelve month period are as follows:

Post-retirement benefits

a) The Group provides to its employees and pensioners supply of electricity at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. The relevant retirement obligations are calculated on the basis of financial and actuarial assumptions.

b) According to Law 4533/2018 (OG A' 7527/4/2018) PPC and its Greek subsidiaries pay an one-off allowance to the beneficiaries of pension (who are insured employees leaving PPC) in proportion to the years of actual service to PPC. This allowance cannot exceed the amount of €15.000 for insured employees which are retiring due to the termination of the employment contract, or due to the fact that insured employees reached the age limit or due to another reason for leaving, according to the provisions of the law.

c) In addition, the subsidiaries in Romania also pay compensation due to leaving the service to the insured employees who leave due to termination of the employment contract, or reaching the age limit, or due to any other reason specified by law.

The above are defined benefits plans in accordance with the provisions of IAS 19. The present value of the liability assumed by PPC and its subsidiaries, is calculated by using actuarial methods and is a past service cost for service provided in previous periods.
Details of the underlying assumptions and estimates of the above mentioned post - retirement benefits are included in Note 33.

Fair value and useful lives of property, plant and equipment

The Group carries its property, plant and equipment (except for mining land and lakes) at revalued amounts (estimated fair values) as determined by an independent firm of appraisers. Independent revaluation is performed periodically (every three to five years).

The determination of the fair values of property, plant and equipment requires the use of estimates, assumptions and judgements with respect to the ownership, the value in use and the existence of any economic, functional and physical obsolescence of property, plant and equipment. The last revaluation of property, plant and equipment was conducted on December 31st, 2019. In addition, within 2021 the valuation of the tangible fixed assets of the Distribution Network and the tangible fixed assets of the Lignite subsidiaries took place. Morever, as of December 31st, 2023 Management of the Group, taking into account changes in the economic environment as well as developments within the year of the key assumptions used in the recent revaluation of property, plant and equipment, believes that any change in the fair value of property, plant and equipment will not have a significant impact on the accompanying separate and consolidated financial statements.
Furthermore, the management makes estimates regarding the total and the remaining useful lives of property, plant and equipment which are subject to periodic review. Useful lives as estimated are included in Note 4.4.

Impairment of property, plant and equipment and intangible assets

The Group assesses at each reporting date whether there is an indication that a long – term asset may be impaired. The determination of whether such indications exists, requires from Management to make estimates, assumptions and judgments with respect to external and internal factors that may affect the recoverability of assets, as well as assumptions on the determination of the cash flow generating units. More specifically, external factors include the change in the institutional framework, inflation, interest rates. On the other hand, internal factors are related to the internal decisions and the business plan of the Group and the Company. Indicatively, the key assumptions for the impairment test are the weighted average borrowing costs and the future cash flows of the assets under consideration.

(All amounts in thousands of Euro, unless otherwise stated)

4.3 MATERIAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

The Group and the Parent Company as lessee

The Management, in order to measure the right-of-use assets, determines the lease term as the non-cancellable term of the lease, together with any periods covered by a) an option to extend the lease if it is reasonably certain to be exercised, or b) an option to terminate the lease, if it is reasonably certain not to be exercised.

In determining the lease term, Management assesses all the facts and circumstances that create economic incentive in order to exercise the option of renewal or not exercise the option of termination.

After the commencement date of the lease, Management reassesses the lease term if there is a significant event or change in circumstances that is within their control and affects their ability to exercise (or not to exercise) the option to renew (for example a change in the Group’s and the Parent Company’s business strategy).

In addition, the Management in order to calculate the financial lease liability determined the incremental borrowing rate (IBR) at the lease commencement date as the interest rate implicit in the lease contract is not readily determinable. The IBR is the rate of interest that the Group and the Parent Company would have to pay, to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset.

Decommissioning and removal costs of property, plant and equipment and mines’ land restoration costs

Based on the provisions of IAS 16 “Property, plant and equipment” the cost of an item of property, plant and equipment includes, among others, the initial estimate of the costs required for the dismantling and removal of such an item. These costs are quantified and recognized in the financial statements in accordance with the provisions of IAS 37 “Provisions, contingent liabilities and contingent assets”, while any subsequent change in the measurement of this provision is treated in accordance with the provisions of IFRIC 1.

The respective provision includes the land remediation cost, the cost of dismantling the existing equipment/machinery, the cost of demolition of buildings and collection of any waste from power plants and mines. At the time of their dismantling and removal, the actual cost and the commencement and expiration date of the relevant works may differ from Management’s estimate.

In addition, the Group and the Parent Company, in order to calculate the provision of decommissioning, determined the discount rate that reflects the current market estimates for the time value of money and the risks associated with the liability.

Regarding the remediation of the environment of the hydro power plants, the Group and the Parent Company estimate that the relevant cost in present values is not significant on December 31st, 2023 and therefore they have not established any provision. In the future the actual commencement date of the relevant works and the remediation cost may differ from Management’s estimate.

Details of the underlying assumptions and estimates for the decommissioning and removal costs of property, plant and equipment and mines’ land restoration costs provision are included in material accounting policies and in Note 34.

Provisions for risks

The Group establishes provisions associated with claims by third parties against companies of the Group and which might lead to an outflow of resources for their settlement. The provision is established based on amounts claimed and the possible outcome of the legal dispute.

(All amounts in thousands of Euro, unless otherwise stated)

4.3 MATERIAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Trade receivables from contract with customers and provisions for trade receivables

The Group and Parent Company apply the simplified approach set out in the Standard IFRS 9 for the calculation of Expected Credit Losses, according to which the respective provision is always measured in amount equal to the expected credit losses over the life of customer receivables. The provision for doubtful receivables is formed for high voltage customers on an individual basis in the assessment of the expected credit loss per customer, while for the estimation of the expected credit losses from medium and low voltage customers, credit loss provision tables are applied with an ageing analysis of the trade receivables balances, based on the historical data of the Group and the Parent Company for credit losses and adjusted for future factors with respect to debtors and the economic environment.

Provisions for income taxes and recognition of deferred tax receivables

Current provisions for income tax liabilities for current and prior years are calculated at the amounts expected to be paid to the tax authorities, using the prevailing tax rates at the balance sheet date.

Provision for income tax includes current taxes reported in the respective income tax returns and potential additional taxes that may be imposed by the tax authorities upon settlement of the unaudited tax years on the basis of the findings of prior tax audits. Therefore, final settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements. From the fiscal year 2011 onwards, the Parent Company and several of its subsidiaries are audited for tax purposes by the Certified Auditors Accountants in accordance with the provisions of Income Tax Legislation. The audit for the year ended on December 31, 2023 is ongoing and the relative tax conformity report will be issued after the publication of the financial statements for the year 2023.

If, at the completion of the tax audit, additional tax liabilities arise, the Management estimates that these will have no material effect on the financial statements. Deferred tax receivables are recognized on carried forward tax losses to the extent that it is probable that future taxable profits will occur to offset carried forward tax losses. Deferred tax receivables that are recognized, require Management to make assessments as to the time and level of realization of future taxable profits.

Revenue recognition from consumed and non-billed energy and Contract Assets with low voltage customers

Management considers that the customers consume the benefit of electricity over the period of the sale, while the Group and the Parent Company continues to fulfil its contractual liabilities. For this reason, revenue is recognized based on actual quantities of electricity consumed or based on an estimation of electricity consumed.
Especially for low voltage customers at each balance sheet date, unbilled revenue is recorded for electricity delivered and consumed by these customers but not yet billed, by using certain assumptions with respect to quantities of electricity consumed, network losses and average electricity sale prices. The actual amounts that will be finally billed may differ from those provided for.

Recognition of revenue from customers' contributions

The Group estimates that customers' contributions refer to the initial and continuous connection to the distribution network which is a distinct service, separate from electricity sale. The service which is promised to be delivered is the only one to be executed by the distribution companies and this transaction is considered a separate contractual obligation. Therefore, revenue from customers' contributions is recognized as the service transferred to the customer. As the contract with the customer is not of a specific time duration, the revenue is recognized based on the useful life of the distribution network property, plant and equipment for Greece (35 years) or based on the remaining useful life of the concession contracts for the use of the distribution network in Romania (31-32 years).

Concession agreements of distribution network in Romania

The Group considers that for the concession agreements of the distribution network of the distribution subsidiaries in Romania, IFRIC 12 do not apply and as regards it has recognized the tangible assets of their distribution network asset base.

(All amounts in thousands of Euro, unless otherwise stated)

4.4. MATERIAL ACCOUNTING POLICIES

Foreign currency translation

Parent Company’s functional and presentation currency is the Euro. Transactions involving other currencies are translated into Euro at the exchange rates, ruling on the date of the transactions. At the reporting date, monetary assets and liabilities, which are denominated in foreign currencies, are retranslated at the exchange rates at that date. Gains or losses resulting from foreign currency translation are recognized in the income statement. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rate at the date of the initial transaction. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the exchange rates at the date that the fair value was determined. The foreign currency differences arising from the change in the fair value of these items are recognized in the income statement or directly in other comprehensive income depending on the underlying item.

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). Assets and liabilities of entities that have a functional currency different from the presentation currency, including goodwill and the fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition, are translated into Euro using exchange rates ruling at the reporting date. Revenues and expenses are translated at rates prevailing at the date of the transaction. All resulting foreign exchange differences are recognized in other comprehensive income and are reclassified in the income statement on the disposal of the foreign operation.

Business Combinations

The consolidated financial statements are comprised of the financial statements of the Parent Company and all subsidiaries controlled by the Parent Company directly or indirectly. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is calculated by adding the fair values of the assets transferred at the date of acquisition, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs are expensed as incurred in the Group, while in the Parent Company that makes the acquisition, they are included in the cost of the investment.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Subsequent changes to the fair value of the contingent consideration are recognized in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Emissions Allowances (CO_2)

The Parent Company acquires CO_2 emission allowances in order to meet its obligation arising from the actual CO_2 emissions of its electricity generation facilities. This liability is measured at fair value to the extent that Parent Company has the obligation to cover its emissions through purchases (after offseting of any free CO_2 emission rights held) and is presented in Accrued and other current liabilities. Emission rights purchased and held are recognized as intangible assets, at their acquisition cost less any accumulated impairment loss. Emission rights are consumed and recognized in the income statement at the cost acquired, based on the CO_2 emissions of liable electricity generation facilities. As the cash flows of CO_2 emission allowances relate to the operating activities of the Group and the Parent Company, are shown in the cash flows from operating activities in the Cash Flow Statement.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill is initially measured at cost and represents the excess amount between the aggregate consideration transferred and the fair value of the Group's and Parent Company’s share of the acquiree's identifiable assets and liabilities at the date of the acquisition. If the fair value of net assets acquired by the Group and the Parent Company is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the meassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain (negative goodwill) is recognised in profit or loss.

After initial recognition, Goodwill is measured at cost less any aggregate impairments. For the purpose of impairment testing, Goodwill is allocated to cash-generating units (CGU), on acquisition date. The allocation is made to the generating units that are expected to be benefit from the business combinations in which the goodwill was identified and is recognized according to the operating segment.Goodwill is subject to an impairment test annually, or even sooner if there are relevant indications. Goodwill impairment is determined by estimating the recoverable value of each CGU (or group of CGU’s) to which the goodwill has been allocated. When the recoverable amount (defined as the greater value between value in use and fair value reduced by the required cost to sell) of the CGU is less than its book value including goodwill, an impairment loss is recognized. Goodwill impairment cannot be reversed later.

Property, plant and equipment

Property, plant and equipment are initially recognised at their acquisition cost which includes all direct attributable expenses for their acquisition or construction. Subsequent to their initial recognition, property, plant and equipment (with the exception of mines and lakes which are valued at their acquisition cost minus accumulated depreciation and impairment) are valued at fair value minus accumulated depreciation and impairment. Fair value estimates are performed periodically by independent appraisers (every three to five years) in order to ensure that fair value does not differ significantly from net value of the asset. At the date of revaluation, accumulated depreciation is offset against pre depreciation accounting values and net amounts are restated according to revalued amounts. Any increase in value is credited to the revaluation surplus in equity net of deferred taxes. However, an increase due to revaluation will be recognized in the Statement of Income, to the extent that it reverses a previous devaluation of the same asset, which had previously been recognized in the Income Statement.

Any decreases, first offset remaining revaluations surplus and then the remaining amounts burden the Statement of Income. Upon disposal of revalued property, plant and equipment, the relevant portion of the revaluation surplus is transferred from the revaluation surplus to the retained earnings.

Repairs and maintenance are recorded in expenses in the fiscal year in which they are incurred. Subsequent expenditure is capitalized if the criteria for recognizing them as property, plant and equipment are met. For all assets withdrawn or sold, their acquisition cost and depreciation are written – off when sold or withdrawn. Any gain or loss resulting from the write – off is included in the Statement of Income.

The use of the own resources for the construction in progress property, plant and equipment constitutes an addition to their acquisition cost at values which include the direct payroll costs of the staff participated in the construction (corresponding employers’ contributions), the cost of materials used and other general costs.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Depreciation

Depreciation of property, plant and equipment is calculated using the straight-line method over the estimated residual useful life of the asset. The total useful life (in years) used for calculating depreciation is as follows:

	2023	2022
Buildings and Technical Works		
Buildings of general use	50-70	50
Industrial buildings	35-60	40-50
Dams	50	50
Machinery and Equipment		
Thermal power plants	35-40	35-40
Gas Turbines	35	35
Mines	20-40	20-40
Large hydro power plants	50	50
Autonomous diesel power plants	25	25
Wind generators	17-20	20
Car charging stations	10-12	12
Photovoltaic stations	20-30	20
Distribution		
Substations	30-40	35
Low and medium voltage distribution network	35-40	35
Electronic meters	10-20	20
Transportation assets	5-15	15
Furniture, fixtures and equipment	5-35	5-25

Provision for the dismantling and removal of the infrastructure and the equipment of power plants and mines

The provision for the dismantling and removal of the infrastructure and the equipment of power plants is calculated taking into account the specificities of each unit (type of fuel, generating capacity, co-installation of units), calculating the present value of the land remediation cost, the cost of dismantling the existing equipment/machinery, the cost of demolition of infrastructure and collection of any waste by using a discount rate. The cost includes the direct cost of monitoring/managing the project of the withdrawal of units. The provision is reduced by actual costs (utilization of provision) and increases with the finance cost.

In case the actual costs exceed the estimated ones, the difference is recorded directly in the Income Statement.

Moreover, the respective provision does not take into account any income from the sale of machinery, spare parts and materials of the decommissioned units or from the utilization of the land, as the relevant revenue will be recognized at the time it is considered certain.

For all units, the present value of their restoration costs, for the demolition of their infrastructure and the removal of their equipment is first capitalized on the value of assets they concern proportionately following their remaining useful life, while any remaining amount is then offset by any revaluation surplus existed with direct record in other comprehensive income and if any further amount remains it is then recognized in the Statement of Income.

Any changes in the provision of decommissioning of power plants due to a change in Management's estimate (change of the restoration time, change of the future use of the property, plant and equipment or related cost) affect the assets' revaluation surplus or deficit which was previously recognized, so that:

- a decrease in the liability shall be recognized in other comprehensive income and increase the revaluation surplus included in equity, with the difference that it will be recognized in the Statement of Income, to the extent that it reverses a previous revaluation deficit of the assets, which had previously been recognized in the Income Statement. In the event that a decrease in liability exceeds the book value that would have been recognized if the assets were recorded in accordance with the cost method, the excess amount will be recognized immediately in the income statement.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

- an increase in the liability shall be recognized in the Statement of Income, with the difference that it will be recognized directly in other comprehensive income and it will reduce the revaluation surplus included in equity as long as there is such, for those assets.

The amortized amount of assets is depreciated throughout their useful life. Therefore, when the relevant assets reach the end of their useful life, any subsequent change in liability is recognized in the income statement when is incurred.

Simultaneously, the Group and the Parent Company recognized a provision for the removal of infrastructure /dismantling of equipment of its mines that includes the cost of the removal of infrastructure and the cost of dismantling of equipment with the use of a discount rate, while it does not take into account any income from the sale of machinery, spare parts and materials. The provision is reduced by the actual costs incurred (utilization of the provision) and is increased with the finance cost. Any change in the provision of the removal of infrastructure /dismantling of equipment of mines follow the same accounting policies for the provision of decommissioning of power plants as the assets that they concern are measured based on the revaluation model.

Provision of mines' land restoration

The Group and the Parent Company own and operate lignite mines. Provision for the remediation of the mines' land was established to meet the Group's liabilities for the remediation of the affected land, and was calculated on the basis of the affected area and the average cost of restoration per metric unit.
As the mines' lands are measured based on the cost method, any changes in the provision of the mines' land restoration are added or deducted from the cost of the relevant asset in the current period. The amount deducted from the cost of the asset cannot exceed its book value.

- In the event that a decrease in liability exceeds the book value of the asset, the excess amount is recognized immediately in the income statement.
- In the event of an increase in the cost of an asset, the Company considers whether this is an indication that the asset's new book value may not be fully recoverable.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets that are owned by third parties.

i) Right-of-use assets
The Group and the Parent Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group and the Parent Company are reasonably certain to obtain ownership of the leased asset at the end of the lease term, the Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings: 2 to 70 years
- Other equipment: 1 to 2 years
- Transportation means: 1 to 3 years
- Vessels: 6 to 24 months

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

The right-of-use assets are also subject to impairment, when indicators exist.

ii) Lease liabilities
At the commencement date of the lease, the Group and the Parent Company recognize lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Parent Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Parent Company will exercise the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Group and the Parent Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.
Those re-measurements are included in a separate line in the note Right of Use Assets “modifications/ re-measurements”.

iii) Short-term leases and leases of low-value asset
The Group and the Parent Company apply the short-term lease recognition exemption to its short-term leases of (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Parent Company also apply the lease of low-value assets recognition exemption to leases that are considered to be low value (those with value less than € 5 thousands). Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Investments in subsidiaries

In separate financial statements, investments in subsidiaries are valued at cost less any accumulated impairment losses. Direct acquisition costs are included in the cost of participation.

Investments in subsidiaries - merger of business

The absorption of the 100% subsidiary company by exchange of shares of the Parent company is treated in the separate financial statements as a transaction between companies under common control and management is required to determine an appropriate accounting policy to depict the transaction. The Company de-recognizes its participation in the subsidiary and recognizes the net assets of the subsidiary either at fair value or at the carrying value that was reflected in the consolidated financial statements of the Group at the date of the legal merger (taking into account the commercial substance of the transaction).

The spin-off and contribution of a branch to a wholly-owned subsidiary by an exchange of shares is treated as a transaction between companies under common control and management judgment is required in determining an appropriate accounting policy to depict the transaction.

The Company recognizes the shares received as consideration, as an addition to the cost of investment in the subsidiary, to the book value or to the fair value of the branch contributed, based on the effect of the transaction on its future cash flows (assessing whether there is commercial substance).

Investments in associates

These are entities in which the Group has significant influence and which are neither a subsidiary nor a joint venture of the Group. Significant influence is the power to participate in the financial and operational policy decisions of the associate, without the power to control or jointly control the said policies. The Group’s investments in associates are accounted for under the equity method. Investments in associates are carried on the balance sheet at cost plus

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

post-acquisition changes in the Group's share of net assets of the associate, less possible provisions for any impairment in value. In case that the Group's share in an associate's losses is equal, or exceeds its participation in the associate, the Group does not recognise the losses exceeding its participation.

The Statement of Income reflects separately the Group's share on the results of its associates, while amounts that are recorded by the associates directly to their equity are recognized directly to the Group's equity. Non – realised profit or loss resulting from the transactions of the Group with the said associates is eliminated to the extent of the interest in the associates. In the separate financial statements such investments are accounted for at cost less any accumulated impairment losses.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less cost to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The fair value of sale (after the deduction of sales costs) is determined, in each case, according to the implementation of a revaluation model. Impairment losses of continuing operations are recognized to the Statement of Income, except if the particular asset is valued in fair values and then the impairment loss is recognised as a decrease of the already recognised surplus value. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased, for all assets of the Group, except Goodwill. If such indication exists the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognized.

That increased amount resulting from the reversal of the impairment loss, cannot exceed the carrying amount that would have been determined (net of depreciation), if no impairment loss had been recognized for the asset in prior years. Such reversal is recognized in profit and loss unless the asset is carried at fair value amounts in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, to be divided equally to future time spans on a systematic basis over its remaining useful life.

Fair value measurement

The Group measures financial instruments such as derivatives, and fair value through other comprehensive income at each reporting date and non-financial assets such as property, periodically (every 3-5 years) at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group determines policies and procedures applied for both recurring measurements and assets held for distribution or for sale.

Assets of substantial value, as property, plant and equipment, as well as substantial value liabilities are evaluated by the Group and the Parent Company with the assistance of external appraisers. External appraisers involvement needs, are annually decided by the Group. The selection criteria include market knowledge and expertise, reputation, independence and observance of professional standards.

On each reporting date, the Group, according to its accounting policies, assesses if there is any change on the carrying values of assets and liabilities being subject to periodic reassessment and revaluation. For the above mentioned assessment, the management verifies considerable inputs applied to the last asset or liability evaluation, confirming data used for the evaluation against contracts and other relevant documents. For disclosing fair values, the Group’s assets and liabilities are categorized according to their nature, characteristics, potential risks stemming from specific asset or liability categories, as well as fair value hierarchy described above (Note 44).

Investments and financial assets

Financial assets that fall under and are governed by the provisions of IFRS 9 are classified on initial recognition as financial assets measured at amortized cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. The classification of financial assets at initial recognition depends on the contractual characteristics of cash flows of the financial asset and the Group's business model for the management of that financial asset.

With the exception of trade receivables and receivables from electricity customers that do not contain a significant financial component, the Group initially evaluates the financial assets at their fair value plus, in case of a financial asset that is not valued through profit or loss, transaction costs. Trade receivables that do not have a significant financial component and also receivables from electricity customers are valued at the transaction price determined in accordance with IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, the resulting cash flows should be "Solely for Payment of Principal and Interest (SPPI) "on the initial capital.

The Group's business model for managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows. Business model determines whether cash flows arise from collection of contractual cash flows, sale of financial assets, or both.

Usual sales and purchases of financial assets are recognized on the transaction date (on which Group is committed to purchase the financial asset). Usual purchases or sales involve purchases or sales of financial assets that require physical receipt of items within the period and are also governed by a law or a purchase agreement.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial assets measured at amortized cost

Non-depreciated cost of a financial asset is defined as the amount at which the financial asset is measured at initial recognition less the capital repayments plus or minus the cumulative depreciation using the effective interest method of any difference between that initial amount and the amortized cost adjusted for any loss provision.

A financial asset is measured at amortized cost only if both of the following are met unless it is measured at fair value through profit or loss on initial recognition:
i. The financial asset is held in a business model whose objective is to hold financial assets for the collection of contractual cash flows ("HTC") and,
ii. The contractual terms of the financial asset result in specific dates in cash flows that are only capital and interest payments on the outstanding initial capital.

Consequently, the Group classifies financial assets at amortized cost when financial assets are held in the context of a business model with a view to being held to maturity mostly concentrating their contractual cash flows, and these financial data lead to cash flows consisting only of capital and interest payments. Financial assets that do not meet the above conditions are classified as financial assets at fair value through profit or loss, with the exception of investments in equity instruments that are not held for trading and for which is selected to be measured at financial assets fair value through other comprehensive income on initial recognition.

The Group, after initial recognition, measures financial assets of this category at amortized cost using effective interest rate. These financial assets are subject to impairment in accordance with IFRS 9. Profit and loss are recognized in Statement of Income when the asset is derecognized, modified or impaired.

Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss, unless it is measured at amortized cost or at fair value through other comprehensive income.

Any financial asset whose contractual terms do not result in specific cash flow dates that are only capital and interest payments on the outstanding initial capital are classified by the Group at fair value through profit or loss (unless it is an investment in an equity instrument that is classified at fair value through other comprehensive income).

Since the option to determine a financial asset at fair value at its initial recognition is irrevocable, if a financial asset is designated as at fair value through profit or loss on initial recognition, the Group does not reclassify it as measured at amortized cost or fair value through other comprehensive income in case the business model changes.

Financial assets measured at fair value through profit or loss are transferred to the statement of financial position at their fair value, and changes in fair value between reporting dates are recorded in the Statement of Income. Financial assets measured at fair value through profit or loss are not subject to impairment.

Impairment of Financial Assets

Group assesses at each reporting date whether the value of a financial asset or group of financial assets has been impaired in accordance with provisions of IFRS 9.

The Group has adopted the expected credit losses model for each of the abovementioned asset categories.

- Trade Receivables from the sale of electricity to customers
- Trade Receivables from intercompany transactions
- Other financial assets measured at amortized cost.
- Contract assets

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

De-recognition of financial assets

Financial receivables (or, where applicable a part of a financial receivable or part of a group of similar financial receivables) are derecognized when: (1) the rights to receive cash flows from the asset have expired, (2) The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement and (3) The Group has transferred the right to receive cash from that asset while either: (a) has transferred substantially all the risks and rewards of the assets, or (b) has not transferred substantially all the risks and rewards but has transferred control of that asset. Where the Group has transferred the rights to receive cash inflows from that asset but has not transferred substantially all the risks and rewards or control of that asset, then the asset is recognized to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of consideration that the Group could be required to pay.

Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option) on the transferred asset, the extent of the Group’s continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option on an asset measured at fair value, where the extent of the Parent Company’s/Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

In the event that the evaluation refers to securitization transactions, the Company applying the aforementioned derecognition criteria, takes into account the structure of the transaction including its exposure to the subordinated bonds issued, allowances to the special purpose vehicles, as well as the terms and conditions of the securitization agreements, under which the Company could retain control over the securitized receivables.

Financial liability from NCI put option

According to IAS 32, the Group recognizes these written put option commitments as a "Financial liability from NCI put option" in the Statement of Financial Position with equal recognition of "Other Reserves" in equity. The "Non-controlling interests" related with the above financial liability are recognized in equity according to IFRS 10, while the Group chose their full recognition on the date of initial recognition.

The above financial liability is initially recognized at the present value of the redemption amount. Subsequent changes in the value of the financial liability resulting from the remeasurement of the present value of the amount payable upon the exercise of the non-controlling interest, are recognized in the Income Statement in the results attributable to Company's shareholders and not in the results attributable to the non-controlling interests.

In the case of exercise of the Put Option (sale) on maturity, the financial liability is de-recognized with the amount paid by the Group to acquire the shares of the subsidiary. Whereas if the Put Option (sale) expires without being exercised, the financial liability is de-recognized in other reserves in equity, which have been established on its initial recognition.

On Parent Company level, the Put Option (sale) on subsidiary’s shares is treated as a derivative financial instrument and as its exercise price is at fair value of the shares, the Put Option (sale) on shares has no value.

Trade Receivables from the sale of electricity to customers

The Group and the Parent Company apply the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at the amount of the expected credit losses over the lifetime of trade receivables. More specifically, in Greece:

Regarding the receivables of High Voltage (HV) customers from the sale of energy, the Group and the Parent Company (due to the individual characteristics of each client and its credit behavior) evaluate the expected credit loss from each customer individually.

Regarding the receivables from Medium Voltage (MV) and Low Voltage (LV) customers from the sale of energy, the Group and the Parent Company, considering these contracts as sharing similar characteristics, classified them into four distinct portfolios (Medium Voltage and Low Voltage receivables from public sector, Medium Voltage receivables from non- public sector, Low Voltage receivables from non- public sector in settlement, Low Voltage

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

receivables from non- public sector without settlement) and in order to estimate the expected credit losses, use credit loss provision tables based on the maturity of their balances, following the historical data of the Group and the Parent Company for credit losses and adjusting appropriately for future events and the economic environment. For the four distinct portfolios, the Group and the Parent Company determine the probability of default for all time zones of receivables aging.

Additionally, on June 30, 2023, the Group's and the Parent Company's assessment on calculating the expected credit loss for Low Voltage receivables from non- public sector in settlement, was revised. In particular, the Group and the Parent company classified them in a distinct portfolio. This revision was carried out by examining the effectiveness of the non- public sector Low Voltage customer debt settlement program and the service rate of settled debts.
From the change in this accounting estimate, the estimate of the expected credit loss for the total of trade receivables arising from energy sales amounts to € 2,443.7 billion on December 31, 2023. If revised way of calculating the expected credit loss of the settled debts of non- public sector Low Voltage customers had not been applied, the estimate of the expected credit loss would have been increased by the amount of € 44.5 million.
Since the parameters considered for estimating the expected credit loss on receivables from non- public sector of Low Voltage customers in settlement are affected by various factors, it is not possible to accurately determine the impact of the change in this accounting estimate on the amount of future estimated expected credit loss.

In Romania, depending on the size of the customer and the credit risk information available, the evaluation of the expected credit loss is performed on:

- individual basis, if receivables are significant in value.
- collective basis, for which trade receivables are grouped based on common credit risk characteristics (clustering) and the probability of defaults is calculated for all time zones of receivables aging, taking into consideration historical data and other information.

Customers' contributions

Consumers or producers connected to the distribution network are required to participate in the initial cost of connecting to the network (meters, lines, substations, etc.) or other types of infrastructure by paying institutionally fixed amounts of money or by contributing property, plant and equipment (extremely rare cases). In the event that a customer leaves a facility and a new customer enters, then the new customer is not obliged to pay for a new contribution.

Customer's contributions refer to the initial and continuous connection to the distribution network which is a separate service from the sale of electricity. The promised service is the only one undertaken by the distribution companies and this transaction is considered a separate contractual obligation. Therefore, revenue from customers' contributions is recognized during the transfer of the service to the customer. As the contract with the customer is not of a specific duration, income is recognized on the basis of the remaining useful life of distribution network's property, plant and equipment (35 years for Greece). For Romania, the distribution companies provide their service to customers based on concession agreements with the Ministry of Energy, and income is recognized based on the remaining duration of those agreements (31-32 years).
Customers' contributions are classified as "Long – term contract liabilities". As the cash flows from customers' contributions relate to the operating activities of the Group and the Parent Company, are shown in the cash flows from operating activities in the Cash Flow Statement.

Payments in advance against electricity consumption paid by customers at the time of signing the electricity supply contract.

By signing the electricity supply contract, the customer is required to pay an advance - a guarantee against future electricity consumption. This amount is not refunded to the customer but is offset by the amount of the last clearing bill following the request for suspension of electricity supply to the customer. Considering that these amounts are settled in a period over 12 months, the Group and Parent Company classified them as "Long – term Contract Liabilities".

Other financial assets measured at amortized cost

For the other financial assets of the Group and the Parent Company, measured at amortized cost, the general approach is used. These financial assets are considered as having low credit risk and any provision for loss is limited to the expected credit losses of the next 12 months from the respective reporting date.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories include materials and consumables, spare parts, lignite, liquid fuel and green certificates. Provision for slow moving or obsolete materials and consumables is established if necessary.

- ***Materials and consumables***
  Materials and consumables are stated at the lower of cost or net realizable value, which takes under consideration the net realizable value of the finished product in which they are incorporated. The cost is determined using the weighted average method. These materials are recorded in inventory when purchased and then are expensed or capitalized upon use.

- ***Lignite (self-produced and purchased)***
  The cost of lignite inventories which have been excavated / purchased but not yet consumed at the balance sheet date is stated at the balance sheet. Lignite inventories are stated at the lower of production cost / purchase cost and net realizable value, which takes under consideration the net realizable value of the finished product in which they are incorporated with the cost being determined by using the weighted average production / purchase cost method. Production / purchase cost mainly consists of expenses incurred in order for lignite inventories to be used for electricity generation.

- ***Liquid fuels***
  Liquid fuel is stated at the lower of cost and net realisable value which takes under consideration the net realisable value of the finished product in which it is incorporated. The cost of liquid fuel reflects purchase price plus any taxes (excluding VAT), levies and any other type of expense for the fuel to be stored in the Group warehouses and determined using the weighted average method. Liquid fuels are expensed on consumption and appear separately in the Statement of Income.

- ***Green certificates***
  The green certificates that the Group and the Parent Company receive from the competent authority as a certification of the energy produced by the RES Units are free of charge (zero value). These certificates represent goods held for sale in the ordinary course of business and are recognized in the Group's and Parent Company's inventories at the lower value between their cost and their net realizable value.

Cash and cash equivalents

The Group considers time deposits and other highly liquid investments with original maturity of three months or less and they are used to cover short-term cash needs, to be cash equivalents.

Share capital

Share capital reflects the value of the Parent Company’s shares that are fully issued and in circulation. Any proceeds in excess of par value are recorded in share premium in equity. Expenses related directly to new shares issuance are recognized directly to Equity net of proceeds.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the Statement of Income on the purchase, sale, issue or cancellation of the Group’s own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium.

Equity settled benefits

The Group provides to the executives of PPC S.A. and PPC Renewables S.A. remuneration in the form of share based payments, whereby executives render their services as consideration equity instruments. The cost of equity-settled transactions is determined by the fair value at the grant date by using an appropriate valuation model.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

That cost is recognized in the Payroll Cost of the Statement of Income, together with a corresponding increase in equity (other reserves), over the period in which the service is rendered (the vesting period). The cumulative expense recognized for equity- settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Non- market conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. In the contrary, market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associate service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/ or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

In each reporting date, the Group revises its estimates for the number of equity instruments that will ultimately vest. It recognizes the effect from the revision of its initial estimates, if it exists, in the Statement of Income with a corresponding adjustment of its equity.

De-recognition of financial liabilities

Financial liabilities are derecognized when the obligation under the liability is discontinued, cancelled or expires. In the event that an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet only when the Group has the legally enforceable right to set off the recognized amounts and intends to either settle such asset and liability on a net basis or claim the asset and settle the liability at the same time.

Interest bearing loans and borrowings

All loans and borrowings are initially recognized at cost, which reflects the fair value of the amount received less the cost of borrowing. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method. For the calculation of amortized cost, all types of borrowing and issue costs are taken into account.

Provisions for Risks and Expenses, Contingent Liabilities and Contingent Claims

Provisions are recognised when the Group has present legal, contractual or constructive obligations as a result of past events and it is probable that they will be cleared through outflows of resources and the estimate of the exact amount of the liability can be reliably made. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expense expected to be required to settle the liability. Contingent liabilities are not recognised in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is minimal.
Contingent claims are not recognised in the financial statements but are disclosed when the inflow of economic benefits is probable.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Post-retirement benefits

a) The Group provides to employees and pensioners electricity at a reduced tariff. The reduced invoice to pensioners is recognized as a liability and is calculated as the present value of future retirement benefits deemed accrued by the end of the year on the basis of the rights of employees accumulated during their service and are calculated on the basis of economic and actuarial models on the basis of economic and actuarial assumptions.

b) PPC and its subsidiaries in Greece pay, in accordance with Law 4533/2018 (OG A' 7527/4/2018), a severance payment, which may not exceed € 15 (fifteen thousand Euro) to insured persons who leave due to termination of the employment contract, or because the insured employees reached the age limit or due to another reason for leaving according to the provisions of the law. The retirement indemnity plan ,due to retirement from the company, in Romania is based on years of service in accordance with local law and meets the criteria of 2021 IFRIC agenda decision since it provides a benefit which does not increase after 15 or 25 years of service (depending on the Group entity). Therefore, the retirement benefit obligation is attributed over the last 15 or 25 years before retirement.

c) All entities in Romania offer to their employees jubilee premiums for continuous service, the amount of which depends on the continuous years of service in the company.

All the above programs are defined benefit plans. The liability recognized in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period. These obligations are calculated annually by independent actuaries using the Projected Unit Credit Method. The discount rate used is the yield of high quality European bonds with maturity that approximates the term of the related obligation. The current service cost of the defined benefit plan, recognized in the income statement in personnel costs, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the income statement. Actuarial gains or losses are recognized directly in other comprehensive income in the period in which they occur and are not reclassified to income statement in a subsequent period. The post- retirement benefit liability is not funded.

Defined contribution plans

The Parent Company and the Group recognize as an expense the contribution for the employees' services payable to Social Security Institution (defined contribution plans) and as a liability the amount that has not been paid yet. At retirement, the pension fund is responsible for paying pension benefits to retirees.

Subsidies for property, plant and equipment

The Group receives grants from the Greek State and the European Union in order to finance specific projects that are executed within certain time periods. Subsidies are accounted for when they are collected and are distinctly shown in the balance sheet as non-current liabilities. Amortization is recognized based on the remaining useful life of the related assets and is included in depreciation in the Income Statement.

Derivative financial instruments and hedging

1.1 Derivative financial instruments

Derivative financial instruments are recognised as financial assets or financial liabilities and measured at fair value through profit and loss, both at their initial recognition and subsequently, regardless of the purpose of the transaction, unless they are designated in an effective cash flow hedging relationship.

Gains or losses arising on the valuation of derivative financial instruments are recognized in the income statement in "Other income" / "other expenses" for derivatives on commodities, in "Financial expenses" for derivatives on interest rate and other than those designated as hedges and other than those held for compliance purposes (energy short positions in the derivative energy market) as follows, which are recognized in the Income Statement in "Energy Purchases" together with changes in the fair value of any derivative financial instruments that hedge the specific items.

As of 31 December 2023, the Group and the Parent Company had entered into derivative financial contracts for: a) cash flow hedging from fluctuations in electricity prices, fuel prices and interest rates b) conducting for trading purposes transactions i c) compliance with the antitrust rules of the European Union due to PPC's exclusive access to lignite power generation. The fair value of derivatives is obtained from stock market prices, if available, or based on valuation techniques, that use largely unobservable data.

1.2 Power Purchase Agreements

The Group and the Parent Company review the power purchase agreements (PPAs) and if they do not comply with, the requirements of IFRS 10, IFRS 11 or IAS 28, for the existence of control over one or more assets or jointed control or significant influence by the counterparty over one or more assets that produce the sold energy, or the requirements of IFRS 16 for the recognition of a lease are not met, but comply with the definition of a derivative under IFRS 9, are accounted for as derivative financial instruments to the extent that the criteria for exemption from IFRS 9 as own-use contracts are not met.

Therefore, the contracts for delivery of non -financial assets in accordance with the expected sales/purchases of the Group and the Parent Company that meet the criteria for exemption from IFRS 9, are not accounted for as derivative financial instruments, but as executory contracts.

Power purchase agreements without physical delivery of energy, which also include the sale of guarantees of origin of energy, are examined in terms of meeting the criteria for exemption from the scope of IFRS 9 as contracts for own use/ executory contracts for the sale of guarantees of origin, while the exchange mechanism of energy price is examined as to whether it meets the definition of an embedded derivative under IFRS 9.

If the own use contracts contain embedded derivatives, the embedded derivatives are accounted for separately from the host contract at fair value through profit and loss, as far as the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract.

For the power purchase agreements that comply with the recognition criteria of IFRS 9 as derivative financial instruments, their fair value is determined based on valuation techniques of unobservable data. In case that, at the initial recognition of the derivative, the Group and the Parent company conclude that the price is different from the fair value as defined by IFRS 13, then the valuation technique is recalibrated, so that the value of the transaction on the day of initial recognition to approximate the fair value.

In cases where derivatives resulting from electricity purchase and sale contracts represent embedded derivatives, in accordance with IFRS 9 upon separation they are always recognized at a value equal to zero.

The subsequent recognition of the change in the fair value of derivative financial instruments is recorded either in the Income Statement when the transaction is carried out for speculative purposes or in the Statement of Comprehensive Income when the transaction is carried out for cash flow hedge accounting purposes, to the extent that it is effective.

1.3 Hedge Accounting

The Group and the Parent Company apply hedge accounting if the following criteria are met:

- the hedging relationship includes only eligible hedging instruments and eligible hedged items
- at the commencement of the hedging relationship there is a formal identification and documentation of the hedging relationship and the objective of the entity's risk management and its hedging strategy
-the hedging ratio meets all of the following effectiveness requirements:
(i) there is an economic relationship between the hedged item and the hedging instrument
(ii) the effect of credit risk does not outweigh the changes in value resulting from that economic relationship; and
(iii) the hedging ratio of the hedging relationship is the same as the amount of the hedged item actually offset by the entity and the amount of the hedging instrument that the entity actually uses to offset that amount of the hedged item.

For the purpose of hedge accounting, hedges are classified either as fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or with a future transaction which is considered highly probable to occur.

Cash flow hedges

The Group and the Parent Company use derivative financial instruments (futures contracts and swaps) in order to hedge the risks arising from fluctuations in electricity and gas prices. To hedge the fluctuations of cash flows related

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

to future transactions (purchases / sales of electricity and gas) and have been recognized as hedged items, the Management of the Group and the Parent Company evaluates and documents that they represent highly probable transactions and reflect the net exposure of the Group and the Parent Company in changes in their cash flows and affect their results during the period in which they will take place.

Gains or losses relating to the effective part of the hedging arising from changes in the fair value of the derivative financial instrument are recognized in Equity in a reserve, while the ineffective part of the hedging is recorded directly in the Income Statementin "Other income" / "other expenses" . The (gains) / losses from hedging transactions are

transferred from the reserve to the Income Statement on "Electricity Purchases" and "Natural Gas" during the period when the hedged item affects the profits or losses of the Group and the Parent Company.

In cases of hedging of probable future transactions, which result in the recognition of a non-monetary item (eg, stock) or liability, gains or losses recognized in Equity are transferred to the acquisition cost of the resulting non-financial asset.

The total fair value of a derivative instrument designated as a hedging instrument is classified as non-current asset or long-term liability if the remaining period of the maturity of the hedged item is longer than 12 months and as current assets or current liabilities if the remaining period of the maturity of the hedged item is less than 12 months.

Effectiveness test

The Group and the Parent Company evaluate at the inception of the transaction, on a continuous basis and definitely during the preparation of the interim and annual financial statements, whether the hedging instruments are effective in order to hedge the changes in the cash flows of the hedged items.

Management of the Group and the Parent Company evaluates the effectiveness of the hedge accounting based on the existence of a financial correlation between the hedged item and the hedging instrument, the effect of credit risk on price changes and the hedging ratio as well as through quantitative and qualitative criteria depending on the characteristics of the hedging instrument and the hedged item.

Hedge accounting discontinuation

The Group and the Parent Company terminate the hedge accounting only when the hedging relationship ceases to meet the application criteria, taking into account any balancing actions (change in the amount of the hedged instrument or change in the amount of the hedged item).When a hedging instrument expires or is sold, or when a hedging relationship no longer meets the accounting hedging criteria, accumulated gains or losses remain as a reserve and are carried in the Income Statement at the time the hedged item affects gain or losses.
In the event of hedging a possible future transaction that is no longer expected to occur, the gains or losses accumulated in Equity are transferred directly to the Income Statement.

Income taxes (current and deferred)

Current Income Taxes

Current income tax expense consists of income taxes for the current year based on the Parent Company's profits and the profits of the other companies of the Group as adjusted in their tax returns and, provisions for additional income taxes and increments arising from unaudited tax years and is calculated by using the enacted or substantively enacted tax rates at the balance sheet date.

Deferred Income Taxes

Deferred income tax is calculated, using the liability method, on all temporary differences at the balance sheet date between the tax base and the book value of assets and liabilities. Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from initial recognition of goodwill or of an asset or of a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Deferred tax assets are recognized for all deductible temporary differences carried forward as well as unused tax credits and unused tax losses, to the extent that it is possible that taxable profit will be available against the deductible temporary differences and the carried forward of unused tax credits and unused tax losses can be utilized. No deferred income tax asset is recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are reassessed at each balance sheet date and are reduced at the time where it is not considered possible that enough taxable profits will appear against which, a part or the total of assets can be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to be in force in the year when the asset is recovered or the liability is settled, based on tax rates (and tax laws) that are in force or substantively enacted at the balance sheet date.

Income tax relating to items recognized directly in other comprehensive income is recorded in other comprehensive income and not in the Statement of Income.

Revenue recognition

Revenue from the sale of electricity to customers

The Group and the Parent Company are active in the supply of electricity to high, medium and low voltage customers through the Operations electricity Supply Sector and in the provision of electricity distribution services. Given the particular characteristics of electricity, the Group and the Parent Company consider that when their customers buy electricity simultaneously receive and use the benefits on an ongoing basis resulting from the sale of electricity as the Parent Company fulfills its contractual obligations.

For this reason, revenue recognition (as long as the collection of the total amounts is considered probable) is based on metering data or on estimation of electricity consumed.

The Group and the Parent Company also assess whether they have the role of principal or agent in any relevant agreement. The Group's and the Parent Company's assessment is that they have the role of principal in all of its sales transactions, excluding transaction that involve municipality taxes and taxes that are acting as agents.

If the price agreed under the contract also includes a variable portion, this amount is recognized as revenue to the extent that it is unlikely to be reversed in the future.

Contract Assets

At each reporting date and taking into account that the invoicing based on the measurement data of the last month of the period is issued during the first days of the following month, as far as High and Medium Voltage customers are concerned, the total value of electricity provided that month is recognized as accrued revenue for the period, and is reversed in the following month, after billing has already been recorded in books. These accruals at the end of each reporting period are classified as “Contract Assets”.

Additionally, at each reporting date, the Group and the Parent Company estimates the value of the energy consumed but not yet billed from Low Voltage customers, since it has developed an estimation method especially for doing so. The estimated values are recorded as income receivable for periods ending on the reporting date and are reversed during the following month. Those accruals are also classified as "Contract Assets” at the end of each reporting period.

Contract Liabilities

If the customer pays a fee, or the Group reserves an unconditional right to a sum of money, before the Group transfers the goods or services to the customer, it classified the contract as a contract liability to the customer, either when the payment is made or when it becomes chargeable (whichever comes first).

(All amounts in thousands of Euro, unless otherwise stated)

4.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

For the Group and the Parent Company, contract liabilities come mainly from:

- Customers' contibutions
- Payments in advance against electricity consumption paid by customers at the time of signing the electricity supply contract
- Prepayments paid by customers against future consumption of electricity

Distribution network revenues

Group considers that when their customers use and benefit from the distribution network simultaneously the Group fulfills its contractual obligation to them. Distribution network revenues are recognised when customers use the distribution network based on metering data (either by digital meters, or meter-reading crews, or on estimation of electricity consumed) and by applying the approved tarriff from regulators.

Distribution network revenues are regulated based on cost-plus system and any over or under recovery of costs is adjusted in the customers future tariffs.

As such, If revenue earned based on actual metering exceeds the annual amount as approved by the regulator, an adjustment will be made to future tariffs to reflect this over recovery. No liability is recognized for the over recovery since this adjustment relates to the provision of future service. If revenue earned based on actual metering is lower than the annual amount as approved by the regulator, no asset is recognized. The relevant under recovery is recognized in the Income Statement, in the year that the customer tariffs will be adjusted, according to regulator's decision.

Interest income

Interest income is recognized on an accrual basis.

Dividend income

Dividend income is recognized when it has been approved by the relevant authority of the company that distributes it.

Energy purchases

Energy purchases are expensed as purchased and presented separately in the Statement of Income.

Earnings/ (Losses) per share

Basic earnings per share are computed by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares outstanding during each year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time-weighting factor. Diluted earnings per share are computed by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares outstanding during the year adjusted for the impact of share-based payments.

Subsequent events

Subsequent events that provide additional information about events or circumstances that existed at the balance sheet date and meet their recognition criteria, are reflected in the financial statements. Otherwise, they are disclosed in the notes of the financial statements.

Operating Segment

The operating segments of activity are defined based on the Group's structure and business activities, as reviewed by those responsible for evaluating the Group's performance and making financial decisions. The information of functional areas of activity that are not separate areas for reporting are collected and displayed in a category entitled "Other". The accounting policies of the business areas are the same as those followed in the preparation of the financial statements.

(All amounts in thousands of Euro, unless otherwise stated)

5. DISCONTINUED OPERATIONS (DISTRIBUTION NETWORK)

On December 15 2020, PPC's Board of Directors decided the approval and publication of Invitation to submit an Expression of Interest (EoI) for the sale of a minority stake of PPC's participation in its 100% subsidiary HEDNO, and thus proceeded to an Invitation announcement in its website, according to which investors should express their interest until January 29, 2021, which date was extended to February 19, 2021.

On September 3, 2021, after the completion of the tender process for the sale of 49% of the share capital of HEDNO SA, 4 binding offers were submitted. The inspection of the technical files of the submitted bids by the competent services of PPC SA was completed on September 10, 2021. Spear WTE Investments Sarl, a member of Macquarie Infrastructure and Real Assets Group ("MIRA"), was the investor that submitted the highest bid, with an offer of € 1,312 million for the acquisition of 49% of the share capital of HEDNO S.A.

On October 19, 2021, the Extraordinary General Meeting of PPC's Shareholders approved the sale of 49% of its participation in HEDNO to Macquarie Asset Management and on October 20, 2021 reached on an agreement with it.

For the completion of this transaction, a spin-off of PPC's Distribution network branch and contribution to its 100% subsidiary HEDNO took place. On November 30, 2021 ("spin-off date") the decision (2538559AP 30/11/2021) of the General Secretariat of Commerce and Consumer Protection was registered in the General Commercial Register (G.C.R.) which approved the spin-off of the Distribution Network branch of PPC and its contribution to the 100% subsidiary of HEDNO S.A. in exchange of shares based on the provisions of Law 1297/1972 on Provisions of tax incentive for business on merge and alteration, to corporate Law 4548/2018 of société anonyms and to Law 4601/2019 on Corporate Restructure. Specific matters for this Hive Down are regulated by article 129 (Corporate transformation of PPC SA - Addition of article 123A and amendment of articles 122 and 124 of law 4001/2011) of Law 4819/2021 (OG A ' 129 / 23-07-2021).

An additional requirement for the completion of the sale transaction was the approval of the new terms of the existing loan agreements contributed to HEDNO, which was achieved until February 28, 2022, the date when the sale of 49% of PPC's shareholding in HEDNO was completed to Macquarie Asset Management.

Specifically, on the above date PPC received € 1,320 million for the acquisition of the aforementioned percentage by Macquarie Asset Management through MSCIF DYNAMI BIDCO Soleshareholder S.A. The offer price has been adjusted to reflect the estimated change in the Net Asset Value of HEDNO until 28.2.2022, in accordance with the terms of the Share Purchase Agreement, while it became final in June 2022 based on the Actual Net Assets of HEDNO with reference date 28.02.2022, in which it received an additional consideration of €2.8 million.

The result from the sale of 49% in the investment of PPC in HEDNO, which was recognized in the financial statements of the Parent Company on February 28, 2022, the date that the conditions for the sale of the shareholding were met, amounted to €790 million and is analyzed as follows (amounts in euro):

Cash consideration on 28.02.2022	1,320,440,513
Additional cash consideration in June 2022	2,835,887
minus: 49% of the carrying value of the shareholding on HEDNO	(525,868,389)
minus: transaction costs	(7,387,500)
Gain from the partial sale of the investment in HEDNO	**790,020,511**

The transfer to Macquarie Asset Management of 49% of PPC's stake in HEDNO with minority shareholder rights does not affect PPC's control over its subsidiary under IFRS 10. On Group level, on February 28, 2022 Non-controlling interest was recognized in the consolidated Financial Statement amounting to € 637.2 million corresponding to 49% of HEDNO's net assets attributed to minority interests, while the gain from the partial sale of the investment in HEDNO amounted to € 675.8 million including transaction costs (to € 678.6 million including the additional cash consideration in June 2022) and was included directly in the equity of the Group according to the provisions of IFRS10.

In addition, the Shareholders Agreement includes a written Put Option (sale) to Parent Company under certain conditions, of the shares acquired by Macquarie Asset Management to HEDNO, after 8 years and within 6 months from the date of the sale of 49% of the shareholding in HEDNO with exercise price at fair value. On February 28, 2022 a valuation of this liability was conducted and on Group level, a financial liability of € 1,410,833 was recognized, with an equivalent amount recorded directly in other reserves. On December 31, 2022, the financial liability increased by the financial cost and amounted to €1,420,017. Respectively, on December 31, 2023, the financial liability amounted to €1,431,001 following the recognition of financial cost amounted to €10.9 million.

(All amounts in thousands of Euro, unless otherwise stated)

5. DISCONTINUED OPERATIONS (DISTRIBUTION NETWORK) (CONTINUED)

In the separate financial statements of the Parent Company, the Put Option (sale) with exercise price at fair value was treated as a derivative financial instrument and as its exercise price is the fair value of the shares, the Put Option (sale) on shares has no value. Furthermore, to note that the gain from the sale of 49% on HEDNO's shareholding is free of income tax.
Finally, on June 9, 2023, the General Assembly of HEDNO S.A. decided to distribute a dividend for the year ended on December 31, 2022 in the amount of €85 million, of which €41.65 million were allocated to the minority shareholders, which were paid to them on June 21, 2023.

In the Parent Company's financial statements, the dividend received by PPC on June 21, 2023 in the amount of € 43.35 million is included in financial income.

The Board of Directors of HEDNO with Decision no. 27/28.09.2023 distributed an interim dividend related to the results of the financial year 2023 amounting to € 42,500. With this collection, the Parent Company recognized an amount of € 21,675 in accrued and other liabilities until its approval by the General Meeting of the Subsidiary. The Group has a claim in the amount of €20,825 (Note 25) which corresponds to the Minority which has been recognized in other receivables.

5.1. ABSORPTION OF LIGNITE SUBSIDIARIES

On June 1, 2022 ("absorption date"), the decision (2635846 AP1/06/2022) was registered in the General Commercial Register (G.C.R.) of the General Secretariat of Commerce and Consumer Protection, approving the merger of PPC S.A. with the absorption of 100% of the subsidiaries of Lignitiki Megalopolis S.A. and Lignitiki Melitis SA, in accordance with the provisions of articles 6-53 of Law 4601/2019, articles 48-49 of Law 4843/2021, Law 4172/2013, Law 4548/2018, the Valuation reports of the Certified Auditors dated 23.02.2022 and as well as with the Notarial deed no. 21.853.

The date of the absorption of the two lignite subsidiaries was set on November 30, 2021, the date on which the valuation of their Net Assets was carried out. The merger is considered completed on the date on which the relevant approval decision is made public in G.C.R. As mentioned in the Merger Deed with absorption, all deeds and transactions carried out from the reference date (November 30, 2021) until the date of the absorption (June 1, 2022) benefit and borne exclusively the lignite subsidiaries.

Therefore, the results of the interim period remained in the lignite subsidiaries, while the Assets and Liabilities on June 1, 2022 were transferred to PPC S.A.

The transaction at the level of separate financial statements is an exchange of the shares held by PPC in its 100% subsidiaries, with their net assets. The carrying values of the net assets of lignite subsidiaries constitute the acquisition cost of the net assets for the Parent Company. On Group level, the merger by absorption of the lignite subsidiaries is a transaction between related parties without commercial substance and therefore has no effect on the Group's consolidated financial statements.

(All amounts in thousands of Euro, unless otherwise stated)

5.1. ABSORPTION OF LIGNITE SUBSIDIARIES (CONTINUED)

The net assets absorbed by PPC on June 1, 2022 from the lignite subsidiaries were as follows:

	01.06.2022
Non-Current Assets	
Property, plant and equipment, net	33,384
Intangible assets, net	7
Other non- current assets	1,097
	34,488
Current Assets	
Inventories	35,055
Trade receivables	594
Other receivables	12,457
Cash and cash equivalents	69,201
	117,307
Total Assets	**151,795**
Total Equity	
Revaluation surplus	71,265
Other Reserves (actuarial gain or loss reserves)	4,446
Retained earnings	(13,099)
	62,612
Non- current liabilities	
Post-retirement benefits	11,621
Provision for risks	5,608
Deferred tax liabilities	3,645
Subsidies of Property, plant and equipment	2,808
	23,682
Current liabilities	
Trade and other payables	48,596
Accrued and other current liabilities	16,905
	65,501
Total Equity and Liabilities	**151,795**

(All amounts in thousands of Euro, unless otherwise stated)

5.2. DISCONTINUED OPERATIONS (POST-LIGNITE EXPLOITATION OF THE CORE LIGNITE PHASE-OUT ZONES)

By Law 4956/2022 (OG A' 140/19.07.2022) the Programme Agreement was ratified and acquired the force of law on July 19, 2022 between the Greek State (Ministry of Development and Investments), the public interest company with the distinctive title METAVASI S.A. and PPC S.A., which provides for the spin-off of the branch Post-Lignite Exploitation of the Core Lignite Phase-out Zones of PPC (named “the branch”) to its newly established subsidiary METALIGNITIKI S.A. and then in the sale of its shares to METAVASI S.A.

The programme agreement provides, inter alia, for the possibility of assigning to PPC the implementation of the new land uses and upgrading of the transferred lands, which are included in the attached topographic diagrams, the terms and conditions for their upgrading, the obligations, the monitoring of the execution of the contract, issues regarding the content of the rehabilitation works to be made by PPC and any other works that will be required for the implementation of the new land uses according to specific urban plans, the method of calculating and covering PPC's management costs, as well as the method of transferring to the State the ownership of the underlying land owned by PPC.

In particular, the terms and conditions of the transfer of the shares, issues concerning the value of the transferred shares in relation to the value of the assets of METALIGNITIKI S.A., the payment of the consideration for the acquisition of the shares with resources from the Recovery and Resilience Fund program are regulated and defined.

PPC S.A. may continue the activity of lignite-fired power generation and lignite mining for as long as lignite activity is allowed on the lands in question under the National Energy and Climate Plan as in force from time to time.

The branch includes the rights of all kinds on the properties (approximately 97 km2) included in the land of the Mines of Amynteo, Ptolemaida, Klidiou (Florina) and Megalopolis as specified in the topographical diagrams of the Programme Agreement, while it does not include the existing rights to search for and exploit solid fossil fuels that have been granted to PPC, which remain to PPC, as well as all kinds of permits and approvals, which are related to the mining activity.

On October 4, 2022, PPC's Board of Directors approved the initiation of the spin-off procedures for the branch with a spin-off date of July 31, 2022, as well as the basic terms of the draft Share Purchase Agreement between PPC, METAVASI S.A. and the Greek State.

On March 30, 2023, the Extraordinary General Meeting of PPC’s Shareholders approved the spin-off of the branch with the establishment of a new entity and the Draft Demerger Plan including their appendixes.

The spin-off of the branch was completed on June 15, 2023 (decision G.E.MH. 2980019AP/15.06.2023) and its contribution to the 100% newly established subsidiary company METALIGNITIKI S.A. on June 16, 2023 with the establishment of the subsidiary (G.E.MH. 171168001000) in accordance with the provisions of Law 4872/2021 "Fair Developmental Transition, regulation of more specific de-lignitization issues and other urgent provisions", sanctioned by Law 4956 /2022 "Programme Agreement of par. 4 of article 155 of Law 4759/2020", of corporate Law 4548/2018 for anonyme sociate companies, Law 4601/2019 on Corporate Transformations and Tax Law 4172/2013.

On June 16, 2023, the share capital of METALIGNITIKI S.A., as a result of the spin-off and contribution of the above branch, was formed in the amount of € 162,182,483 as determined by the 31.10.2022 Valuation Report of the net asset value of the above contributed branch of PPC with a corresponding recognition of the contributed Property, plants and equipment at their fair value.

The spin-off and contribution of the branch was treated in the financial statements of the Parent Company as a transaction between companies under common control with a commercial substance, given the subsequent sale of the shareholding. The shares received were recognized as the cost of the investment in the subsidiary on June 16, 2023 at a value equal to the fair value of the net assets contributed to METALIGNITIKI S.A. and the Parent Company recognized in the Income Statement "Gain from the spin-off of the Post-Lignite Exploitation branch" amounting to € 124.3 million and resulted as follows:

(All amounts in thousands of Euro, unless otherwise stated)

5.2. DISCONTINUED OPERATIONS (POST-LIGNITE EXPLOITATION OF THE CORE LIGNITE PHASE-OUT ZONES (CONTINUED)

	Balances at 15.06.2023
	Amounts in euro
Fair value of net assets contributed (Property, plant and equipment)	162,182,483
Minus: carrying value of transferred assets (Property, plant and equipment)	(20,623,239)
Minus: financial expenses from the initial discounting of the receivable	(17,264,958)
Gain from the spin-off of the Post-Lignite Exploitation branch	**124,294,286**

The fair value of the net assets (property, plant and equipment) contributed differs from their carrying value, as it has taken into account the valuation at fair value of property, plant and equipment based on the new use of land by the Greek State. At Group level, the spin-off had no effect on the Group's consolidated financial statements as it is a transaction between related parties.

On June 29, 2023, the transfer was completed and the sale of the shares of the 100% subsidiary METALIGNITIKI S.A. was completed to METAVASI S.A. in accordance with the Share Purchase Agreement for a consideration of €162.2 million, which is equal to the value of the spin-off branch. As a result, the Group lost control of the subsidiary and recognized in the Income Statement "Gain from the sale of subsidiary" amounting to €124.2 and in the Statement of Financial Position a Receivable from METAVASI S.A. of € 162.2 (€140 million after discounting) as the consideration for the sale of the shares of METALIGNITIKI S.A. On the same date, the Parent Company de-recognized the shareholding in the subsidiary METALIGNITIKI S.A. and recognized an equal amount of Receivable from METAVASI S.A.

The consideration for the sale of the shares will be paid gradually, assuming that METAVASI S.A. will be exclusively responsible to pay the invoices of the contractors and suppliers who will make the restoration works of the lands to be transferred, being a third party to the relevant PPC contracts. The handover of the restored lands from PPC to METAVASI S.A. it will be prefectural and with a landmark in August 2025, when their restoration work is expected to be completed.

The long-term portion of the discounted receivable from METAVASI S.A. is included in Other long-term Receivables and amounts to €91.8 million and the short-term portion of €48.2 million is included in Other Receivables of the Group and the Parent Company. From the calculation of the discount of the receivable, an amount of financial expenses of €17.2 million related to initial discounting was recognized which is included in Profit from the spin-off of the branch and an amount of €4.8 million which is included in financial expenses (Note 12).

Additionally, due to the classification of the contributed assets of the sector as Assets Held for Sale, the contributed assets were presented on December 31, 2022 separately in the statement of financial position in the short-term assets as "Assets Held for Sale".

From the date of classification as Assets Held for Sale, until June 16, 2023 for the Parent Company and June 29, 2023 for the Group, no depreciation was calculated for the contributed fixed assets as provided by IFRS 5.

If depreciation had been calculated, these would amount to €4 million for the period 01.08.2022-31.12.2022 and €0.2 million for the period 01.01.2023-29.06.2023 for the Group's fixed assets and the Parent Company.

Information for Assets Held for Sale

Management of the Group and the Parent Company classified on July 31, 2022 the value of the contributed assets and liabilities of the branch (fixed assets only) as assets Held for Sale as the value of the contributed assets was expected to be recovered from the proceeds of the transaction of the sale of 100% of the shares of the newly established subsidiary METALIGNITIKI S.A.
Pursuant to IFRS 5 para 15, before the classification on July 31, 2022 of the contributed net assets of the branch as Assets Held for Sale in the separate and consolidated financial statements, an impairment test was carried out, in order to be measured at the lower of their carrying amount and their recoverable amount, which was determined as the fair value less cost to sale. From the above valuation carried out on July 31, 2022, the carrying values of net assets were lower than their recoverable amount and therefore no adjustment was made.

(All amounts in thousands of Euro, unless otherwise stated)

6. OPERATING SEGMENTS

The following information refers to the segments regularly reviewed by the Executive Committee, which consists of the Chairman of the Board and CEO, the Deputy CEOs and the Group General Managers. The Executive Committee reviews the internal financial information reports to assess the Group's performance, in order to make decisions regarding the Group's resource allocation and strategic actions.

Due to the acquisition of 29 subsidiary companies by PPC in Romania on October 25, 2023 with similar activities to those in Greece (Distribution companies, Supply companies, Renewable Energy Sources, E-mobility and other supporting companies) and the internal restructuring of the Group due to this acquisition, the information by operating segments of the Group is now analyzed by activity and by geographical region (Greece, Romania, other countries).

Based on the data examined by the Executive Committee and quantitative criteria of IFRS 8, the following operating segments were identified:

- Production/ Supply sector which includes the activity of production from lignite units, oil stations, natural gas stations and RES, the activity of mining lignite to support the production and the activity of Supply in Greece and Romania.
- Distribution network sector includes the distribution activity in Greece and Romania.
- Other mainly include activities such as e-mobility, telecommunications and Administration.

	01.01.2023-31.12.2023					
Income Statement Items	**Production/Trading**	**Distribution Network**	**Other**	**Total**	**Net-offs /adjustments**	**Group Total**
Sales						
Total Sales	11,241,681	2,915,631	98,236	14,255,548	(6,568,781)	7,686,767
Expenses						
Financial Expenses, Financial Income, Depreciation, (Gains)/losses from associates and joint ventures, Provisions for impairment loss on assets, Gain from partial sale of Subsidiary, Foreign currency (Gains)/Losses	213,635	355,190	2,038	570,863	61,956	632,819
(Profits)/Losses before tax	(211,858)	(192,266)	5,317	(398,807)	(223,414)	(622,221)
Operating earnings before depreciation, amortization, impairment, net financial results and earnings from related parties (EBITDA)	425,493	547,456	(3,279)	969,670	285,370	1,255,039

(All amounts in thousands of Euro, unless otherwise stated)

6.OPERATING SEGMENTS (CONTINUED)

	01.01.2022-31.12.2022					
Income Statement Items	**Production/Trading**	**Distribution Network**	**Other**	**Total**	**Net-offs /adjustments**	**Group Total**
Sales						
Total Sales	17,187,948	2,311,808	318,119	19,817,875	(8,564,768)	11,253,107
Expenses						
Financial Expenses, Financial Income, Depreciation, (Gains)/losses from associates and joint ventures, Provisions for impairment loss on assets, Gain from partial sale of Subsidiary, Foreign currency (Gains)/Losses	(478,641)	348,689	(31,272)	(161,224)	838,512	677,288
(Profits)/Losses before tax	(773,768)	(25,534)	(81,770)	(881,072)	907,068	25,996
Operating earnings before depreciation, amortization, impairment, net financial results and earnings from related parties (EBITDA)	295,127	374,223	50,498	719,848	(68,556)	651,292

Balance Sheet Items	**Production/Trading**	**Distribution Network**	**Other**	**Total**	**Net-offs /adjustments**	**Group Total**
31/12/2023						
Total Assets	20,402,522	8,047,655	496,174	28,946,351	(5,095,247)	23,851,104
Total Liabilities	14,010,689	5,796,348	378,734	20,185,771	(1,692,634)	18,493,137
31/12/2022						
Total Assets	18,037,476	5,444,279	70,951	23,552,706	(4,025,491)	19,527,215
Total Liabilities	12,905,041	4,204,916	74,839	17,184,796	(2,337,451)	14,847,345

	Production/Trading	**Distribution Network**	**Other**	**Total**	**Net-offs /adjustments**	**Group Total**
31/12/2023						
Assets Additions	497,470	605,052	66,722	1,169,244	(1,188)	**1,168,056**
31/12/2022						
Assets Additions	353,788	312,312	20,110	686,211	-	**686,211**

We list the total sales and operating earnings before depreciation, amortization, net financial results and earnings from associates (EBITDA) of the Group in Greece, Romania, other foreign countries for 2023 and 2022.

(All amounts in thousands of Euro, unless otherwise stated)

6.OPERATING SEGMENTS (CONTINUED)

	Production/Trading	Distribution Network	Other	Total	Net-offs /adjustments	Group Total
31/12/2023						
Total Sales	9,481,935	502,947	80,075	10,064,957	(2,378,190)	**7,686,767**
Operating earnings before depreciation, amortization, impairment, net financial results and earnings from related parties (EBITDA)	1,188,826	73,448	(25)	1,262,249	(7,210)	**1,255,039**
31/12/2022						
Total Sales	13,207,404	-	118,960	13,326,364	(2,073,257)	**11,253,107**
Operating earnings before depreciation, amortization, impairment, net financial results and earnings from related parties (EBITDA)	667,622	-	(10,081)	657,541	(6,249)	**6,512,292**

The above figures in Romania concern the period from 26.10.2023 to 31.12.2023. If the Group had acquired the Activity in Romania (29 new subsidiaries Note 3.6) from 01.01.2023, its total revenues would amount to €2.7 billion. It was not possible to determine the profits before tax from 01.01.2023 for disclosure purposes, due to significant adjustments to harmonize accounting policies.

(All amounts in thousands of Euro, unless otherwise stated)

7. REVENUES

The revenues for the year 2023 and 2022 are analyzed in the following tables:

	Group		Company	
	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Revenues to Consumers:				
- High voltage	390,254	709,677	367,854	723,925
- Medium voltage	1,007,104	1,900,962	919,528	1,906,047
- Low voltage	4,945,352	8,064,845	4,640,382	8,064,902
- Renewable energy sources	65,816	37,235	-	-
- Revenues from e-mobility	692	-	576	-
	6,409,218	**10,712,719**	**5,928,340**	**10,694,874**
- Revenues from natural gas sales	58,558	4,920	20,771	4,945
	58,558	**4,920**	**20,771**	**4,945**
Other Revenues:				
- Customers' contributions	101,390	96,343	248	248
- Public Service Obligations	230,721	(138,903)	230,721	(138,903)
- Distribution network revenues	414,194	282,229	-	-
- Income from electricity sales from NII thermal units	382,732	232,521	382,732	232,521
- Income from photovoltaics in the roofs	2,109	-	2,109	-
- Income from services to customers	10,675	-	-	-
- Other	77,170	63,278	41,844	53,394
	1,218,991	**535,468**	**657,654**	**147,260**
Total	**7,686,767**	**11,253,107**	**6,606,765**	**10,847,079**

(All amounts in thousands of Euro, unless otherwise stated)

8. PAYROLL COST

	Group		Company	
	2023	2022	2023	2022
Payroll cost	682,847	633,947	387,915	354,076
Employer social contributions	156,503	152,442	93,971	88,553
Provision for personnel's severance payment (note 33)	23,226	50,476	9,496	49,194
Provision for supply of electricity at reduced tariffs (note 33)	(1,075)	(3,397)	(680)	(2,179)
Retrospective recovery of special benefits due to new CLA	-	6,593	-	6,593
Capitalized payroll cost	(91,183)	(66,762)	(8,490)	(10,710)
Free of charge stock awards (Note 21)	15,957	-	14,673	-
Utilization of the provision for restoration and dismantling of mines and mines	(4,121)	(4,745)	(4,121)	(4,745)
Total	**782,156**	**768,554**	**492,764**	**480,782**

9. ENERGY PURCHASES AND RELATED FEES

	Group		Company	
	2023	2022	2023	2022
DAS and deviations' settlement	1,736,732	4,253,743	1,522,515	4,404,677
Energy imports from abroad	43,237	11,834	23,201	13,684
Other domestic energy purchases	88,818	40,724	45,296	48,878
Purchase rights	4,052	(9,801)	4,220	(9,801)
Weighted variable cost of thermal units	1,210	-	1,210	-
Net charge for ancillary services	8,715	-	-	-
Incremental accounts	3,717	(2,859)	3,717	176
Hedging transactions (Note 46.1)	22,612	423,790	22,612	423,790
(Gain)/Loss from short positions due to lignite production (Note 46.3)	(5,224)	12,229	(5,224)	12,229
Periodic clearance of alternative suppliers	3,226	(33,578)	3,226	(33,578)
Other purchases	37,128	24,158	30,890	23,763
Total	**1,944,223**	**4,720,240**	**1,651,663**	**4,883,818**

The electricity purchases of the Group and the Parent Company on December 31, 2023 appear to be significantly decreased compared to 2022 mainly due to the decreased Market Clearing Prices (MTP).

Additionally, for the fiscal year ending on December 31, 2023, the Group includes in this fund the cost of energy purchases of the subsidiaries in Romania, which for the period 26.10.2023-31.12.2023 amounted to €279.9 million.

(All amounts in thousands of Euro, unless otherwise stated)

10. DEPRECIATION AND AMORTISATION

	Group		Company	
	2023	2022	2023	2022
Depreciation / Amortisation				
- Property, plant and equipment (Note 16)	614,636	610,923	261,052	284,832
- Intangible assets (Note 17)	18,126	8,960	6,633	5,534
- Right-of-use assets (Note 45)	48,006	33,426	37,026	25,038
- Transfer from subsidies (Note 35)	(8,663)	(12,929)	(6,107)	(9,257)
Total	**672,105**	**640,380**	**298,604**	**306,147**

For the year ended on December 31, 2023, the Group includes in this financial statement line item the depreciation of the subsidiaries in Romania, which for the period 26.10.2023-31.12.2023 amounted to €26.6 million.

11. EMISSION ALLOWANCES (CO_2)

In October and November 2020, new CO_2 emission licenses were issued, for the 4th implementation phase of the European Union Emissions Trading System (EU ETS) from January 1, 2021 to December 31, 2030. As of December 31, 2023, 30 emission licenses are in force for Parent Company's bound facilities.

On 31.03.2023, the verification of the annual emissions reports for the 30 bound plants of Parent Company for 2022 by accredited third party verifiers was completed and the reports were promptly submitted to the Competent Authority, according to the current legislation. The total verified CO_2 emissions for 2022 amounted to 14.81 Mt including the facilities of ex lignite subsidiaries.

According to the current European and National legislation, during the 4th implementation phase of the EU-ETS (period 2021- 2030), PPC is not entitled to free allocation of emission allowances for its bound stations, with the partial exception of allowances allocated for emissions corresponding to the generation of thermal power for district heating. During the 2023, about 13 thousand emission allowances were allocated to PPC free of charge, corresponding to generation of thermal power for district heating.

Based on provisional ex-post data, the CO_2 emissions of the Company's bound plants for the period 01.01.2023 – 31.12.2023 amount to 9.73 million tons. Consequently, the total CO_2 emissions allowances that PPC will have to surrender for compliance purposes for the period 01.01.2023 – 31.12.2023 are estimated at 9.73 million tons.

It is noted that CO_2 emissions of 2023 will be considered final by the end of March 2024, when the verification of the annual emissions reports by accredited third party verifiers will be completed.

Emission allowances (CO_2) are presented in the following table:

	Group		Company	
	2023	2022	2023	2022
Cover of emissions from purchased EUAS	826,136	1,037,499	826,136	963,809
Managing costs	73	46	73	46
Total	**826,209**	**1,037,545**	**826,209**	**963,855**

In the Income Statement "emission allowances", the amount of € 826,209 concerns consumption of purchased EUAS as well as their managing costs. In note 17, the amount of € 826,136 concerns consumption without managing costs. In addition, the movement of intangible emission allowances is presented in this specific note.

(All amounts in thousands of Euro, unless otherwise stated)

12. FINANCIAL EXPENSES

	Group		Company	
	2023	**2022**	**2023**	**2022**
Interest expenses	172,065	127,424	131,150	98,972
Bank charges	16,116	12,710	2,350	8,806
Amortization of loans' issuance costs	11,101	6,527	10,896	6,440
Finance cost on right-of-use assets (Note 45)	8,381	6,719	6,525	5,385
Commissions on letter of guarantee	24,022	23,606	5,726	6,137
Financial costs for the provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration (Note 34)	34,143	33,024	33,103	32,898
Loss from modification of terms of loan agreements (Note 32)	-	7,365	-	7,365
Securitization interest expenses and other costs (Note 47)	134,620	117,824	134,620	117,824
Finance cost of the financial liability from NCI put option	10,984	9,184	-	-
Discount interest on receivables from METAVASI S.A. (Note 5.2)	4,836	-	4,836	-
Loss from interest rate swap valuation (Note 46.2)	4,793	-	-	-
Other	1,567	68	4	68
Total	**422,628**	**344,451**	**329,210**	**283,895**

13. FINANCIAL INCOME

	Group		Company	
	2023	**2022**	**2023**	**2022**
Interest from outstanding energy bills	86,415	41,277	85,955	41,277
Commission on subsidiary loans' guarantee	-	-	720	566
Interest on bank and time deposits (Note 27)	47,302	1,755	37,916	504
Dividends from subsidiaries (Note 5)	-	-	43,350	43,350
Gain from modification of loan agreement terms (Note 32)	1,187	-	1,187	-
Interest income from interest rate swaps	4,411	-	-	-
Gain from the valuation of swap interest agreements (Note 46)	-	11,607	-	-
Interest on intercompany loans	-	-	7,985	-
Other	876	825	299	348
Total	**140,191**	**55,464**	**177,412**	**86,045**

(All amounts in thousands of Euro, unless otherwise stated)

14. OTHER (INCOME)/ EXPENSES

	Group		Company	
	2023	**2022**	**2023**	**2022**
OTHER EXPENSES				
Transportation and travel expenses	28,034	21,721	8,061	8,185
Taxes and duties	41,855	35,678	25,710	24,022
Losses on dismantling of property, plant and equipment	7,500	7,894	1,146	4,150
Consumables	17,337	9,556	6,683	5,440
Losses from transactions of commodity derivatives (Note 46.2)	-	254,617	-	254,617
Advertisements from press and other media	44,727	24,324	43,970	24,324
Sponsorships-donations	11,403	7,465	10,212	6,442
Penalty clauses from suppliers/contractors	8,383	-	8,383	-
Extraordinary suppliers contribution from Romania	7,551	-	-	-
Loss from valuation of PPA derivative financial instruments (Note 46.4)	7,118	-	-	-
Other expenses	61,145	20,450	40,862	(912)
Total	**235,053**	**381,705**	**145,027**	**326,268**
OTHER INCOME				
Penalties to suppliers/contractors	(1,940)	(1,096)	(1,062)	(310)
Subsidies to expenses	(2,669)	(1,431)	(2,669)	(1,425)
Income from leases	(1,730)	(1,534)	(6,136)	(4,798)
Gains from transactions of commodity derivatives (Note 46.2)	(21,546)	-	(21,441)	-
Gains from valuation of PPA derivative financial instruments (Note 46.4)	-	-	(25,234)	-
Income from safety stock	(9,891)	(5,936)	(9,891)	(5,936)
Other income	(16,685)	(13,433)	(14,302)	(13,495)
Total	**(54,461)**	**(23,430)**	**(80,735)**	**(25,964)**

Ernst Young's fees for the Group amount to Euro 2.7 million, of which €362 thousand relates to permitted non-audit services whose compliance (in accordance with Regulation (EU) 537/2014) was confirmed by the Audit Committee during the fiscal year 2023.

(All amounts in thousands of Euro, unless otherwise stated)

15. INCOME TAXES (CURRENT AND DEFERRED)

	Group		Company	
	2023	**2022**	**2023**	**2022**
Current income taxes	61,994	37,253	-	-
Additional taxes from tax differences for previous years (Note 43)	4,390	8,096	4,390	8,096
Deferred icome tax	70,855	(62,430)	80,992	(35,292)
Total income tax	**137,239**	**(17,081)**	**85,382**	**(27,196)**

According to the last amendment of the Income Tax Code L.4172/2013, as amended by Law 4799/2021 (OG A' 78/18-05-2021), the income tax rate for the legal entities residing in Greece for the income of the fiscal year 2021 and onwards is set at 22%. Moreover, income tax prepayment for the following year is set to 80%.

Tax returns for companies residing in Greece are filed annually but profits or losses declared remain provisional, until the tax authorities audit the Company's returns and records and a final tax audit report is issued. A corresponding obligation exists for foreign subsidiaries in accordance with local provisions.

Due to the acquisition of subsidiaries in Romania from 25.10.2023 (Note 3.6), the Group is liable for income tax in Romania as well. The current income tax rate in Romania is 16%.

The Group establishes a provision, if deemed necessary, per company and on a case by case basis, against any possible additional taxes being imposed by the tax authorities.

Based on the applicable Income Tax Code, from the fiscal year 2011 and onwards, for the Group's companies residing in Greece the Statutory Auditors issue an “Annual Tax Compliance Report” after conducting a tax audit at the same time with the financial audit ("tax certificate").

The tax audit is conducted on particular tax areas, specified by an audit program, according to the provisions of the tax law. Audit matters which are not covered by the above-mentioned decision are dealt with in accordance to the ISAE 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information”.

From January 1st, 2016 and onwards, pursuant to Law 4410/2016, the issuance of the tax certificate became optional, however, the Group continues to apply the procedure for its issuance by the Statutory Auditors for subsidiaries residing in Greece.

The tax certificate for the year 2022 was issued in November 2023 by the Statutory Auditors of the Parent Company without any reservations regarding the Parent Company's compliance with the applicable tax provisions.

Tax Audit by the Large Business Audit Center

On 27.7.2022 the Parent Company was notified of partial tax audit orders from the Large Business Control Center for the years 2017 and 2018. The audit was completed in September 2023 and based on its findings an additional tax of €4.5 mil. was charged for the year 2017 , which was paid by submitting an amending statement, while for the year 2018 accounting differences of €11.2 mil. arose, the corresponding amending statement was submitted and the accumulated loss of the year was reduced by the said amount. Due to the submission of the amending declarations, partial audit reports were shared without, of course, audit findings notes being shared.
Following these, the Company has been tax audited up to the 2018 financial year.

Global minimum taxation - Pillar II rules

Greece is about to introduce legislation which will ensure that large multinational companies will be subject to a minimum tax rate of 15% from 2024 onwards, in line with the OECD Pillar-II Global Anti-Base Erosion (GloBE) rules and the corresponding EU directive 2022/2523. The same applies to other jurisdictions in which the Group operates – whether the legislative process is ongoing at the reporting date, or has already been completed. The Greek legislation is expected to enter into force within 2024. As the Group has very recently a significant presence abroad (Note 3.6), the Group is examining the relevant provisions to ensure compliance with them from there enforcement date.

(All amounts in thousands of Euro, unless otherwise stated)

15.INCOME TAXES (CURRENT AND DEFERRED)(CONTINUED)

Absorption of Lignite subsidiaries 2022

On June 1, 2022, the absorption of 100% of the subsidiaries Lignitiki Megalopolis S.A. and Lignitiki Melitis S.A. was completed by PPC S.A. in accordance with the provisions of articles 6-53 of Law 4601/2019, articles 48-49 of Law 4843/2021, Law 4172/2013 and Law 4548/2018 (Note 5.1).
Due to this absorption, the Parent Company recognized for the first time in 2022 a deferred tax asset on the tax losses carried forward. Lignitiki Megalopolis S.A. and Lignitiki Melitis S.A. had not recognized a deferred tax asset on their tax losses as no future taxable profits were expected to be available against which these tax losses could be utilised.

Tax unaudited years for the Parent Company and the subsidiaries of the Group are presented in the following table:

Company	Country	Unaudited years since
PPC S.A. (Parent Company)	Greece	2019
PPC RENEWABLES S.M.S.A.	Greece	2018
HEDNO S.A.	Greece	2018
ARCADIAN SUN ONE S.M.S.A.	Greece	2018
ARCADIAN SUN TWO S.M.S.A.	Greece	2018
SOLAR ARROW ONE S.M.S.A.	Greece	2018
AMALTHIA ENERGY S.M.S.A.	Greece	2018
SOLARLAB S.M.S.A.	Greece	2018
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	Greece	2018
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	Greece	2018
PPC FINANCE PLC	United Kingdom	2009
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2018
AIOLIKO PARKO K-R S.M.S.A PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2018
AIOLIKO PARKO KOUKOULI S.M.S.A PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2020
AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	Greece	2020
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	Greece	2018
KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.	Greece	2017
AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA	Greece	2017
SPARK WIND PARK S.R.L.**	Romania	2023
CARGE S.A.	Greece	2020
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	Greece	2022
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	Greece	2022
PPC (Public Power Corporation) Romania S.A.	Romania	2018
PPC Belgium	Belgium	2023
PPC BULGARIA JSCo	Bulgaria	2014
PPC ELEKTRIK TEDARIK VE TICARET A.S.	Turkey	2014
PPC ALBANIA	Albania	2023
PHOEBE ENERGY S.M.S.A.	Greece	2018
ENERGEIAKOS STOCHOS S.M.S.A.	Greece	2018
WINDARROW ENERGEIAKI S.M.S.A.	Greece	2018
EDS AD Skopje	Republic of North Macedonia	2012
EDS DOO Belgrade	Serbia	2022
EDS International SK SRO	Slovakia	2012
EDS International KS LLC	Kosovo	2016
LIGNITIKI MELITIS S.A.*	Greece	30.06.2018- 01.06.2022
LIGNITIKI MEGALOPOLIS S.A. *	Greece	30.06.2018- 01.06.2022
PPC ENERGY SERVICES Co SA	Romania	2018
RETELE ELECTRICE MUNTENIA SA	Romania	2018
PPC ENERGIE MUNTENIA SA	Romania	2022
RETELE ELECTRICE DOBROGEA SA	Romania	2020
RETELE ELECTRICE BANAT SA	Romania	2017
PPC ENERGIE SA	Romania	2022
PPC RENEWABLES ROMANIA SRL	Romania	2018
PPC ADVANCED ENERGY SERVICES ROMANIA SRL	Romania	2019
PPC BLUE ROMANIA SRL	Romania	2019
PPC TRADING SRL	Romania	2020
PPC SERVICII COMUNE SA	Romania	2017
WIND ENERGY GREEN PARK SRL	Romania	2020

(All amounts in thousands of Euro, unless otherwise stated)

15.INCOME TAXES (CURRENT AND DEFERRED)(CONTINUED)

SOUTH WIND ENERGY SRL	Romania	2020
DARA SOLAR INVESTMENT SRL	Romania	2020
ENERGO SONNE SRL	Romania	2020
SOLAS ELECTRICITY SRL	Romania	2020
TOPWIND ENERGY SRL	Romania	2020
PROWIND WINDFARM VIISOARA SRL	Romania	2017
PROWIND WINDFARM BOGDANESTI SRL	Romania	2017
TOPLET POWER PARK SRL	Romania	2019
GV ENERGIE RIGENERABILI ITAL-RO SRL	Romania	2010
ELCOMEX SOLAR ENERGY SRL	Romania	2010
DE ROCK INT'L S.R.L.	Romania	2017
ZEPHIR 3 CONSTANTA S.R.L.	Romania	2020
ORAVITA POWER PARK S.R.L	Romania	2019
POTOC POWER PARK SRL	Romania	2019
PROWIND WINDFARM IVESTI SRL	Romania	2017
PROWIND WINDFARM DELENI SRL	Romania	2017
SUN CHALLENGE SRL	Romania	2020
SPARTAKOS ENERGY S.M.S.A.	Greece	2023
THRAKIKI WIND 1 S.A.	Greece	2018

* On 01.06.2022 the lignite subsidiaries LIGNITIKI MELITIS S.A. and LIGNITIKI MEGALOPOLIS S.A. were absorbed by PPC S.A. (Note 5.1)
** On 01.08.2023 the company "SPARK WIND PARK S.R.L." was founded.

(All amounts in thousands of Euro, unless otherwise stated)

15.INCOME TAXES (CURRENT AND DEFERRED)(CONTINUED)

An analysis and numerical reconciliation between the tax expense and the result of multiplying the accounting profit by the nominal applicable tax rate is set out below:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Gain/(Loss) before tax	**622,221**	**(25,996)**	**263,881**	**742,896**
Nominal tax rate of Parent Company	22%	22%	22%	22%
Income tax calculated at nominal tax rate	136,889	(5,719)	58,054	163,437
Effect of different tax rates of other countries	(2,279)	-	-	-
Non-deductible expenses/exempted revenues	10,814	9,477	10,236	(170,674)
Subsidiaries' dividends	-	-	(9,537)	(9,537)
Items for which no deferred tax has been recognized	(165)	(5,604)	(303)	(2,372)
Other	(12,410)	(23,331)	22,541	(16,146)
Income tax	**132,849**	**(25,177)**	**80,992**	**(35,292)**

The movement of the deferred income tax account is presented below:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Balance, January 1st	**426,393**	**382,487**	**760,852**	**731,841**
(Debit)/ Credit at profit and loss statement	(70,855)	62,430	(80,992)	35,292
Other	32	120	1	(2)
(Debit)/Credit directly in other comprehensive income	17,938	(5,149)	14,974	(2,635)
Deferred tax liability due to Lignite absorption (Note 5.1)	-	-	-	(3,645)
Deferred tax liability due to subsidiaries acquisition (Note 3)	(81,676)	(13,496)	-	-
Balance, December 31st	**291,832**	**426,393**	**694,835**	**760,852**

Deferred income tax receivables and liabilities are disclosed in the accompanying balance sheets as follows:

	Group		Company	
	31.12.2023	**31.12.2022**	**31.12.2023**	**31.12.2022**
Deferred income taxes				
- Receivables	1,425,724	1,381,868	914,186	934,133
- Liabilities	(1,133,779)	(955,475)	(219,351)	(173,281)
Total	**291,832**	**426,393**	**694,835**	**760,852**

(All amounts in thousands of Euro, unless otherwise stated)

15.INCOME TAXES (CURRENT AND DEFERRED)(CONTINUED)

	Group		Company	
	31.12.2023	**31.12.2022**	**31.12.2023**	**31.12.2022**
Deferred tax receivables				
- Inventories	81,400	77,910	78,922	75,583
- Trade receivables	367,893	304,204	345,321	281,611
- Provision for risks and expenses	124,475	126,284	88,642	91,684
- Subsidies	15,405	16,678	7,717	8,989
- Customers' contributions	320,389	323,349	1,075	1,075
- Property, plant and equipment	4,686	23,935	3,333	21,715
- Financial assets measured at fair value through comprehensive income	3,116	3,120	3,116	3,120
- Subsidiaries and associates	64	31	64	31
- Post retirement benefits	89,888	84,835	30,550	30,975
-Other	119,048	38,445	76,987	37,164
-Free of charge stock awards	1,918	-	1,918	-
- Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration	103,662	97,778	99,775	96,887
- Sundry provisions	-	1	-	-
- Tax losses	193,779	285,297	174,293	285,297
- IFRS 16 Right-of-use assets	-	-	2,474	-
Deferred tax receivables	**1,425,724**	**1,381,868**	**914,186**	**934,133**
Deferred tax liabilities				
- Long-term loans' issuance fees and expenses	(10,742)	(12,858)	(10,199)	(12,858)
- Depreciation and revaluation of property, plant and equipment	(1,116,304)	(929,062)	(204,754)	(149,017)
- Foreign currency (gains)	(87)	(52)	(87)	(52)
- Derivative financial instruments	(1,585)	(12,895)	(4,312)	(12,050)
- IFRS 16 Right-of-use assets	(5,061)	(608)	-	696
Deferred tax liabilities	**(1,133,779)**	**(955,475)**	**(219,351)**	**(173,281)**
Deferred Tax receivables net	**291,833**	**426,393**	**694,835**	**760,852**

(All amounts in thousands of Euro, unless otherwise stated)

15.INCOME TAXES (CURRENT AND DEFERRED)(CONTINUED)

The movement of deferred taxes in income statement is analyzed below:

	Group		Company	
	2023	**2022**	**2023**	**2022**
-Inventories	3,491	8,556	3,339	10,362
-Trade receivables	63,688	10,228	63,709	10,341
-Provision for risks and accruals	(4,155)	211	(3,042)	2,523
-Subsidies and customer contributions	(4,233)	(2,997)	(1,273)	(1,402)
-Property, plant and equipment	(19,248)	(3,915)	(19,248)	(3,915)
-IFRS 16 Right-of-use assets	1,836	257	1,779	117
-Long-term loans' issuance fees and expenses	2,115	2,592	2,658	2,593
-Subsidiaries and associates	32	(86,408)	32	(86,408)
-Depreciation - Revaluation of property, plant and equipment	(30,827)	8,873	(55,736)	(21,179)
-Foreign exchange differences	(35)	-	(35)	-
-Financial assets measured at fair value through comprehensive income	(4)	-	(4)	-
-Tax losses	(115,317)	116,743	(111,005)	116,743
-Post retirement benefits	(782)	8,541	(1,961)	8,541
-Other	30,237	(3,318)	39,822	(5,961)
-Free of charge stock awards	1,918	-	1,918	-
-Derivative financial instruments	(6,796)	1,735	(8,658)	1,735
-Provision of Decommissioning and removal of Power, Mines and Wind Parks' facilities and mines' land Restoration	7,224	2,215	6,712	2,086
-Sundry provisions	-	(884)	-	(884)
(Debit)/ Credit in income statement	**(70,855)**	**62,430**	**(80,992)**	**35,292**

Deferred income tax charged in the statement of comprehensive income is attributable to the following items:

	Group		Company	
	2023	**2022**	**2023**	**2022**
- Actuarial gains/ (losses)	2,606	(6,594)	1,536	(3,883)
- Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities	(3,875)	(1,236)	(3,823)	(1,886)
- Derivative financial instruments	17,993	2,682	16,396	3,134
- Revaluation/ impairments of property, plant and equipment	1,214	-	866	-
Debit/ (Credit) in the statement of comprehensive income	**17,938**	**(5,149)**	**14,974**	**(2,635)**

(All amounts in thousands of Euro unless otherwise stated)

16. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Land	Mines	Lakes	Buildings and Technical Works	Machinery and Equipment	Transportation Assets	Fixtures and Furniture	Construction in progress	Total
Carrying amount December 31, 2021	**443,906**	**728,923**	**39,817**	**1,427,974**	**7,287,022**	**32,097**	**78,452**	**1,635,734**	**11,673,924**
- Impairment of fixed assets	(15)	-	-	(520)	(129)	-	-	(7,371)	**(8,035)**
- Partial reversal of impairment loss for CIP	-	-	-	-	-	-	-	177,500	**177,500**
- Carrying amount of fixed assets (subsidiaries acquisition) (Note 3)	5,548	-	-	16,151	67,341	-	5	4,174	**93,219**
- Additions/(reduction) of decommissioning and removal costs of Power Plants', and Mining facilities and mines' land restoration	-	(5,600)	-	-	47	-	-	-	**(5,553)**
- Additions	172	-	-	3,491	253,630	964	7,284	418,366	**683,907**
- Disposals/Sales	(90)	-	-	(597)	(17,256)	(428)	(1,518)	(3,498)	**(23,387)**
- Transfers from CIP	716	7,856	42	12,279	51,548	-	1,036	(73,477)	**-**
- Transfers to intangible assets	-	-	-	-	-	-	-	(4,364)	**(4,364)**
- Other Movements	-	-	-	(21)	15	-	5	(32)	**(33)**
- Assets Held for sale (Note.5.2)	(1,728)	(279,266)	-	(640)	-	-	-	-	**(281,634)**
Carrying amount December 31, 2022	**448,509**	**451,913**	**39,859**	**1,458,117**	**7,642,218**	**32,633**	**85,259**	**2,147,032**	**12,305,544**
Accumulated Depreciation December 31, 2021	**(1,154)**	**(645,794)**	**(19,593)**	**(159,387)**	**(537,319)**	**(15,663)**	**(29,266)**	**-**	**(1,408,177)**
- Depreciation charge	(436)	(25,675)	(764)	(83,210)	(487,416)	(3,939)	(9,483)	-	**(610,923)**
- Accumulated depreciation of fixed assets (subsidiaries acquisition) (Note 3)	-	-	-	(1,834)	(6,162)	-	-	-	**(7,996)**
- Accumulated depreciation of disposals / sales	-	-	-	92	9,426	371	1,433	-	**11,322**
- Assets Held for sale (Note.5.2)	-	260,542	-	469	-	-	-	-	**261,011**
Accumulated Depreciation December 31, 2022	**(1,590)**	**(410,927)**	**(20,357)**	**(243,870)**	**(1,021,471)**	**(19,231)**	**(37,316)**	**-**	**(1,754,763)**
Net carrying amount December 31, 2022	**446,919**	**40,986**	**19,502**	**1,214,247**	**6,620,747**	**13,402**	**47,948**	**2,147,032**	**10,550,781**
Carrying amount December 31, 2022	**448,509**	**451,913**	**39,859**	**1,458,117**	**7,642,218**	**32,633**	**85,259**	**2,147,032**	**12,305,544**
- Impairment of fixed assets	-	-	-	-	-	-	-	(1,912)	**(1,912)**
- Foreign currency differences	(126)	-	-	(2,882)	(2,526)	(32)	(6)	(390)	**(5,962)**
- Carrying amount of fixed assets (subsidiaries acquisition) (Note 3)	48,179	-	-	1,100,503	995,490	12,147	2,225	148,506	**2,307,050**
- Additions/(reduction) of decommissioning and removal costs of Power Plants', and Mining facilities and mines' land restoration (Note 34)	-	(8,425)	-	-	4,792	-	-	-	**(3,633)**
- Additions	294	-	-	4,138	482,135	1,869	13,931	615,574	**1,117,940**
- Disposals/Sales	-	-	-	(321)	(16,544)	(853)	(1,261)	(428)	**(19,406)**
- Transfers from CIP	-	6,649	5	256,487	1,617,505	321	591	(1,881,557)	**-**
- Transfers to intangible assets	-	-	-	-	-	-	-	(17,680)	**(17,680)**
- Other Movements	23	-	-	273	1,998	86	(2,545)	(12,182)	**(12,346)**
Carrying amount December 31, 2023	**496,879**	**450,137**	**39,864**	**2,816,314**	**10,725,068**	**46,171**	**98,194**	**996,963**	**15,669,595**
Accumulated Depreciation December 31, 2022	**(1,590)**	**(410,927)**	**(20,357)**	**(243,870)**	**(1,021,471)**	**(19,231)**	**(37,316)**	**-**	**(1,754,763)**
- Depreciation charge	(364)	(8,024)	(764)	(90,251)	(501,844)	(4,199)	(9,149)	-	**(614,635)**
- Accumulated depreciation of fixed assets (subsidiaries acquisition) (Note 3)	-	-	-	(105)	(280)	-	(9)	-	**(394)**
- Accumulated depreciation of disposals / sales	-	-	-	38	4,081	778	1,067	-	**5,965**
- Other Movements	-	-	-	-	(244)	-	244	-	**-**
- Foreign currency differences	-	-	-	**10**	**14**	**1**	**-**	-	**25**
Accumulated Depreciation December 31, 2023	**(1,954)**	**(418,951)**	**(21,121)**	**(334,178)**	**(1,519,785)**	**(22,651)**	**(45,162)**	**-**	**(2,363,803)**
Net carrying amount December 31, 2023	**494,926**	**31,186**	**18,742**	**2,482,136**	**9,205,283**	**23,520**	**53,033**	**996,963**	**13,305,792**

(All amounts in thousands of Euro, unless otherwise stated)

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Parent Company	Land	Mines	Lakes	Buildings and Technical Works	Machinery and Equipment	Transportation Assets	Fixtures and Furniture	Construction in progress	Total
Carrying amount December 31, 2021	**235,235**	**728,920**	**39,817**	**1,231,846**	**2,649,188**	**14,876**	**48,205**	**1,508,738**	**6,456,824**
- Impairment of CIP	-	-	-	-	-	-	-	(5,744)	**(5,744)**
- Partial reversal of impairment loss for CIP	-	-	-	-	-	-	-	177,500	**177,500**
- Carrying amount of property,plant,equipment due to absorption of lignite subsidiaries (Note 5.1)	4,687	-	-	6,965	32,804	489	1,911	31	**46,887**
- Decrease in decommissioning and removal costs of Mines	-	(5,600)	-	-	-	-	-	-	**(5,600)**
- Additions	-	-	-	86	-	43	3,841	201,388	**205,358**
- Disposals / Sales	-	-	-	(3)	(11,501)	(68)	(434)	-	**(12,006)**
- Transfers from CIP	716	7,856	42	8,681	31,940	-	1,032	(50,267)	**-**
- Transfers to intangible assets	-	-	-	-	-	-	-	(3,800)	**(3,800)**
- Other Movements	-	-	-	-	-	-	-	8	**8**
- To Assets Held for sale (Note 5.2)	(1,728)	(279,266)	-	(640)	-	-	-	-	**(281,634)**
Carrying amount December 31, 2022	**238,910**	**451,910**	**39,859**	**1,246,935**	**2,702,431**	**15,340**	**54,555**	**1,827,854**	**6,577,794**
Accumulated Depreciation December 31, 2021	**(1,154)**	**(645,793)**	**(19,593)**	**(153,547)**	**(497,412)**	**(7,722)**	**(12,688)**	**-**	**(1,337,910)**
- Depreciation charge	(436)	(25,675)	(764)	(63,676)	(185,826)	(1,731)	(6,724)	-	**(284,832)**
- Accumulated depreciation of of property,plant,equipment due to absorption of lignite subsidiaries (Note 5.1)	-	-	-	(2,268)	(10,098)	(290)	(847)	-	**(13,503)**
- Accumulated depreciation of disposals / sales	-	-	-	2	7,421	53	382	-	**7,858**
- To Assets Held for sale (Note 5.2)	-	260,542	-	469	-	-	-	-	**261,011**
Accumulated Depreciation December 31, 2022	**(1,590)**	**(410,926)**	**(20,357)**	**(219,020)**	**(685,915)**	**(9,690)**	**(19,877)**	**-**	**(1,367,375)**
Net carrying amount December 31, 2022	**237,320**	**40,984**	**19,502**	**1,027,915**	**2,016,516**	**5,650**	**34,678**	**1,827,854**	**5,210,419**
Carrying amount December 31, 2022	**238,910**	**451,910**	**39,859**	**1,246,935**	**2,702,431**	**15,340**	**54,555**	**1,827,854**	**6,577,794**
- Impairment of fixed assets	-	-	-	-	-	-	-	(1,773)	**(1,773)**
- Decrease in decommissioning and removal costs of Mines (Note 34)	-	(8,425)	-	-	4,278	-	-	-	**(4,146)**
- Additions	-	-	-	66	236	20	7,134	183,586	**191,042**
- Disposals / Sales	-	-	-	(96)	(6,435)	(104)	(466)	-	**(7,101)**
- Transfers from CIP	-	6,649	5	188,760	1,372,842	-	84	(1,568,339)	**-**
- Transfers to intangible assets	-	-	-	-		-	-	(6,170)	**(6,170)**
- Other Movements	-	-	-	-	2,598	-	(2,598)	(11,009)	**(11,009)**
Net carrying amount December 31, 2023	**238,910**	**450,134**	**39,864**	**1,435,665**	**4,075,950**	**15,257**	**58,708**	**424,148**	**6,738,636**
Accumulated Depreciation December 31, 2022	**(1,590)**	**(410,926)**	**(20,357)**	**(219,020)**	**(685,915)**	**(9,690)**	**(19,877)**	**-**	**(1,367,375)**
- Depreciation charge	(364)	(8,024)	(764)	(61,836)	(182,395)	(1,413)	(6,257)	-	**(261,052)**
- Accumulated depreciation of disposals / sales	-	-	-	38	1,569	98	314	-	**2,020**
- Other Movements	-	-	-	-	(244)	-	244	-	**-**
Accumulated Depreciation December 31, 2023	**(1,954)**	**(418,950)**	**(21,121)**	**(280,817)**	**(866,985)**	**(11,005)**	**(25,576)**	**-**	**(1,626,408)**
Net carrying amount December 31, 2023	**236,956**	**31,184**	**18,742**	**1,154,848**	**3,208,965**	**4,252**	**33,133**	**424,148**	**5,112,228**

(All amounts in thousands of Euro, unless otherwise stated)

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The following is a table showing the aggregate movement of the revaluation surplus value after taxes:

	31.12.2023		31.12.2022	
	Group	**Company**	**Group**	**Company**
Balance 01.01	**5,150,332**	**3,064,597**	**5,163,915**	**3,000,597**
Change in future outflows of decommissioning and removal costs of Power Plants', Mining facilities and mines' land restoration, after tax	13,740	13,555	4,383	6,687
Disposal of fixed assets with revaluation surplus, after tax	(4,304)	(3,071)	-	-
Fixed asset disposals	(27,779)	(22,055)	(17,966)	(13,952)
Revaluation surplus from the absorption of liginites (Note 5.1)	-	-	-	71,265
Other movements	2,582	-	-	-
Balance 31.12	**5,134,571**	**3,053,026**	**5,150,332**	**3,064,597**

New asset additions 2023 Group and Parent Company

On October 9, 2023, the New Ptolemaida V Unit with a gross capacity of 660 MW, with pulverized lignite fuel, and the ability to provide thermal power of 140 MWth for district heating, was transferred from fixed assets under construction to fixed assets in operation, according to the commercial operation start protocol signed with the project contractor. Transfers from projects under construction of the Group and the Parent Company to fixed assets in operation includes an amount of € 1,526 million which concerns the total capitalized cost of construction of the new Unit after impairments. The additions of the Group's Assets under Construction include an amount of €161.1 million, which concerns the construction cost of the combined cycle Power Generation Station with natural gas fuel of nominal power of 840 MW, in the industrial area of Alexandroupolis for the period ending on December 31, 2023.

Finally, in the fiscal year ending on December 31, 2023, the Group made additions of fixed assets for the development of the Distribution Network amounting to € 601.7 million,which mainly concern many small medium and low voltage network development projects.

Fixed assets from acquisition of subsidiaries - 2023

The Group proceeded in January 2023 through its subsidiary WINDARROW ENERGEIAKI S.M.S.A. in an agreement to purchase 100% of the shares of the companies AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.

From this acquisition, the Group recognized tangible fixed assets of €55.3 million (Note 3.5) related to Wind Parks in various stages (commercial operation, licensing stage).

Additionally, on October 25, 2023, the Group through the Parent Company acquired 29 subsidiaries in Romania (Note 3.6) and recognized property, plant and equipment amounting to €2,251 million which mainly concern the Distribution Network in Romania and a significant portfolio of renewable energy sources.

Impairment test of the investment in the New Unit, power 660 MW in Ptolemaida V – 2022

The total expenditure for the Project on 31.12.2022 was amounted to €1.664 bil. (31.12.2021: € 1.538 bil.) and its value (after impairment) to €1.463 bil. (31.12.2021: €1.159 bil.). On 31.12.2023 the respective fixed asset under contruction was transferred to fixed assets in operation and their where no impairment indicators (section New asset additions 2023 Group and Parent Company as above).

Considering that the operation of the lignite-fired unit is estimated to continue beyond 2024 and given the market conditions, the impairment that existed at December 31, 2021 had been partially reversed as of December 31, 2022. In particular, the recoverable amount that was determined using the Value in Use method, it turned out to be greater than the already reduced cost of the investment by approximately €177.5 million. Following these and in accordance with IAS 36, the Parent Company proceeded in 2022 to a partial reversal of the impairment loss by €177.5 million in favor of the Income Statement.

(All amounts in thousands of Euro, unless otherwise stated)
16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

To estimate the Value in Use as of December 31, 2022, the method of discounting the future cash flows of the investment was applied and a discount rate (Weighted Average Cost of Capital - "WACC") of 6.1% was used. The main assumptions made concern the future costs for the operation of the Unit (fuel costs, CO_2 emission allowances cost, etc), the expected future revenues as well as the additional capex required for the change of fuel mix from 2028.

Property, plant and equipement, net from the acquisition of new subsidiaries as of 31.12.2022

On June 22, 2022, the Group, through its subsidiary PPC Renewables, entered into an agreement to purchase 100% of the shares of subsidiary companies of Volterra (100% subsidiary of AVAX). From this acquisition, the Group recognized tangible fixed assets amounting to € 79,239 related to Wind Parks under construction.
Additionally, on December 20, 2022 the Parent Company purchased 51% of the company's shares under the name "Power Generation Alexandroupolis S.A." from the company Damco Energy. From this acquisition, the Group recognized tangible fixed assets amounting to € 5,979 which mainly concern land. The new subsidiary company is planning the construction and operation of a new natural gas fueled electricity production unit, with a nominal capacity of 840 MW, in Alexandroupolis.

Capitalization of Borrowing cost:

The Group and the Parent Company capitalized borrowing costs for ongoing projects totaling € 30 million and € 22 million respectively for the year ended December 31, 2023 (2022: € 22.2 million Group and € 21.4 million Parent Company).

Encumbrances on property, plant and equipment:

Encumbrances on the Group's Property, plant and equipment are presented in Note 32, while claims from third parties are presented in Note 43.

(All amounts in thousands of Euro, unless otherwise stated)

17. INTANGIBLE ASSETS

31.12.2023

Group	Software	Other Intangible Assets	Emission Allowances	Goodwill	Energy sales rights	Offshore wind research license	Cost of acquiring contracts	Intangibles assets under constuction	Customer base from acquisitions	Total
Net book value, January 1	**6,084**	**32,245**	**509,137**	21,191	45,282	**-**	**-**	**-**	**-**	**613,939**
Additions	3,925	1,794	1,106,838	10,697	-	-	2,287	42,114	-	**1,167,655**
Intangible assets from acquisitions	29,916	9,262	-	-	23,704	30,623	26,989	27,081	27,275	**174,851**
Consumption	-	-	(826,136)	-	-	-	-	-	-	**(826,136)**
Depreciation (Note 10)	(4,683)	(6,495)	-	-	(4,440)	-	(1,732)		(776)	**(18,125)**
Disposals	(3)	(2)	-	-	-	-	-	(1)	-	**(6)**
Transfers from property, plant and equipment	-	-	-	-	-	-	-	17,680	-	**17,680**
Transfers from intangibles under construction	28,253	3,670	-	-	-	-	-	(31,923)	-	**-**
Transfers of Goodwill	-	-	-	(6,271)	-	-	-	-	-	**(6,271)**
Exchange differences	(85)	(25)	-	-	-	-	(71)	(66)	(70)	**(317)**
Other movements	(16)	-	-	4	2,768	-	-	-	-	**2,756**
Net book value, December 31	**63,392**	**40,450**	**789,839**	**25,620**	**67,315**	**30,623**	**27,473**	**54,886**	**26,429**	**1,126,026**

(All amounts in thousands of Euro, unless otherwise stated)

17. INTANGIBLE ASSETS (CONTINUED)

Group	31.12.2022					
	Software	Other Intangible Assets	Emission Allowances	Goodwill	Energy sales rights	Total
Net book value, January 1	**6,296**	**29,867**	**323,826**	**-**	**-**	**359,989**
Additions	1,819	496	1,222,810	-	-	**1,225,125**
Intangible assets from acquisitions	162	6,232	-	21,191	46,509	**74,094**
Consumption	-	-	(1,037,499)	-	-	**(1,037,499)**
Depreciation (Note 10)	(3,122)	(4,611)	-	-	**(1,227)**	**(8,960)**
Disposals	(11)	-	-	-	-	**(11)**
Transfers from property, plant and equipment	940	3,424	-	-	-	**4,364**
Other movements	-	(3,163)	-	-	-	**(3,163)**
Net book value, December 31	**6,084**	**32,245**	**509,137**	**21,191**	**45,282**	**613,939**

Company	31.12.2023					31.12.2022			
	Software	Other Intangible Assets	Emission Allowances	Intangibles assets under constuction	Total	Software	Other Intangible Assets	Emission Allowances	Total
Net book value, January 1	**2,611**	**6,346**	**509,137**	**-**	**518,094**	**3,045**	**6,912**	**323,826**	**333,783**
Additions	539	7	1,106,838	32,661	**1,140,044**	722	15	1,222,810	**1,223,544**
Consumption	-	-	(826,136)	-	**(826,136)**	-	-	(1,037,499)	**(1,037,499)**
Depreciation (Note 10)	(1,501)	(5,132)	-	-	**(6,633)**	(2,094)	(3,440)	-	**(5,534)**
Disposals	(3)	-	-	-	**(3)**	(11)	-	-	**(11)**
Transfers from property, plant and equipment	-	-	-	6,170	**6,170**	941	2,859	-	**3,800**
Transfers from intangibles under construction	13,023	3,029	-	(16,052)	**-**	-	-	-	**-**
Intangible assets from the absorption of Lignite (Note 5.1)	-	-	-	-	**-**	8	-	-	**8**
Net book value, December 31	**14,669**	**4,250**	**789,839**	**22,779**	**831,537**	**2,611**	**6,346**	**509,137**	**518,094**

The net carrying amount of software and other intangible assets is further analyzed as follows:

	Group								Company	
December 31, 2022	Software	Other Intangible Assets	Goodwill	Offshore wind research license	Cost of acquiring contracts	Intangibles assets under constuction	Customer base for acquisitions	Energy sales rights	Software	Other Intangible Assets
Gross carrying amount	91,240	47,022	21,191	-	-	-	-	46,509	77,362	15,907
Accumulated amortization	(85,154)	(14,780)	-	-	-	-	-	(1,227)	(74,751)	(9,561)
Net carrying amount	**6,086**	**32,242**	**21,191**	**-**	**-**	**-**	**-**	**45,282**	**2,611**	**6,346**
December 31, 2023										
Gross carrying amount	213,789	61,725	25,620	30,623	29,205	54,886	27,205	72,982	89,431	18,943
Accumulated amortization	(150,397)	(21,275)	-	-	(1,732)	-	(776)	(5,667)	(74,763)	(14,693)
Net carrying amount	**63,392**	**40,450**	**25,620**	**30,623**	**27,473**	**54,886**	**26,429**	**67,315**	**14,669**	**4,250**

(All amounts in thousands of Euro, unless otherwise stated)

17.INTANGIBLE ASSETS (CONTINUED)

Intangible assets from acquisitions in 2023

The Group proceeded in January 2023 through its subsidiary WINDARROW ENERGEIAKI S.M.S.A. in an agreement to purchase 100% of the shares of the companies AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.

From this acquisition, the Group recognized intangible assets amounting to €34.5 million (Note 3.5) which mainly concern rights to sell electricity amounting to €23.7 million and goodwill amounting to €10.7 million.

On December 23, 2023, the Group, through its subsidiary PPC Renewables S.M.S.A, signed an agreement with the Kopelouzou and Samara groups for the acquisition of 100% of the shares of the company "THRAKIKI WIND 1 S.A." which holds the Production License for the 216 MW Offshore Wind Park (OWP) off Alexandroupolis. From this acquisition, the offshore wind research license in the amount of €30.6 million was recognized in intangible assets.

Additionally, on October 25, 2023, the Group through the Parent Company acquired 29 subsidiaries in Romania and recognized intangible assets of €120.4 million (Note 3.6), of which €29.2 million are software, €26.9 million contract acquisition costs, €27 million intangible assets under construction, €10.2 million other intangible assets and finally €27.3 million relate to a customer base recognized under IFRS 3.

Intangible assets from acquisitions in 2022

The intangible assets as of December 31, 2022 include the intangible assets from the new subsidiaries of RES portfolio amounting to €52.7 million and the goodwill recognized from their acquisition amounting to €21.2 million.

Impairment test for goodwill

On 31.12.2023, the Group carried out an impairment test for the goodwill recognized on 22.06.2022 from the acquisition of the companies AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS and HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS. The impairment test was determined based on the discounted cash flow method. The examination did not reveal any need for impairment.

In addition, on 31.12.2023 the Group carried out an impairment test for the goodwill recognized on 31.01.2023 from the acquisition of the companies KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A and AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA. The impairment test was determined based on the discounted cash flow method. The examination did not reveal any need for impairment.

18. OTHER NON-CURRENT ASSETS

	Group		Company	
Other non-current assets	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Loan receivable from subsidiary Alexandroupolis Electricity Production S.A. (Note 19)	-	-	37,913	-
Long-term receivable from METAVASI S.A. (Note 5.2)	91,841	-	91,841	-
Receivables from loans to associates	24,930	8,835	-	-
Other	23,943	15,333	9,374	11,841
Total	**140,714**	**24,168**	**139,128**	**11,841**

Receivables from loans to associates

From the amount of € 24.9 million, € 16.1 million concerns the amount that the subsidiary PPC RENEWABLES S.M.S.A undertook to cover with bonds for the bond loan issued by METON ENERGY S.A. within the financial year 2023. The maturity of the loan is on 31.01.2045.

On 04.01.2024, the subsidiary PPC RENEWABLES S.M.S.A paid the amount of €27.8 million to the related company METON ENERGY SA, to cover a Bond Loan issued by the related party maturing on 31.01.2046. The loan will be used for the development of the projects of METON's 100% subsidiary companies and more specifically: i) €23.3 million for the capital needs regarding the imminent start of construction of the P/V Park with a capacity of 449.98MW at the position Orycheio PPC Amynteo, of the company AMYNTEO SOLAR PARK NINE SINGLE MEMBER S.A and ii) €4.5 million for the needs of further licensing development of the projects of IDEA FOS SINGLE MEMBER S.A..

(All amounts in thousands of Euro, unless otherwise stated)

19. INVESTMENTS IN SUBSIDIARIES

The direct subsidiaries of the Parent Company and the value of their investment are as follows:

		Company	
	Note	**31.12.2023**	**31.12.2022**
HEDNO S.A.		547,332	547,332
PPC RENEWABLES S.M.S.A.		606,349	455,608
PPC FINANCE PLC		59	59
PPC BULGARIA JSCo		850	522
PPC ELEKTRIK TEDARIK VE TICARET A.S.		1,350	1,350
PPC ALBANIA		490	490
EDS AD Skopje		10,300	10,300
CARGE S.A.		1,157	621
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.		19,484	3,236
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.		30,000	-
PPC BELGIUM S.A.		5	-
PPC (Public Power Corporation) Romania S.A.	3.6	25	-
RETELE ELECTRICE MUNTENIA SA	3.6	441,776	-
RETELE ELECTRICE BANAT SA	3.6	176,567	-
RETELE ELECTRICE DOBROGEA SA	3.6	142,005	-
PPC ENERGIE SA	3.6	9,743	-
PPC ENERGIE MUNTENIA SA	3.6	15,478	-
PPC ADVANCED ENERGY SERVICES ROMANIA SRL	3.6	10,006	-
PPC BLUE ROMANIA SRL	3.6	6,264	-
PPC RENEWABLES ROMANIA SRL	3.6	631,086	-
PPC ENERGY SERVICES Co SA	3.6	1	-
		2,650,327	**1,019,518**

The consolidated financial statements include the financial statements of PPC and its subsidiaries (full consolidation).

In May 2022, the Board of Directors of the Parent Company decided the share capital increase of the 100% subsidiary PPC RENEWABLES S.M.S.A with cash transfer of €150 million, that the subsidiary received in June 2022. Also, in December 2022, the Board of Directors of the Parent Company decided to further increase the share capital of the 100% subsidiary company PPC RENEWABLES S.M.S.A by €150 million, which the subsidiary received within December 2022.

Finally, in October 2023 the Board of Directors of the Parent Company decided for a further increase to the share capital of the 100% subsidiary company PPC RENEWABLES S.M.S.A. by €150 million which the subsidiary received within the same month.

By the decision of 12.03.2024 of the Extraordinary General Meeting of the shareholders of the subsidiary company PPC RENEWABLES S.M.S.A, its share capital was increased by € 150 million by using cash.

PPC S.A. purchased on December 20, 2022 the 51% of the shares of the company “Alexandroupolis Electricity Production Single Member S.A.” from the company Damco Energy paying an amount of €3.2 million. The remaining shareholders of the company are DEPA supply with 29% and Damco Energy with 20%. The new subsidiary company plans the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupolis.

At the extraordinary General Assembly of the subsidiary company held on February 2, 2023, the shareholders committed to the disbursement of cash amounting to €106.2 million, of which €31.8 million is intended for a share capital increase and €74.4 million for the issuance of a joint bond loan. PPC paid on February 9, 2023 the amount of €54.162 million (which corresponds to its participation rate) out of which €37.9 million are included in other non-current receivables (Note 18) of the Parent Company and €16.2 million increased PPC’s investment in subsidiary.

19. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

With the extraordinary General Meeting of the subsidiary company held on June 14, 2023, the above increase in the share capital was approved by the amount of €31.8 million. On 31 December 2023, the amount of €15.6 million that was paid by the minority shareholders increased the Non-controlling interest in the Group's equity.

Also, on July 3, 2023, the contract for the issuance of a subordinated unsecured joint bond loan between its shareholders, for an amount up to €157.27 million, was signed. On December 31, 2023, the this bond loan amounted to €74.3 million and as a result it remains a long-term loan liability (to the minority shareholders) in the Group for the amount of €36.4 million and it was paid by the minority shareholders.

On December 31, 2023, the Group recognized a long-term loan liability (to minority shareholders) for the amount of €36.4 million due to the issuance of a joint bond loan and the remaining amount related to the share capital increase of €15.6 million increased the Non-controlling interest in total equity, as such funds of € 52.0 million flowed into the Group.

PPC established the 100% special purpose subsidiary company DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. in December 2022, which will undertake the construction, operation, exploitation and maintenance of the optical fibers that will be created. On February 16, 2023, an amount of €30 million was paid by the Parent Company as the initial share capital of the subsidiary.

On April 20, 2023 PPC acquired the remaining share of 15% of the subsidiary PPC BULGARIA JSCO for a consideration of €328 thousands and as a result it is now a 100% subsidiary.

(All amounts in thousands of Euro, unless otherwise stated)

19. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The subsidiaries of the Group are as follows:

	Ownership Interest		Country and Year	
Subsidiaries	31.12.2023	31.12.2022	of Incorporation	Principal Activities
PPC RENEWABLES S.M.S.A.	100%	100%	Greece 1998	RES
HEDNO S.A.	51%	51%	Greece 1999	HEDN
ARCADIAN SUN ONE S.M.S.A.	100%	100%	Greece 2007	RES
ARCADIAN SUN TWO S.M.S.A.	100%	100%	Greece 2007	RES
SOLAR ARROW ONE S.M.S.A.	100%	100%	Greece 2007	RES
AMALTHIA ENERGY S.M.S.A.	100%	100%	Greece 2007	RES
SOLARLAB S.M.S.A.	100%	100%	Greece 2007	RES
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	100%	100%	Greece 2007	RES
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	100%	100%	Greece 2007	RES
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS [2]	100%	100%	Greece 2014	RES
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS [2]	100%	100%	Greece 2017	RES
AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS [2]	100%	100%	Greece 2020	RES
AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS [2]	100%	100%	Greece 2020	RES
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	100%	100%	Greece 2007	Supply of power
CARGE S.A. [1]	100%	100%	Greece 2020	Management of HO charging points and development of billing applications
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. [4]	51%	51%	Greece 2022	Generation of power under development
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. [5]	100%	100%	Greece 2022	Installation-operation of Telecommunications
PPC FINANCE PLC	100%	100%	UK, 2009	Financing Services
PPC BULGARIA JSCo	100%	85%	Bulgaria 2014	Supply of power
PPC ELEKTRIK TEDARIK VE TICARET A.S.	100%	100%	Turkey 2014	Supply of power
PHOEBE ENERGY S.M.S.A.	100%	100%	Greece 2007	RES
PPC ALBANIA	100%	100%	Albania 2017	Supply of power
ENERGEIAKOS STOCHOS S.M.S.A. [3]	100%	100%	Greece 2017	RES
PPC (Public Power Corporation) Romania S.A. [6]	100%	-	Romania 2023	Supporting Services
PPC BELGIUM S.A.	100%	-	Belgium 2023	Supporting Services
PPC ENERGY SERVICES Co SA[11]	100%	-	Romania 2004	Supporting Services
RETELE ELECTRICE MUNTENIA SA[11]	90%	-	Romania 2002	Distribution
PPC ENERGIE MUNTENIA SA[11]	90%	-	Romania 2008	Supply of power
RETELE ELECTRICE DOBROGEA SA[11]	75%	-	Romania 2002	Distribution
RETELE ELECTRICE BANAT SA[11]	75%	-	Romania 2002	Distribution
PPC ENERGIE SA[11]	63%	-	Romania 2007	Supply of power
PPC RENEWABLES ROMANIA SRL	100%	-	Romania 2011	RES
PPC ADVANCED ENERGY SERVICES ROMANIA SRL[11]	100%	-	Romania 2019	Supporting Services
PPC BLUE ROMANIA SRL	100%	-	Romania 2019	E-mobility
PPC TRADING SRL	100%	-	Romania 2020	Financing Services
PPC SERVICII COMUNE SA[11]	75%	-	Romania 2007	Supporting Services

(All amounts in thousands of Euro, unless otherwise stated)

19. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

WIND ENERGY GREEN PARK SRL[11]	100%	-	Romania 2021	RES
SOUTH WIND ENERGY SRL[11]	100%	-	Romania 2021	RES
DARA SOLAR INVESTMENT SRL[11]	100%	-	Romania 2021	RES
ENERGO SONNE SRL[11]	100%	-	Romania 2021	RES
SOLAS ELECTRICITY SRL[11]	100%	-	Romania 2021	RES
TOPWIND ENERGY SRL[11]	100%	-	Romania 2021	RES
PROWIND WINDFARM VIISOARA SRL[11]	100%	-	Romania 2008	RES
PROWIND WINDFARM BOGDANESTI SRL[11]	100%	-	Romania 2008	RES
TOPLET POWER PARK SRL[11]	100%	-	Romania 2021	RES
GV ENERGIE RIGENERABILI ITAL-RO SRL[11]	100%	-	Romania 2010	RES
ELCOMEX SOLAR ENERGY SRL[11]	100%	-	Romania 2014	RES
DE ROCK INT'L S.R.L. [11]	100%	-	Romania 2005	RES
ZEPHIR 3 CONSTANTA S.R.L. [11]	100%	-	Romania 2020	RES
ORAVITA POWER PARK S.R.L[11]	100%	-	Romania 2021	RES
POTOC POWER PARK SRL[11]	100%	-	Romania 2021	RES
PROWIND WINDFARM IVESTI SRL[11]	100%	-	Romania 2008	RES
PROWIND WINDFARM DELENI SRL[11]	100%	-	Romania 2008	RES
SUN CHALLENGE SRL[11]	100%	-	Romania 2020	RES
WINDARROW ENERGEIAKI S.M.S.A. [3]	100%	100%	Greece 2018	RES
KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A. [7]	100%	-	Greece 2017	RES
AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA[7]	100%	-	Greece 2017	RES
EDS AD Skopje	100%	100%	Republic of North Macedonia 2012	Supply of power
EDS DOO Belgrade	100%	100%	Serbia 2016	Supply of power
EDS INTERNATIONAL SK SRO	100%	100%	Slovakia 2012	Supply of power
EDS INTERNATIONAL KS LLC	100%	100%	Kosovo 2016	Supply of power
SPARK WIND PARK S.R.L.[8]	100%	-	Romania 2023	Supporting Services
SPARTAKOS ENERGY S.M.S.A. [9]	100%	-	Greece 2023	RES
THRAKIKI WIND 1 S.A. [10]	100%	-	Greece 2007	RES

(All amounts in thousands of Euro, unless otherwise stated)

19. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

1.On June 9, 2022, the Parent Company acquired the electric mobility service provider CARGE S.A. paying the amount of €621 thousand and the amount of €247 thousand for the redemption of loans given by third parties to CARGE SA. CARGE specializes in the development of innovative software for applications which, among other things, enable the user to navigate through a digital map arriving at the charging station by the best and fastest route.

2.It should be noted that the companies named AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS, AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS were initially named as VOLTERRA K-R SINGLE MEMBER S.A., VOLTERRA LYKOVOUNI SINGLE MEMBER S.A., VOLTERRA DOUKAS SINGLE MEMBER S.A., VOLTERRA KOUKOULI SINGLE MEMBER S.A. The change in their legal name occurred with the new statutes as of August 2022.

3.On 16/12/2022, the company “GEOTHERMAL TARGET SINGLE MEMBER S.A.” was renamed to “ENERGEIAKOS STOCHOS SINGLE MEMBER S.A.” and on 15/12/2022 the company “WINDARROW MOUZAKI ENERGY SINGLE MEMBER S.A.” was renamed to “WINDARROW ENERGEIAKI S.M.S.A.”

4.“ALEXANDROUPOLIS ELECTRICITY PRODUCTION SINGLE MEMBER S.A.” was acquired on 20.12.2022 and on 01.02.2023 was renamed to “ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.”

5.“DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.” was established on 21.12.2022.

6.PPC (Public Power Corporation) Romania S.A was incorporated on 15.03.2023 and in its share capital PPC S.A. participates by 99% and PPC RENEWABLES S.M.S.A. by 1%.

7.“KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A.” and “AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA” were acquired on 31.01.2023 by “WINDARROW ENERGEIAKI S.M.S.A.” and belong to it by 100% (Note 3.5).

8.On 01.08.2023 the company "SPARK WIND PARK S.R.L." was founded.

9.In November 2023 the company SPARTAKOS ENERGY S.M.S.A. was established.

10.In December 2023, the company THRAKIKI WIND 1 S.A. was acquired (Note 3.5).

11. On October 25, 2023, the Parent Company acquired ENEL's shares in 29 companies in Romania and on October 26, 2023 Fondul's minority rights in certain subsidiary companies (Note 3.6). In the companies that the Parent Company does not own 100%, the minority shareholder is SAPE.S.A. (Romanian state company).

(All amounts in thousands of Euro, unless otherwise stated)

20. INVESTMENTS IN ASSOCIATES

The Group's and the Parent Company's associates as of December 31st, 2023 and December 31st, 2022 are as follows (equity method):

		Group		Company	
	Note	31.12.2023	31.12.2022	31.12.2023	31.12.2022
PPC Renewables ROKAS S.A.		2,664	2,787	-	-
PPC Renewables TERNA Energiaki S.A.		2,336	2,426	-	-
PPC Renewables NANKO Energy – Gitani S.A.		2,298	2,191	-	-
PPC Renewables MEK Energiaki S.A.		659	652	-	-
PPC Renewables ELTEV AIFOROS S.A.		2,825	2,734	-	-
PPC Renewables EDF EN GREECE S.A.		8,747	8,429	-	-
Aioliko Parko LOYKO S.A.		-	3	-	-
Aioliko Parko MBAMBO VIGLIES S.A.		-	1	-	-
Aioliko Parko KILIZA S.A.		4	7	-	-
Aioliko Parko LEFKIVARI S.A.		2	4	-	-
Aioliko Parko AGIOS ONOUFRIOS S.A.		7	9	-	-
OROS ENERGY S.A.		314	303	-	-
ATTICA GREENESCO ENERGIAKI S.A.		595	393	-	-
BALIAGA IKE		387	626	-	-
TEICHIO S.A.		528	713	-	-
PIVOT SOLAR Sole Shareholder IKE		222	696	-	-
GEOTHERMAL TARGET II Sole Shareholder S.A.		83	6	-	-
METON ENERGY S.A.		36,510	37,651	-	-
NVISIONIST S.A.		722	500	3,397	500
WASTE CYCLO S.A.		-	16	-	37
HELLENIC HYDROGEN S.A.		6,267	-	6,468	-
Total		**65,170**	**60,147**	**9,865**	**537**

Acquisition of shareholding in associate

On 22/09/2022, PPC S.A. acquired 33.34% of NVISIONIST S.A. by paying the amount of € 500 thousand, while there was a term for an additional consideration based on specific conditions. On 05/10/2023, the additional consideration of €2.4 million was paid by PPC. Also, on 08/09/2023 it was decided by the General Assembly of the shareholders of the associate company, to increase its share capital by the amount of €1.5 million. PPC paid the amount of € 500.1 thousand corresponding to its participation in the associate company.

Shareholders' agreement with Motor Oil

On July 7, 2022, PPC signed a Shareholders' Agreement and on 23 January 2023 the new associate company "Hellenic Hydrogen S.A." was established, in which Motor Oil's stake is 51% of its share capital and PPC's stake is 49%, paying the amount of €6.5 million.

The new company will aim at the development of green hydrogen generation and storage projects in the country, thus facilitating Greece's energy transition to Net Zero CO_2 emissions.

(All amounts in thousands of Euro, unless otherwise stated)

20. INVESTMENT IN ASSOCIATES (CONTINUED)

Resolution of a Company

On February 23, 2023, GEMI approved the resolution of the associate company Waste Syclo A.E. in accordance with the decision of the General Assembly of its shareholders dated 16/01/2023.
On December 21, 2023, the Liquidation Balance Sheet was drawn up and the participation of the Parent Company in the related company was deleted.

Cooperation with RWE Business Group for the joint development of RES projects

In October 2021, PPC S.M.S.A and RWE Renewables GmbH have signed the Joint Venture Formation Agreement and the Shareholders' Agreement, with the aim of jointly contributing and implementing photovoltaic stations with a total installed capacity of up to 2 GW through a JV investment vehicle (JVCo). In this context, in August 2021, 9 subsidiaries were established (companies "AMYNTEO") in Amynteo, Florina, for the creation of photovoltaic projects with a total capacity of up to 940 MW, which are in Western Macedonia, within the former Lignite Mine Amynteo.

On January 14, 2022, the process of the contribution in kind to METON ENERGY S.A was completed from PPC RENEWABLES S.M.S.A, of the shares of its 9 subsidiaries AMYNTEO which were valued on August 2, 2021 at € 75,185 by Certified Public Accountants and acquired 49% of its shareholding, while RWER, contributed the amount of € 78,254 to METON ENERGY and acquired 51% of its shareholding. In parallel, RWER has already secured a portfolio of photovoltaic projects of a similar size in Greece, which is expected to be contributed to METON. The solar projects are in various stages of development while is expected to be connected to the grid within 2024.

This transaction was treated by the Group as a contribution in kind (IAS 28, para. 28) of the net assets of its 100% subsidiaries (with loss of control) and recognition of participation in the fair value of 49% in the associate company METON ENERGY SA. and its consolidation with the equity method.

On January 14, 2022, the Group recognized in the Statement of Income"gain from associates" amounting to €38.1 mil. as it lost control of these assets while recognizing participation in relatives amounting to €38.7 mil.

The Auditors Accountants appraised the fair value of the 9 subsidiaries AMYNTEO at €153.4 mil. using the Discounted Cash Flow method based on the Business Plan of the 9 subsidiary companies for the period 2021 – 2058.

Acquisition of RES portfolio subsidiaries in 2022

The Group, through its subsidiary PPC RENEWABLES S.M.S.A, entered into an agreement to purchase 100% of the shares of subsidiary companies of Volterra, paying a price of €59.7 million on June 22, 2022. Specifically, the Group acquired 55% of the shares of Volterra K-R SA and Volterra LYKOVOUNI SA, in which it was already a 45% shareholder in each company as of 2019. Volterra K-R SA and Volterra LYKOVOUNI SA own wind parks with a total capacity of 69.7 MW in Aitoloakarnania and Viotia.

Also, the Group acquired 100% of HELIOFANEIA S.A which owns a photovoltaic park in operation with a capacity of 2.7 MW in Viotia, as well as the companies Volterra DOUKAS SA and Volterra KOUKOULI SA which own installation licenses for wind parks with a total capacity of 39.5 MW, the construction of which are scheduled to start immediately in Western Macedonia.

On the acquisition date, goodwill of €21.1 million was recognized in intangible assets that was not allocated to any specific intangible asset.

In addition, as the Group already owned 45% of the share capital in the companies Volterra K-R SA and Volterra LYKOVOUNI SA, it recognized on June 22, 2022 a gain from the valuation at fair value of its investment in associates on the date of their acquisition amounting to € 20.7 million, which is included in the Statement of Income in "Gains from associates ".

In accordance with IFRS 3 on a step-by-step acquisition of an equity interest, the acquirer remeasures the equity interests previously held by the acquiree at fair value at the acquisition date and recognizes any gain or loss in the Statement of Income.

(All amounts in thousands of Euro, unless otherwise stated)

20. INVESTMENT IN ASSOCIATES (CONTINUED)

The full list of the Group's and the Parent Company's associates are presented below:

Associates	Ownership Interest 31.12.2023	Ownership Interest 31.12.2022	Country and Year of Incorporation	Principal Activities
PPCR-ROKAS INDUSTRIAL AND COMMERCIAL S.A.	49.00%	49.00%	Greece, 2000	RES
PPCR - TERNA ENERGY S.A.	49.00%	49.00%	Greece, 2000	RES
DEI ANANEOSIMES - NANKO ENERGEIA M.Y.I.E GITANI ANONYMOS ETAIREIA	49.00%	49.00%	Greece, 2000	RES
PPCR - MEK ENERGY S.A OF ELECTRICITY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	49.00%	49.00%	Greece, 2001	RES
DEI ANANEOSIMES – ELLINIKI TECHNODOMIKI TEV - ENERGEIAKI ANONYMOS ETAIREIA	49.00%	49.00%	Greece, 2004	RES
PPCR – EDF RENEWABLES HELLAS S.A. OF ELECTRICTY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY	49.00%	49.00%	Greece, 2007	RES
E.E.N VOIOTIA ENERGY S.A. [1]	46.55%	46.55%	Greece, 2007	RES
WIND PARK LOUKO S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK MPAMPO VIGLIES S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK KILIZA S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK LEFKIVARI S.A.	49.00%	49.00%	Greece, 2008	RES
WIND PARK AGIOS ONOUFRIOS S.A.	49.00%	49.00%	Greece, 2008	RES
WASTE SYCLO S.A.	-	49.00%	Greece, 2011	Waste Management
NVISIONIST S.A.	33.34%	33.34%	Greece, 2021	Specialized systems & software
HELLENIC HYDROGEN S.A. [6]	49.00%	-	Greece, 2023	Production, Storage & Supply of hydrogen
OROS ENERGY S.A.	49.00%	49.00%	Greece 2017	RES
GREENESCO ENERGY S.A. [2]	49.00%	49.00%	Greece 2017	En. Services
BALIAGA S.A. [3]	49.00%	49.00%	Greece, 2020	RES
TEICHIO S.A. [3]	49.00%	49.00%	Greece, 2020	RES
PIVOT SOLAR S.A. [3]	49.00%	49.00%	Greece, 2021	RES
GEOTHERMAL TARGET TWO (II) S.A.	49.00%	49.00%	Greece, 2020	RES
METON ENERGY S.A..	49.00%	49.00%	Greece, 2021	RES
IDEA FOS SINGLE MEMBER S.A. [5]	49.00%	49.00%	Greece, 2020	RES
AMYNTEO SOLAR PARK ONE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK TWO SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR PARK THREE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK FIVE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR PARK SIX SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR SEVEN SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece 2021	RES
AMYNTEO SOLAR EIGHT SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES
AMYNTEO SOLAR NINE SINGLE MEMBER S.A. [4]	49.00%	49.00%	Greece, 2021	RES

(All amounts in thousands of Euro, unless otherwise stated)

20. INVESTMENT IN ASSOCIATES (CONTINUED)

1. It is consolidated by the associate company PPCR – EDF RENEWABLES HELLAS S.A. OF ELECTRICTY PRODUCTION FROM RENEWABLE SOURCES OF ENERGY, as it participates in its share capital by 95%.
2. The subsidiary of PPC RENEWABLES S.M.S.A., AMALTHIA ENERGY S.M.S.A. purchased the 49% of this company.
3. The shareholding in the above companies by PPC RENEWABLES S.M.S.A. commenced on 7/5/2021 based on an agreement.
4. Investments through "METON ENERGY S.A.". The companies until January 14, 2022 were 100% subsidiaries of PPC RENEWABLES S.M.S.A., until they were transferred to "METON ENERGY S.A." for the acquisition of the 49% of its share capital. In the current financial statements those companies are consolidated with the equity method through "METON ENERGY S.A."
5. Investments through "METON ENERGY S.A." It is a new subsidiary of "METON ENERGY S.A." with shareholding 100% that was acquired on 26/10/2022. In the current financial statements, it is consolidated through "METON ENERGY S.A."
6. HELLENIC HYDROGEN S.A. was incorporated on 23/01/2023 with principal activity the production, storage and supply of hydrogen.

The following tables present PPC's share (directly or indirectly) of its associates' financial figures as of 31.12.2023 and 31.12.2022 respectively:

	December 31, 2023		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	3,377	713	2,664
PPC Renewables TERNA Energiaki S.A.	8,119	5,783	2,336
PPC Renewables NANKO Energy –Gitani S.A.	2,695	397	2,298
PPC Renewables MEK Energiaki S.A.	1,204	545	659
PPC Renewables ELTEV S.A.- SMIXIOTIKO	3,840	1,057	2,783
PPC Renewables EDF EN HELLAS S.A.	12,561	3,814	8,747
Aioliko Parko LOYKO S.A.	5	6	(1)
Aioliko Parko MBAMBO VIGLIES S.A.	6	8	(2)
Aioliko Parko KILIZA S.A.	9	5	4
Aioliko Parko LEFKIVARI A.E.	3	1	2
Aioliko Parko AGIOS ONOUFRIOS S.A.	10	3	7
OROS ENERGY S.A.	784	586	198
GREENESCO Energiaki S.A.	2,134	1,546	588
BALIAGA S.A.	2,772	2,787	(15)
TEICHIO S.A.	2,126	2,016	110
PIVOT SOLAR S.A.	4,218	4,480	(262)
GEOTHERMAL TARGET II S.A.	121	40	81
METON ENERGY S.A.**	181,675	108,574	73,101
HELLENIC HYDROGEN	6,341	114	6,227
NVISIONIST S.A.	746	24	722
Total	**232,746**	**132,499**	**100,247**

	December 31, 2022		
	Assets	Liabilities	Equity
PPC Renewables ROKAS S.A.	3,609	822	2,787
PPC Renewables TERNA Energiaki S.A.	8,862	6,436	2,426
PPC Renewables NANKO Energy –Gitani S.A.	2,645	455	2,190
PPC Renewables MEK Energiaki S.A.	1,290	638	652
PPC Renewables ELTEV S.A.- SMIXIOTIKO	3,718	984	2,734
PPC Renewables EDF EN HELLAS S.A.	15,091	6,662	8,429
Aioliko Parko LOYKO S.A.	4	2	2
Aioliko Parko MBAMBO VIGLIES S.A.	6	5	1
Aioliko Parko KILIZA S.A.	11	4	7
Aioliko Parko LEFKIVARI A.E.	6	2	4
Aioliko Parko AGIOS ONOUFRIOS S.A.	12	3	9
OROS ENERGY S.A.	837	649	188
GREENESCO Energiaki S.A.	530	144	386
BALIAGA S.A.	2,385	2,160	225
TEICHIO S.A.	2,104	1,809	295
PIVOT SOLAR S.A.	4,242	4,029	213
GEOTHERMAL TARGET II S.A.	20	16	4
METON ENERGY S.A.**	78,228	3,949	74,279
NVISIONIST S.A.	190	9	181
Total	**123,790**	**28,778**	**95,012**

** Amounts related to METON include the consolidated amounts of Group Meton (METON and AMYNTAIO 1-9 and IDEA FOS)

(All amounts in thousands of Euro, unless otherwise stated)

20. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table presents PPC's share of its associates' revenues and results:

	December 31, 2023		December 31, 2022	
	Revenues	**Profit/ (Loss)**	**Revenues**	**Profit/ (Loss)**
PPC Renewables ROKAS S.A.	682	357	838	486
PPC Renewables TERNA Energiaki S.A.	1,386	355	1,248	331
PPC Renewables NANKO Energy –Gitani S.A.	412	107	279	(20)
PPC Renewables MEK Energiaki S.A.	1,133	582	1,115	575
PPC Renewables ELTEV S.A.SMIXIOTIKO	499	186	446	201
PPC Renewables EDF EN GREECE S.A	2,177	709	2,581	982
Aioliko Parko LOYKO S.A.	-	(2)	-	(2)
Aioliko Parko MBAMBO VIGLIES S.A.	-	(2)	-	(2)
Aioliko Parko KILIZA S.A.	-	(2)	-	(2)
Aioliko Parko LEFKIVARI A.E.	-	(2)	-	(2)
Aioliko Parko AGIOS ONOUFRIOS S.A.	-	(2)	-	(2)
OROS ENERGY S.A.	122	8	151	22
GREENESCO Energiaki S.A.	2,125	202	817	39
BALIAGA S.A.	-	(207)	-	(119)
TEICHIO S.A.	-	(156)	-	(71)
PIVOT SOLAR S.A.	-	(394)	-	(170)
GEOTHERMAL TARGET II	-	(60)	-	(11)
METON ENERGY S.A.**	198	(3,379)	122	(904)
HELLENIC HYDROGEN	-	(241)	-	-
NVISIONIST S.A.	557	25	-	-
Total	**9,291**	**(1,916)**	**7,597**	**1,331**

*The companies " AIOLIKO PARKO LYKOVOUNI Sole Shareholder S.A." and " AIOLIKO PARKO K-R Sole Shareholder S.A." until 20/06/2022 were associates by 45%. On 21/06/2022, the remaining 55% was acquired by "PPC Renewables" and are 100% subsidiaries. Also, these companies from "VOLTERRA LYKOVOUNI Sole Shareholder S.A." and "VOLTERRA K-R Sole Shareholder S.A." were renamed to "AIOLIKO PARKO LYKOVOUNI Sole Shareholder S.A" and "AIOLIKO PARKO K-R Sole Shareholder S.A". The change in their legal name occurred with the new statutes as of August 2022.

** Amounts related to METON include the consolidated amounts of Group Meton (METON and AMYNTAIO 1-9 and IDEA FOS)

(All amounts in thousands of Euro, unless otherwise stated)

21. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

PPC balances with its subsidiaries as of December 31st, 2023 and December 31st, 2022 are as follows:

	December 31, 2023		December 31, 2022	
	Receivables	**(Payables)**	**Receivables**	**(Payables)**
Subsidiaries				
PPC Renewables S.M.S.A	5,278	(222)	2,879	(92)
HEDNO S.A.	219,742	(383,406)	140,193	(248,802)
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	5	-	5	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	5	-	5	-
SOLAR ARROW ONE S.M.S.A	139	(1,224)	51	-
ARCADIAN SUN ONE S.M.S.A.	7	(167)	7	-
ARCADIAN SUN TWO S.M.S.A.	2	-	2	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	1	(227)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	2	(584)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	-	(14)	-	-
SOLARLAB S.M.S.A.	-	(247)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	159	(927)	-	-
CARGE S.A.	638	(503)	711	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	38,987	-	-	-
PPC Finance Plc	41	(171)	-	(118)
PPC Elektrik	-	(16)	151	-
PPC Bulgaria JSCO	-	-	-	-
PPC Albania	-	(18)	4	
EDS AD Skopje	36,418	(990)	54,115	-
Eds doo Belgrade	-	(18)	-	-
EDS International SK S.R.O..	-	(952)	-	-
PPC Belgium	147	-	-	-
PPC Energie SA	315,571	-	-	-
PPC Energie Muntenia SA	212,803	-	-	-
PPC Trading S.R.L	5,806	-	-	-
PPC Advanced Energy Services Romania S.R.L	2,091	-	-	-
PPC Blue Romania S.R.L	5,133	-	-	-
Total	**842,975**	**(389,686)**	**198,123**	**(249,012)**

The above transactions and balances do not include the dividend distributions of the subsidiary HEDNO to the Parent Company (Note 5).

Also, the Parent Company signed for the first time in 2023 power purchase agreements (PPA) (Electricity long positions) with the subsidiary companies Alexandroupolis Electricity Production S.A., Arkadikos Helios Ena M.A.E., SOLARLAB M.A. E. with a total value of €21.3 million and the related companies Amyntaio F.V. Park Tessera M.A.E., Amyntaio F.B. Park Seven M.A.E., Amyntaio F.B. Parko Okto M.A.E., Amyntaio F.B. Park Nine M.A.E. with a total value of €4.4 (Note 46.4).

Additionally, from the acquisition of the subsidiaries in Romania, the Parent Company recognized on December 31, 2023 short-term loan receivables from subsidiaries amounting to €515.1 million (RON 2,563.1 million) plus €8.3 million of accrued interest (Note 3.6).

Due to the absorption of the lignite subsidiaries Lignitiki Megalopolis S.A. and Lignitiki Melitis S.A. from the Parent Company on June 1, 2022, on December 31, 2022 there are no receivables and payables with the Parent Company.

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Guaranties in favor of subsidiaries/associates

As of 31.12.2023 there is a corporate guarantee of the PPC S.A. to PPC RENEWABLES SINGLE-MEMBER S.A, for an overdraft facility of up to **€**3 million, of which an amount of €360 thousand has been used, for the issuance of letters of guarantee.

As of 31.12.2023, the Parent Company is a guarantor in loans of the subsidiary company EDS AD Skopje for working capital of € 33 million. The amount of € 9.9 million was disbursed by EDS Group as working capital while an amount of €6.7 million has been used to issue letters of guarantee.

On February 21, 2022, bank deposits of €21 million the Parent Company were pledged on behalf of a loan of the subsidiary EDS and they remain as collateral on December 31, 2023.

Within 2023, the Parent Company has issued letters of guarantee confirming the Producer Licenses R/L totaling €137.9 million on behalf of PPC Renewables S.M.S.A.

Also, the Parent Company has issued letters of guarantee amounting to €2.35 million, €1.81 million and €0.69 million in favor of the associate companies AMYNTEO SOLAR PARK EIGHT SINGLE MEMBER S.A., AMYNTEO SOLAR PARK SEVEN SINGLE MEMBER S.A. and AMYNTEO SOLAR PARK FOUR SINGLE MEMBER S.A. in the framework of the 15-year power purchase agreements with financial settlement signed between the parties on June 2, 2023. These contracts will be in effect in a future date when certain conditions will be met. The above guarantees are valid until June 6, 2024 and will be further renewed following the terms of the power purchase agreements.

On 19.9.2023 it was decided by the Board of Directors of the Parent Company, the provision of a corporate guarantee in favor of the company METKA - EGN LTD, amounting to €228 million in the context of the Share Purchase Agreement between the Company METKA - EGN LTD and the subsidiary PPC Renewables for the acquisition of the option to purchase from the latter of 100% of the share capital of SOLAR REVOLUTION and SUNLIGHT VENTURE S.R.L after the 30.06.2023 supplement to this, to cover the relevant financial obligations of PPC Renewables S.M.S.A.

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The Transactions of the Parent Company with subsidiaries for the year ended December 31, 2023 and December 31, 2022 are as follows:

	December 31, 2023		December 31, 2022	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
Subsidiaries				
PPC Renewables S.M.S.A.	7,157	(1,491)	4,565	(3,044)
HEDNO S.A.	1,435,887	(1,644,557)	975,558	(1,374,825)
LIGNITIKI MEGALOPOLIS S.A.	-	-	52,002	(363)
LIGNITIKI MELITIS S.A.	-	-	31,647	-
SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.	36	-	35	-
SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.	34	-	33	-
SOLAR ARROW ONE S.M.S.A	517	(5,948)	508	-
ARCADIAN SUN ONE S.M.S.A.	75	(1,780)	73	-
ARCADIAN SUN TWO S.M.S.A.	19	-	19	-
AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	6	(1,747)	-	-
AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS	27	(6,324)	-	-
HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS	1	(229)	-	-
SOLARLAB S.M.S.A.	-	(247)	-	-
DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A.	152	(927)	-	-
CARGE S.A.	9	(503)	-	-
ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.	1,073	-	-	-
PPC Finance Plc	-	(53)	-	(47)
PPC Elektrik	-	(221)	-	(178)
PPC Bulgaria JSCO	-	-	1	-
PPC Albania	-	(216)	-	(216)
EDS AD Skopje	31,167	(17,388)	41,398	(1,700)
Eds doo Belgrade	461	(108)	-	-
EDS International SK S.R.O..	8,331	(61)	-	-
PPC Belgium	106	(109)	-	-
PPC Energie SA	4,082	-	-	-
PPC Energie Muntenia SA	2,655	-	-	-
PPC Trading S.R.L	92	-	-	-
PPC Advanced Energy Services Romania S.R.L	17	-	-	-
PPC Blue Romania S.R.L	57	-	-	-
Total	**1,491,961**	**(1,681,909)**	**1,105,839**	**(1,380,373)**

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Significant transactions and balances with other companies into which the Greek State participates

The following table presents transactions and balances with companies HELLENiQ ENERGY Holdings S.A. and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively, and into which the Greek State participates. Additionally, transactions and balances with DAPEEP S.A., HEnEx S.A., ENEXCLEAR S.A., IPTO S.A., and LARCO S.A. are presented. The below tables include also accrued receivables and payables and accrued income and expenses.

	1.1.2023– 31.12.2023		1.1.2022 – 31.12.2022	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HELLENiQ ENERGY Holdings S.A.	-	179,752	-	316,838
DEPA	-	344,163	-	1,556,387
DAPEEP S.A.	2,408,634	(341,529)	4,883,984	(347,250)
HEnEx S.A.	-	(3,432)	-	(2,678)
IPTO S.A	600	(175,751)	59,245	(111,139)
ENEXCLEAR S.A.	2,686,198	(4,267,660)	6,039,054	(10,457,909)
LARCO S.A.	(512)	-	27,322	-

	December 31, 2023		December 31, 2022	
	Receivables	(Payables)	Receivables	(Payables)
HELLENiQ ENERGY Holdings S.A.	-	(41,882)	-	(88,134)
DEPA	-	(39,028)	-	(119,977)
DAPEEP S.A.	586,621	(56,968)	474,910	(59,134)
HEnEx S.A.	-	(9)	-	(7)
IPTO S.A.	15,006	(12,680)	14,625	(18,629)
ENEXCLEAR S.A.	23,818	(31,918)	43,693	(61,345)
LARCO S.A.	355,075	-	367,542	-

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

PPC's total receivables from LARCO S.A., relating to electricity bills, are fully covered by a provision.

In addition to the above-mentioned transactions, PPC enters into commercial transactions with many state-owned entities, both profit and non for profit, within its normal course of business (sale of electricity, services received, etc.). All transactions with state-owned entities are performed at arm's length terms and are not disclosed, with the exception of transactions that the Group and the Parent Company enter into with the Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) and the companies in which HCAP S.A. participates.

The Group's and the Parent Company's balances as of December 31, 2023 and December 31, 2022 with HCAP S.A. and the companies, in which HCAP S.A. participates, are presented below:

	GROUP December 31, 2023		PARENT COMPANY December 31, 2023	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,383	-	1,335	-
ELTA S.A.	208	(3,694)	-	(3,599)
ELTA COURIER S.A.	1	(71)	-	(22)
EYDAP S.A.	5,939	(49)	5,939	(3)
ETVA INDUSTRIAL PARKS S.A.	420	(38)	420	(34)
THESSALONIKI INTERNATIONAL FAIR S.A.	94	-	94	-
ODIKES SYNGKOINONIES S.A.	8,822	(1,149)	8,822	-
PUBLIC PROPERTIES COMPANY S.A.	7,258	-	7,258	-
URBAN RAIL TRANSPORT S.A.	1,134	-	1,134	-
C.M.F.O. S.A.	118	(5)	118	-
O.A.S.A. S.A.	4	-	4	-
E.Y.A.TH. S.A	3,851	-	3,851	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	-	(1)	-	(1)
GEA OSE S.A	11	-	2	-
AEDIK	16	-	16	-
HELLENIC SALTWORKS S.A.	12	-	12	-
TOTAL	**29,271**	**(5,007)**	**29,005**	**(3,659)**

It is noted that "Receivables" and "Payables" with the companies E.YD.AP. S.A. and E.Y.A.TH. S.A. are reported as of 30.06.2023. Since then, these companies ceased to be subsidiaries of HCAP S.A.

	GROUP December 31, 2022		PARENT COMPANY December 31, 2022	
	Receivables	(Payables)	Receivables	(Payables)
ATHENS INTERNATIONAL AIRPORT S.A.	1,683	(11)	1,642	(11)
ELTA S.A.	983	(3,148)	-	(3,041)
ELTA COURIER S.A.	2	(343)	2	(293)
EYDAP S.A.	10,843	(54)	10,843	(12)
ETVA INDUSTRIAL PARKS S.A.	803	(27)	803	(21)
ODIKES SYNGKOINONIES S.A.	10,311	-	10,311	-
PUBLIC PROPERTIES COMPANY S.A.	6,699	-	6,699	-
URBAN RAIL TRANSPORT S.A.	19,224	-	19,224	-
C.M.F.O. S.A.	137	-	137	-
O.A.S.A. S.A.	5	-	5	-
E.Y.A.TH. S.A	7,029	-	7,028	-
GEA OSE S.A	2	(1)	-	-
AEDIK	7	-	7	-
HELLENIC SALTWORKS S.A.	-	(1)	-	(1)
TOTAL	**57,728**	**(3,585)**	**56,701**	**(3,379)**

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The transactions made by the Group and the Parent company with HCAP S.A. and the companies in which participates for the years ended December 31st 2023 and December 31st 2022 are as follows:

	GROUP 1.1.2023 – 31.12.2023		PARENT COMPANY 1.1.2023 – 31.12.2023	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	20	-	20	-
ATHENS INTERNATIONAL AIRPORT S.A.	694	(151)	447	(151)
ELTA S.A.	3,045	(11,448)	4	(11,426)
ELTA COURIER S.A.	11	(81)	11	(72)
EYDAP S.A.	21,565	(71)	21,551	(49)
ETVA INDUSTRIAL PARKS S.A.	1,798	(153)	1,798	(91)
THESSALONIKI INTERNATIONAL FAIR S.A.	1,401	(55)	1,401	(54)
ODIKES SYNGKOINONIES S.A.	6,110	(5)	6,106	-
PUBLIC PROPERTIES COMPANY S.A.	3,068	(2)	3,067	(2)
URBAN RAIL TRANSPORT S.A.	46,381	(526)	46,381	(524)
C.M.F.O. S.A.	2,213	-	2,213	-
O.A.S.A. S.A.	106	-	106	-
CENTRAL THESSALONIKI MARKET S.A.	125	-	125	-
CASINO PARNITHA	11	-	11	-
E.Y.A.TH. S.A.	14,753	(4)	14,744	-
HELLENIC SALTWORKS S.A.	331	-	331	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	5	-	5	-
GAIA- OSE S.A.	23	-	23	-
A.E.DI.K	32	-	32	-
TOTAL	**101,692**	**(12,496)**	**98,376**	**(12,369)**

It is noted that invoicing "from" and "to" with the companies E.YD.AP. S.A. and E.Y.A.TH. S.A. concerns the period from 01.01.2023 up to 30.06.2023. Since then, these companies ceased to be subsidiaries of HCAP S.A.

	GROUP 1.1.2022 – 31.12.2022		PARENT COMPANY 1.1.2022 – 31.12.2022	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
HCAP S.A.	37	-	37	-
ATHENS INTERNATIONAL AIRPORT S.A.	1,811	(106)	1,590	(106)
ELTA S.A.	8,561	(11,589)	8	(11,538)
ELTA COURIER S.A.	19	(353)	19	(318)
EYDAP S.A.	64,006	(219)	63,917	(167)
ETVA INDUSTRIAL PARKS S.A.	3,221	(58)	3,221	(53)
THESSALONIKI INTERNATIONAL FAIR S.A.	2,945	(91)	2,945	(81)
ODIKES SYNGKOINONIES S.A.	10,923	(10)	10,922	-
PUBLIC PROPERTIES COMPANY S.A.	4,701	(2)	4,701	(2)
URBAN RAIL TRANSPORT S.A.	72,010	(2)	72,007	-
C.M.F.O. S.A.	3,758	-	3,758	-
O.A.S.A. S.A.	120	-	120	-
CENTRAL THESSALONIKI MARKET S.A.	588	-	588	-
E.Y.A.TH. S.A.	44,113	(6)	44,108	(1)
HELLENIC SALTWORKS S.A.	674	-	674	-
MANAGEMENT OF INDUSTRIAL PARK OF KASTORIA	9	-	9	-
GAIA- OSE S.A.	41	-	41	-
A.E.DI.K	56	-	56	-
TOTAL	**217,593**	**(12,436)**	**208,721**	**(12,266)**

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Management remuneration

Management Members remuneration (Board of Directors and General Managers) for the year ended December 31st, 2023 and December 31st, 2022 is as follows:

	GROUP		COMPANY	
	2023	2022	2023	2022
Remuneration of the Board of Directors' members				
- Remuneration of executive members	2,080	989	1,630	580
- Remuneration of non-executive members	417	235	-	-
- Compensation / extraordinary fees and other benefits	1,088	594	866	500
- Employer's social contributions	271	184	128	96
- Free of charge stock awards	1,349	-	858	-
	5,205	**2,002**	**3,482**	**1,176**
Remuneration of the Deputy Chief Executive Officers and General Managers				
- Regular remuneration	3,968	2,698	2,768	1,814
- Employer's Social Contributions	427	414	288	304
- Compensation / extraordinary fees	2,268	1,380	1,421	922
- Free of charge stock awards	2,850	-	2,850	-
	9,513	**4,492**	**7,327**	**3,040**
Total	**14,718**	**6,494**	**10,809**	**4,216**

Remuneration to members of the Board of Directors does not include standard salaries and employer's social contribution, relating to the representatives of employees that participate in the Parent Company's Board of Directors. Also, it does not include the benefit of electricity supply based on the PPC personnel tariff to the executive members of the Board of Directors, the Deputy Chief Executive Officers and the General Managers.

Remuneration Policy

On December 14, 2022, the Extraordinary General Meeting of the shareholders of the Parent Company approved the new Remuneration Policy of PPC S.A. which is a supplement to the regulations of the Remuneration Policy, as it was formulated pursuant to the relevant Decisions of the Company's General Assembly of June 4, 2021. Additionally, on December 14, 2023, the Extraordinary General Meeting of the shareholders of the Parent Company approved the amendment of the Remuneration Policy of PPC S.A.

>Free of charge stock awards program

For the period 2020-2025, it was decided to provide an additional reward incentive for the executives of PPC S.A. and PPC Renewables S.M.S.A. for their contribution to the achievement of the Group's medium-term goals in the form of 4 rolling cycles of the equity settled stock awards program and the framework for granting them was determined based on the provisions of article 49 of N4548/2018. While the Board of Directors was authorized to determine the Key Performance Indicators which will be linked to market conditions for each cycle of the free of charge stock awards distribution program.

The 4 cycles are as follows: 1st cycle 01/01/2020 to 31/12/2021 with distribution of shares in 2022, 2nd cycle 01/01/2021 to 31/12/2022 with distribution of shares in 2023, 3rd cycle 01/01/2022 to 31/12/2023 with distribution of shares in 2024 and the end of the fourth cycle 01/01/2023 to 31/12/2024 with distribution of shares on December 31, 2025, the end date of the program.

In August 2023, the shares corresponding to the first and second cycles were distributed free of charge to the beneficiaries after the determination of the key Performance Indicators and the approval of their achievement by the Board of Directors of the Parent company on July 18, 2023, a date which constitutes the grant date of the free of charge shares.

(All amounts in thousands of Euro, unless otherwise stated)

21.BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

The maturity date of each cycle was defined as the last day of each cycle. The cost of the free of charge distribution of the shares for cycles a' and b' amounted to € 7.2 million and € 6.6 million for the Group and the Parent Company respectively and is included in the payroll cost in the Statement of Income.

With the Board of Directors meeting of the Parent Company from July 18, 2023, the key Performance Indicators for the specific provision were determined and as a result, the Parent Company determined the fair value of the Rights to distribute shares for free on this date (grant date) for cycles c' and d' with vesting period of rights from 01/01/2022 to 31/12/2023 and from 01/01/2023 to 31/12/2024. The number of shares per cycle was set at 464,000 shares (by taking into account the achievement of the sustainability and sustainable development clause) in accordance with the remuneration policy.

The expense for cycle c' which was recognized in the amount of € 5.5 million and € 5.0 million for the Group and the Parent Company respectively and the expense for cycle d' which was recognized in the amount of € 3.2 million and € 2.9 million for the Group and the Parent Company respectively, reflects the vesting period of the rights and the Group's best estimate of the number of equity securities that will ultimately vest. The total cost of the Free of charge stock awards increased the payroll cost by €8.7 million and €7.9 million in the Statement of Income, the investment in the subsidiary PPC Renewables by €0.8 million for the Parent Company and at the same time increased Other reserves by €8.7 million of the Group and the Parent Company.

The cost of these benefits was determined based on the fair value of the related rights , using the Monte Carlo valuation model. In this model, a zero-risk discount rate of 3.78% (c' cycle) and 3.36% (d'cycle) was used and took into account the future dividend distribution of the Parent company (Note 31). For all the cycles, the cost of the Free of charge stock awards amounted to € 15.9 million and € 14.7 million for the Group and the Parent Company respectively and is included in payroll cost (Note 8) in the Income Statement.

Within the framework of the above free of charge shares distribution programs, the Group and the Parent Company had purchased own shares within 2022 based on the provisions of article 49 of Law 4548/2018 (Note 28).

>Additional incentive (bonus)

With the revised Remuneration Policy of PPC S.A. from December 14, 2023, the new salaries (regular/additional incentive) of the members of the Board of Directors and its Committees as well as the salaries of the senior and top executives of the Company were determined.

The amount of the additional incentive for 2023 amounted to €8.6 million (2022: €4.7 million) and €5.1 million (2022: €3.2 million) respectively and is included in the Payroll cost of the Group's and the Parent Company's Income Statement for the year ended December 31, 2023.

(All amounts in thousands of Euro, unless otherwise stated)

22. INVENTORIES

	Group		Company	
	2023	2022	2023	2022
Lignite	50,402	44,062	50,402	44,062
Liquid fuel	326,101	371,604	326,101	371,604
Materials and consumables	1,072,356	827,217	629,926	592,797
Purchased materials in transit	28,644	7,441	7,333	7,333
Inventrories of electromobility	3,682	2,172	3,682	2,172
	1,481,185	**1,252,496**	**1,017,444**	**1,017,968**
Provision for impairment of inventories	(434,654)	(412,312)	(416,455)	(401,279)
Total	**1,046,531**	**840,184**	**600,989**	**616,689**

On December 31, 2023, the Group's Inventories (before deducting the provision for impairment) appear increased by €228.7 million, which is mainly due to the increase in the inventories of the subsidiary HEDNO by €94.3 million due to the increase in investing programs and the inventories of the new subsidiaries in Romania amounting to €132.9 million

The Parent Company's inventories and provisions for impairment for materials and spare parts on December 31, 2022 had also included the corresponding funds of the lignite subsidiaries due to absorption (Note 5.1).

Moreover, the Parent Company had recorded on December 31, 2023 an additional provision for impairment of € 4.0 million (2022: € 5.3 million) on the value of specific used spare parts of the Gas Units as their book value was higher than their net realizable value.

The inventories of the Group and the Parent Company are held free of encumbrance.

(All amounts in thousands of Euro, unless otherwise stated)

23. TRADE RECEIVABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
High voltage	797,710	702,386	784,293	687,988
Medium and Low voltage	3,091,393	2,889,741	2,859,550	2,889,741
Customers' contributions	2,741	2,741	2,741	2,741
Other energy suppliers	331,711	270,310	-	-
Natural gas receivables	20,813	516	2,072	516
Receivables from photovoltaics in the roofs	1,840	-	1,840	-
Receivables from electromobility	311	90	311	90
	4,246,519	**3,865,784**	**3,650,807**	**3,581,076**
Provision for expected credit losses High voltage	(517,630)	(483,403)	(517,630)	(483,403)
Provision for expected credit losses Medium and Low voltage	(2,033,371)	(1,897,085)	(1,926,046)	(1,896,939)
Provision for expected credit losses Other energy suppliers	(142,844)	(119,691)	-	-
	(2,693,845)	**(2,500,179)**	**(2,443,676)**	**(2,380,342)**
Total	**1,552,674**	**1,365,605**	**1,207,131**	**1,200,734**

On December 31, 2023, the Group includes Trade receivables (before provision for expected credit losses) related to subsidiaries in Romania of amount €320.9 million

The provision for expected credit losses is stated as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Balance, as at January 1	**2,500,179**	**2,422,489**	**2,380,342**	**2,304,534**
-Additional provision due to lignite absorption (Note 5.1)	-	-	-	3,084
-Increase/ (Decrease) in provision	64,637	74,709	63,334	72,724
-From acquisition of subsidiaries	131,647	-	-	-
-Provision usage	(2,275)	-	-	-
-Transfer of provision from doubtful other receivables (Note 24)	-	2,981	-	-
-Exchange differences	(343)	-	-	-
Balance, as at December 31	**2,693,845**	**2,500,179**	**2,443,676**	**2,380,342**

In 2023, the Parent Company proceeded to write offs of overdue trade receivables, derived from electricity sales to Low and Medium Voltage customers, amounting to € 121,790 (31.12.2022: Low, Medium and High Voltage customers € 192,208). For the most of write-offs, a provision for expected credit losses has been recorded in previous years.

Change in accounting estimate of provisions for receivables from low voltage customers

The Group and the Parent Company apply the simplified approach provided for in IFRS 9 for the calculation of expected credit losses for trade receivables arising from Electricity sales. On June 30, 2023, the Group's and the Parent Company's assessment on calculating the expected credit loss for receivables from Low Voltage customers in settlement, was revised. This revision was carried out by examining the effectiveness of the Low Voltage customer debt settlement program and the service rate of settled debts.
From the change in this accounting estimate, the estimate of the expected credit loss for the total of trade receivables arising from Electricity sales amounts to € 2,443.7 million on December 31, 2023. If the revised new way of calculating the expected credit loss of the settled debts of Low Voltage customers had not been applied, the estimate of the expected credit loss would have been increased by the amount of € 44.5 million.

Since the parameters taken into account for estimating the expected credit loss for receivables from Low Voltage customers in settlement are affected by various factors, it is not possible to accurately determine the impact of the change in this accounting estimate on the amount of the future calculated expected credit loss.

(All amounts in thousands of Euro, unless otherwise stated)

23.TRADE RECEIVABLES (CONTINUED)

High voltage customer balances relate to (a) receivables from sales of energy to 117 companies with 191 installations (power supplies), including large industrial companies, which are invoiced at the end of each calendar month, based on individual agreements and actual monthly metering that is sent from IPTO and (b) receivables from exports to customers abroad.

Medium voltage customers are mainly industrial and commercial companies. Billing is made on a monthly basis and it is based on actual meter readings send by HEDNO. Low voltage customers are mainly residential and small commercial companies.

The majority of low voltage customers are billed every four months based on actual meter readings, while interim bills are issued every two months based mainly on the energy consumed during the corresponding prior period.

There are different types of tariffs for both Medium and Low Voltage customers based on different types of energy use (commercial, residential, etc).

The provision for expected credit losses for the high voltage customers is established by making a personalized assessment of the expected credit loss per customer.

For the determination of expected credit losses regarding the receivables from Medium and Low voltage customers, the Group and the Parent Company use credit loss provision tables based on the ageing of the balances and the historical data of the Group and the Parent Company for credit losses, adjusted for future factors with respect to debtors and the economic environment, when deemed necessary.

As at 31 December 2023 and 31 December 2022, the maturity of the invoiced trade receivables and the expected credit loss on them is as follows:

Ageing analysis of the trade receivables balances (Group)

31.12.2023	**Non past due balance**	**<30 days**	**30 – 60 days**	**60 – 90 days**	**90 – 180 days**	**180 – 365 days**	**>365 days**	**Total**
Expected credit loss	7.64%	13.11%	26.11%	28.03%	40.68%	58.81%	93.72%	63.44%
Total receivables	827,065	231,137	108,061	97,478	232,084	365,242	2,385,452	**4,246,519**
Expected credit loss	63,181	30,311	28,216	27,323	94,412	214,793	2,235,609	**2,693,845**

31.12.2022	**Non past due balance**	**<30 days**	**30 – 60 days**	**60 – 90 days**	**90 – 180 days**	**180 – 365 days**	**>365 days**	**Total**
Expected credit loss	5.39%	12.07%	20.61%	27.58%	43.91%	66.60%	97.42%	64.67%
Total receivables	619,431	274,113	198,354	121,862	275,021	250,523	2,126,480	**3,865,784**
Expected credit loss	33,367	33,072	40,875	33,607	120,761	166,840	2,071,658	**2,500,179**

(All amounts in thousands of Euro, unless otherwise stated)

23.TRADE RECEIVABLES (CONTINUED)

Ageing analysis of the trade receivables balances (Parent Company)

31.12.2023	Non past due balance	< 30 days	30 – 60 days	60 – 90 days	90 – 180 days	180- 365 days	>365 days	Total
Expected credit loss	10.90%	13.74%	26.97%	26.75%	39.64%	60.18%	93.64%	66.75%
Total receivables	578,963	186,181	96,789	90,804	213,593	318,440	2,166,037	**3,650,807**
Expected credit loss	63,087	25,578	26,107	24,294	84,664	191,650	2,028,296	**2,443,676**

31.12.2022	Non past due balance	<30 days	30 – 60 days	60 – 90 days	90 – 180 days	180 – 365 days	>365 days	Total
Expected credit loss	6.22%	12.30%	21.06%	27.80%	46.92%	67.87%	99.70%	66.47%
Total receivables	536,405	268,918	194,017	120,862	257,373	245,814	1,957,687	**3,581,076**
Expected credit loss	33,367	33,070	40,865	33,604	120,756	166,826	1,951,854	**2,380,342**

24. CONTRACT ASSETS

	Group		Company	
	2023	2022	2023	2022
Unbilled revenue from energy/natural gas	951,579	923,393	602,638	923,393
Provision for expected credit losses	(58,292)	(54,731)	(46,854)	(54,731)
Total	**893,287**	**868,662**	**555,784**	**868,662**

Revenues from the supply of power to High, Medium and Low voltage customers during the interval from the last measurement or billing until the reporting date are accounted for as energy consumed but not yet billed (unbilled revenue). At each reporting date and taking into account that the billing which is based on measurement data of the last month of the period, is carried out in the first days of the next month with respect to High and Medium Voltage customers, the total value of energy of that month is recognized as accrued income for the period, which is reversed in the following month, after billing has already been accounted for.

Additionally, at each reporting date, the Parent Company estimates the unbilled revenue from Low Voltage customers, having developed a specific estimation method. The resulting amounts are accounted for as accrued income for the periods ending until the reporting date and are billed in the next months. All accrued income from the energy consumed but not yet billed is impaired at each reporting date with provision for expected credit losses. This provision is calculated on the basis of the possibility of default for non-past due trade receivables, arising from the expected credit loss provision table.

On December 31, 2023, the consumed and unbilled energy of the Parent Company appears decreased by €312,818 or 36% compared to December 31, 2022 mainly due to a corresponding decrease in average income compared to 2022.

On December 31, 2023, this decrease does not appear in the Group due to the recognition of the unbilled revenue from energy/natural gas (after the provision for expected credit losses) of the Romanian subsidiaries amounting to €337,502.

(All amounts in thousands of Euro, unless otherwise stated)

24.CONTRACT ASSETS (CONTINUED)

The analysis of the provision for expected credit losses on the value of the consumed and unbilled energy is as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Balance as at January 1	**54,731**	**108,166**	**54,731**	**108,166**
- Increase/(Decrease) in provision	(5,662)	(53,435)	(7,877)	(53,435)
- Acquisition of subsidiaries	9,250	-	-	-
- Exchange differences	(27)	-	-	-
Balance as at December 31	**58,292**	**54,731**	**46,854**	**54,731**

(All amounts in thousands of Euro, unless otherwise stated)

25. OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
Value Added Tax	127,944	12,840	86,921	-
Assessed taxes and penalties	19,058	407	67	225
Receivable from extraordinary contribution on electricity generators	-	30,725	-	30,725
Social security funds (in dispute and current)	22,488	22,485	22,485	22,485
State participation in employees' social security contributions	1,546	1,546	1,546	1,546
Pensioners' advances, in dispute	5,262	5,262	5,262	5,262
Loans to employees	4,711	5,362	3,035	3,324
Receivables from contractors	5,144	5,144	5,146	5,146
Receivables from PPC Renewables	-	-	4,461	2,406
Advances and prepayments	62,450	53,394	48,344	47,541
Small photovoltaics	12,805	-	12,805	-
State subsidy from DAPEEP	547,621	459,222	547,621	459,222
Accrued income	240,376	154,543	88,692	54,188
Income receivable from PSO	176,273	-	176,273	-
Receivables from third parties from hedge accounting transactions through derivative financial instruments	11,638	11,638	11,638	11,638
Claims from over the counter agreements for physical delivery of energy	22,894	22,894	22,894	22,894
Electricity and CO_2 insurance margin	445,288	545,624	445,288	545,624
Receivables from consignment Deposit and Loans Fund	39,014	39,014	39,014	39,014
Pledged deposits for EDS loan (Note 21)	21,084	21,003	21,084	21,003
Short-term part of receivable from Metalignitiki S.A. (Note 5.2)	48,241	-	48,241	-
Interim dividend HEDNO (Note 42)	20,825	-	-	-
Receivables from electricity purchases	-	-	36,259	53,379
State subsidy of Romania for electricity and natural gas (Note 2.9)	531,974	-	-	-
Accrued income from Romanian subsidiaries	85,439	-	-	-
Other	107,089	82,176	69,758	84,086
	2,559,164	**1,473,279**	**1,696,834**	**1,409,708**
Provision for expected credit losses	(170,358)	(142,618)	(141,706)	(141,706)
Total	**2,388,806**	**1,330,661**	**1,555,128**	**1,268,002**

Extraordinary contribution from electricity generators

With Law 4936/2022 (OG A' 105/27.05.2022) measures were established regarding the electricity market, among which is the one-time extraordinary contribution for electricity producers, based on the increase in the gross profit margin from the participation of each electricity production unit in the electricity markets for the period from 01.10.2021 to 30.06.2022. Responsible for paying the contribution were the electricity producers for all their production units, as well as the companies represented by Collective Representation Bodies (FoSE).

(All amounts in thousands of Euro, unless otherwise stated)

25. OTHER RECEIVABLES (CONTINUED)

On 7 November 2022, PPC received an information note with the provisional amount of the extraordinary contribution amounting to €276.048 million that was paid in December 2022. On 14 February 2023, PPC received an information note with the final amount of the extraordinary contribution amounting to €245.322 million. As of December 31, 2022, the provisional amount of the extraordinary contribution was included in the Income Statement under the account "Extraordinary contribution on electricity Suppliers/Generators" of the Group and of the Parent Company, while as of December 31, 2022, a receivable of €30.726 million was recognized due to the difference between the provisional and the final contribution amount.

VAT refunds:

For the year 2023, due to the VAT credit balances that arised mainly from outflows subject to a rate lower than that of the input tax, VAT refund requests for a total amount of €160 million were submitted by the Parent Company to the Athens Tax Office (year 2022: €300 million) and the specific amounts were refunded to the Company.

Also, on December 31, 2022, the Parent company's VAT of €10,741 was a credit balance and was included in trade and other payables (Note 39), while on December 31, 2023 the Parent Company has a VAT receivable of €86,921.

State subsidy from DAPEEP:

On December 31, 2023, other receivables include the accrued receivable from DAPEEP of €547,621 (31.12.2022: €459,222) for the subsidy of energy consumption provided as discount on variable energy supply charges of the company's customers. For further details on those subsidies refer to note 2.1.

Electricity and CO_2 insurance margin:

On December 31, 2023, the Group's and Parent Company's Electricity and CO_2 insurance margin requirements mainly come from positions in the Electricity/ TTF/ CO_2 forward market and appear reduced by €100.3 million compared to December 31 2022, which decrease is due to the significant decrease in natural gas prices despite the increase in relative positions and the small decrease in the prices of CO_2 Emission Rights.

Accrued income from PSO

The Group and the Parent Company have recognized accrued income from PSO amounting to €176.3 million as a supplier of electricity as it provided electricity to the residents of thermal units at the same prices as those of the Board of Direcors covering the excess costs and provided electricity at lower prices in special categories of consumers.

From 04/2023 in the framework of each monthly liquidation of the manager (HEDNO), ELYKO is in deficit because the credits of the month were less than the charges and there was no sufficient reserve in ELYKO to cover all the charges. Any deficits of ELYKO are expected to be covered either by readjustment of the unit charges or through the state budget.

Social Security Funds in Dispute:

The amount relates to social security contributions and deductions (during years 1983-1993) for employees who have worked with other employers before joining PPC. As PPC undertook the obligation to cover the whole amount of their pensions and other related benefits, part of their contributions to other social security funds mainly IKA (SII, i.e. Social Insurance Institute which was the major Greek social security fund) have been claimed by PPC.
Since the claim was not accepted by IKA, PPC resorted to the courts. Following an adverse court decision, PPC together with PPC – PIO (currently EFKA, Greek Single Social Security Institution) appealed against the said decision. The court rejected PPC's appeal, whereas PPC – PIO's (currently EFKA, Greek Single Social Security Institution) appeal against IKA is still pending. For the abovementioned amount, an equal provision has been established in the financial statements.

Advances to Pensioners in Dispute:

The amount of € 5,262 represents an advance payment made in 1993 to pensioners. An equal provision has been established of this amount.

(All amounts in thousands of Euro, unless otherwise stated)

25.OTHER RECEIVABLES (CONTINUED)

State Participation in Employees' Social Security Contributions:

The amount represents the State's participation to the social security contributions of employees who started working after January 1st, 1993. For the above mentioned amount, an equal provision has been established.

The analysis of the provision for expected credit losses of other receivables is as follows:

	Group		Company	
	2023	2022	2023	2022
Balance, January 1	**142,618**	**152,491**	**141,706**	**191,508**
- Provision charge	5,495	-	-	-
- Reversal of unused provision	(91)	(6,892)	-	(3,637)
-Additional provision due to lignite absorption (Note 5.1)	-	-	-	34
- Reversal of unused provision on receivables from lignite companies	-	-	-	(46,199)
-Acquisition of subsidiaries	22,401	-	-	-
-Exchange differences	(65)	-	-	-
-Transfer of provision to doubtful trade receivable (Note 23)	-	(2,981)	-	-
Balance, December 31	**170,358**	**142,618**	**141,706**	**141,706**

On December 31, 2022, Due to the absorption of the lignite subsidiaries by the Parent Company on June 1, 2022, the provision of expected credit losses of amount 46.1 million on the receivables of the lignite subsidiaries was reversed (income) in favor of the Income Statement, while on 31.12.2021 this provision was included in the Parent Company as a provision of expected credit loss on receivables from lignite subsidiaries.

26. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Company	
	2023	2022	2023	2022
- National Bank of Greece	43	26	43	26
- Evetam	262	250	250	250
- Euroasia Interconnector	-	51	-	51
- Attica Bank	3	3	2	2
Total	**308**	**330**	**295**	**329**

The total change in the fair value of the above financial assets was recorded in "Other reserves" in Equity (Note 30).

27. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	2022	2023	2022
Cash in hand	2,593	337	466	326
Cash at banks	989,278	1,103,705	382,585	765,226
Time deposits	1,607,931	2,055,442	1,470,000	1,995,000
Total	**2,599,802**	**3,159,484**	**1,853,051**	**2,760,552**

Interest earned on cash at banks and time deposits are accounted for on an accrual basis and amounted to €47,302 (2022: € 1,755) for the Group and to € 37,916 (2022: € 504) for the Parent Company and are included in financial income in the accompanying statements of income (Note 13). All cash and cash equivalents are denominated in Euro.

Additionally, on December 31st, 2023 the Group and the Parent Company kept in a pledged deposit account an amount of € 177,487 and € 42,169 respectively (2022: € 67,847 Group and € 40,012 Parent Company). An amount of €19,128 concerns the pledged account for a pledged deposit in favor of the Consortium of Banks for the financing of the PTOLEMAIDA V project, while for the Group an amount of €126,728 concerns pledged accounts of the PPC Renewables Group in the context of its financing. Of the above amounts, € 23,041 for the Group and the Parent Company (31.12.22: €17,004) do not concern restricted deposits of loan agreements.

(All amounts in thousands of Euro, unless otherwise stated)

28. SHARE CAPITAL AND SHARE PREMIUM

Under Law 2773/1999 and P.D. 333/2000, PPC was transformed, into a société anonyme.

Pursuant to the decision of October 19, 2021 of the Extraordinary General Meeting of the shareholders of the Parent Company and of the decision of October 29, 2021 of its Board of Directors, PPC SA proceeded to Share Capital increase through a public offering in Greece, to private investors and outside Greece, to institutional and other eligible investors, through a process of private placement book building.

On November 11, 2021, the share capital increase was completed by cash payment and a chartered accountant certified the share capital increase by € 372.0 million and the share premium increase by € 978.0 million in cash, with total amount of € 1.350 billion, with the issuance of 150,000,000 new common shares with a nominal value of € 2.48 each and with share premium of € 6.52 each.

Therefore, on December 31, 2023 and December 31, 2022 the Share Capital of PPC SA. amounted to € 947,360 consisting of 382,000,000 common shares with a nominal value of € 2.48 each, while the Share Premium amounted to € 1,018.7 million minus expenses for the share capital increase of € 65.9 million.

As of December 31, 2023, and December 31, 2022, the total participation of Hellenic Corporation of Assets and Participations (HCAP) in the voting rights of PPC S.A. amounted to 34.12% (corresponding to 130,349,860 common shares) and is the largest shareholder of PPC.

The total funds raised through the Share Capital Increase amounted to €1.35 bil. and, after deduction of the expenses of € 65.9 million, will be used, in accordance with section 16.2 "Reasons for the Share Capital Increase and use of proceeds" of the Company's Prospectus dated 01.11.2021 (the “Prospectus”), by PPC and/or other Group companies or existing or future joint ventures between 2022 and 2024 as follows:

a) up to €1.284 bil. of the approximately €3.2 bil. the Company has budgeted for capital expenditures on renewable energy projects through 2024, including hydroelectric power generation and projects in adjacent markets, aiming to reach an installed RES capacity of 7.2 GW by 2024; and/or
(b) up to €1.284 bil. of the approximately €1.7 bil. the Company has budgeted for capital expenditures through 2024 on conventional power generation, supply business unit, the construction of a waste-to-energy plant, digitalization, telecommunications, electric vehicle charge-points; and
(c) to the extent reasonably necessary and only up to amounts that are not material for the Group’s financial condition, for other general corporate and other investment purposes.

Acquisition of treasury shares for free stock awards program to executives

In the context of the free equity settled stock awards to the executives of PPC S.A. and PPC RENEWABLES S.M.S.A., the Group and the Parent Company proceed with the purchase of own shares based on the provisions of article 49 of Law 4548/2018. Specifically, the Parent Company within the year ended as of December 31, 2022 acquired through the Athens Stock Exchange 1,856,000 own treasury shares with an average purchase price of € 6.6896 per share, with a total value of € 12.163 million, corresponding to 0.4859% of the total shares of the Company, completing the program of stock awards.

On August 16, 2023, a total of 695,887 own common shares were distributed free of charge by the Parent Company, through over-the-counter transactions, to 112 beneficiaries, executives of PPC S.A. and PPC Renewables S.M.S.A. (Note 20), the value of which based on the purchases made within 2023 amounted to €5.9 million. This resulted in the Group and the Parent Company holding a total of 1,160,113 treasury shares on December 31, 2023 with a value of €6.2 million.

Establishment of treasury shares buyback program

The extraordinary General Meeting of shareholders that took place on August 3, 2022 approved the establishment of a treasury shares program and authorized the Board of Directors of the Parent Company in order to take all the necessary actions for the implementation of the said program. The main features of the program are as follows:

(All amounts in thousands of Euro, unless otherwise stated)

28. SHARE CAPITAL AND SHARE PREMIUM (CONTINUED)

-Maximum number of shares: existing common registered shares issued by PPC, which correspond to a maximum of up to 10% of its paid-up share capital, after excluding the 1,856,000 treasury shares that have been already acquired, thus up to 36,344,000 shares.

-Duration of the Buyback Program: up to 24 months from the day immediately after the day of its approval by the general meeting of shareholders. The exact starting date of the Buyback Program was set by the 20.09.2022 Board of Directors Decision.

-Range of purchase price of treasury Shares: a minimum price of €2.48, which is equal to the nominal value of the share and a maximum price of € 17, per own Share.

-Funding of the Buyback Program: exclusively through free cash flows and other available cash resources of PPC, expressly excluding funds that a) have been raised through its share capital increase that was completed on November 2021, and/or b) are required to be allocated to specific purposes, in accordance with the relevant commitments undertaken by the company.

In this context, the Parent Company within 2022 acquired through the Athens Stock Exchange 4.687.353 own treasury shares (in addition to 1,856,000 own treasury shares) with an average purchase price of € 6.1432 per share, with a total value of € 28.5 million, corresponding to 1.2271% of the total shares of the Company.

Within 2023, the Parent Company acquired through the Athens Stock Exchange 11,855,579 own treasury shares with an average purchase price of € 9.2 per share, with a total value of € 109.1 million.

As of December 31, 2023, the Parent Company held 17,703,045 own treasury shares (31.12.2022: 6,543,353) of total value € 143.8 million (31.12.2022: 40.6 million) that correspond to 4.6% of the total shares of the Company.

29. LEGAL RESERVE

Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their financial statements to a legal reserve, until such reserve equals one-third of the paid-in share capital. This reserve cannot be distributed through the life of the corporation.

The legal reserve of € 37,145 formed in 2023 results from the profits of the year 2022.

(All amounts in thousands of Euro, unless otherwise stated)

30. OTHER RESERVES

	Group		Company	
	2023	2022	2023	2022
Tax free	7,458	7,458	7,458	7,458
Specially taxed reserves	95,597	95,597	95,597	95,597
Actuarial losses of personnel benefits/Foreign exchange differences	9,549	23,704	(30,046)	(24,599)
Financial liability from NCI Put option (Note 5)	(1,410,833)	(1,410,833)	-	-
Financial assets measured at fair value through other comprehensive income (Note 24)	(426)	(468)	(383)	(400)
Reserve from Hedging activities	97,067	(37,259)	103,381	(38,865)
Free of charge stock awards (Note 21)	8,720	-	8,720	-
Gains from subsidiaries	2,239	-	-	-
Total	**(1,190,629)**	**(1,321,801)**	**184,727**	**39,190**

The reserves from cash flow hedging activities as of 31.12.2023 are analyzed as follows:

	GROUP						
Hedging Reserves 2023	**Gas price swap contracts**	**Gas Future Contracts**	**Electricity Future Contracts**	**Interest swap contracts**	**Virtual Power Purchase Agreements (PPA)**	**Total**	**Effect on:**
Balance 31/12/2022 (Debit)/Credit	**-**	**80,059**	**(118,925)**	**1,607**	**-**	**(37,259)**	
Gains/(Losses) from valuation of effective hedging operations	(9,408)	(91,970)	251,531	(11,814)	1,264	**139,602**	Statement of comprehensive income
Reclassification of hedging transactions in the Results (Gain)/Losses	1,634	(48,549)	22,612	1,034	-	**(23,268)**	From statement of comprehensive income to income statement(Electricity purchases, natural gas purchases)
Tax effect	-	(3,091)	19,487	1,875	(278)	**17,993**	Statement of comprehensive income
Balance 31/12/2023 (Debit)/Credit	**(7,774)**	**(63,551)**	**174,705**	**(7,297)**	**986**	**97,068**	
Effect on:							
Income Statement 31/12/2023	1,634	(48,549)	22,612	1,034	-	(23,268)	
Statement of comprehensive income (before tax) 31/12/2023	(9,408)	(91,970)	251,531	(11,814)	1,264	139,602	

(All amounts in thousands of Euro, unless otherwise stated)

30. OTHER RESERVE (CONTINUED)

	Company				
Hedging Reserves 2023	**Gas price swap contracts**	**Gas Future Contracts**	**Electricity Future Contracts**	**Total**	**Effect on:**
Balance 31/12/2022 (Debit)/Credit	**-**	**80,059**	**(118,925)**	**(38,866)**	
Gains/(Losses) from valuation of effective hedging operations	(9,408)	(91,970)	251,531	**150,153**	Statement of comprehensive income
Reclassification of hedging transactions in the Results (Gain)/Losses	1,634	(48,549)	22,612	**(24,302)**	From statement of comprehensive income to income statement(Electricity purchases, natural gas purchases)
Tax effect	-	(3,091)	19,487	**16,396**	Statement of comprehensive income
Balance 31/12/2023 (Debit)/Credit	**(7,774)**	**(63,551)**	**174,705**	**103,381**	
Effect on:					
Income Statement 31/12/2023	1,634	(48,549)	22,612	(24,302)	
Statement of comprehensive income (before tax) 31/12/2023	(9,408)	(91,970)	251,531	150,153	

The reserves from cash flow hedging activities as of 31.12.2022 are analyzed as follows:

	Group					
Hedging Reserves 2022	**Gas price swap contracts**	**Gas Future Contracts**	**Electricity Future Contracts**	**Interest swap contracts**	**Total**	**Effect on:**
Balance 31/12/2021	**59,988**	**227,278**	**(83,776)**	**-**	**203,490**	
Gains/(Losses) from valuation of effective hedging operations	60,270	373,620	(442,070)	2,059	**(6,121)**	Statement of comprehensive income
Ineffective cash flow hedge transferred to Results	-	(37,675)	-	-	**(37,675)**	Income statement (other income / expenses)
Reclassification of hedging transactions in the Results (Gain)/Losses	(137,178)	(486,253)	423,797	-	**(199,634)**	From statement of comprehensive income to income statement(Electricity purchases, natural gas purchases)
Tax effect	16,920	3,090	(16,876)	(452)	**2,682**	Statement of comprehensive income
Balance 31/12/2022 (Debit)/Credit	**-**	**80,059**	**(118,925)**	**1,607**	**(37,259)**	
Effect on:						
Income Statement 31/12/2022	(137,178)	(523,928)	423,797	-	**(237,309)**	
Statement of comprehensive income (before tax) 31/12/2022	(76,908)	(150,308)	(18,273)	2,059	**(243,431)**	

(All amounts in thousands of Euro, unless otherwise stated)

30. OTHER RESERVE (CONTINUED)

	Company				
Hedging Reserves 2022	**Gas price swap contracts**	**Gas Future Contracts**	**Electricity Future Contracts**	**Total**	**Effect on:**
Balance 31/12/2021	**59,988**	**227,278**	**(83,776)**	**203,490**	
Gains/(Losses) from valuation of effective hedging operations	60,270	373,620	(442,070)	**(8,180)**	Statement of comprehensive income
Ineffective cash flow hedge transferred to Results	-	(37,675)	-	**(37,675)**	Income statement (other income / expenses)
Reclassification of hedging transactions in the Results (Gain)/Losses	(137,178)	(486,253)	423,797	**(199,634)**	From statement of comprehensive income to income statement(Electricity purchases, natural gas purchases)
Tax effect	16,920	3,090	(16,876)	**3,134**	Statement of comprehensive income
Balance 31/12/2022 (Debit)/Credit	**-**	**80,059**	**(118,925)**	**(38,866)**	
Effect on:					
Income Statement 31/12/2022	(137,178)	(523,928)	423,797	**(237,309)**	
Statement of comprehensive income (before tax) 31/12/2022	(76,908)	(150,308)	(18,273)	**(245,490)**	

On 31.12.2022, there are gains in the cash flow hedge reserve of €50,944 (hedged item natural gas) and losses of €68,321 (hedged item electricity) from positions for which hedging accounting was discontinued due to the application from 08.07.2022 of the Temporary Return Mechanism for part of the Next Day and Intraday Markets and will be recognized in the results of 2023 at the time when the hedged item will affect the results of the Group and the Parent Company.

(All amounts in thousands of Euro, unless otherwise stated)

31. DIVIDENDS

Pursuant to the provisions of the Code for Societe Anonyme L.4548/18, companies are required to pay dividends of at least 35% of after-tax profit, after necessary deductions for the formation of the legal reserve, and other credit accounts in the income statement that do not arise from realized earnings. By decision of the General Meeting which is obtained with an increased quorum and majority that rate may be reduced, but not below 10%.

The non-distribution of a dividend is possible by decision of the General Meeting of Shareholders, which is obtained with an increased quorum and a majority of 80% of the capital represented in the meeting. Furthermore, Greek corporate law (L. 4548/18 art. 159) requires certain conditions to be met for the dividend distribution. Based on L.4646/2019 which amended the articles 40 and 64 of L.4172/2013, the distributable earnings approved by the General Meetings are subject to a withholding tax of 5% since 01.01.2019.

In addition, the amount distributed to the shareholders may not exceed the amount of the results of the last year, added with the profits from previous years that have not been distributed and the reserves for which their distribution is allowed and approved by the general meeting, and reduced: (a) by the amount of the income statement credits, which do not constitute realized profits, (b) by the amount of the losses of previous years and (c) by the amounts to be used to form reserves, in accordance the law and the statute.

Finally, on 28/06/2023 the General Meeting of the shareholders of the Parent company decided not to distribute a dividend from the profits of the year 2022 following a relevant proposal of the Board of Directors.

Although the year ended December 31, 2023 is profitable for the Parent Company, the Board of Directors will propose to the General Meeting of the shareholders the distribution of dividend of amount €0.25/share at the convening of the Annual General Meeting. The decision for the distribution of dividend will be considered as final at the General Meeting of the shareholders based on the above provisions of Law.

(All amounts in thousands of Euro, unless otherwise stated)

32. LONG-TERM BORROWING

	Group		Company	
	31/12/2023	**31/12/2022**	**31/12/2023**	**31/12/2022**
- Banks loans	1,550,047	1,485,676	148,017	171,419
- Bonds payable	4,131,573	3,004,791	3,357,520	2,756,769
Unamortized portion of loans issuance fees and loan amendments	(81,454)	(75,666)	(66,111)	(74,017)
Total Long-Term borrowing	**5,600,166**	**4,414,801**	**3,439,426**	**2,854,171**
Less short- term portion:				
- Bank Loans	321,005	250,493	25,985	25,985
- Bonds Payable	881,932	361,414	836,130	351,354
Unamortized portion of loans issuance fees and loan amendments	(22,566)	(20,013)	(21,380)	(19,677)
Total Short-Term portion	**1,180,371**	**591,894**	**840,735**	**357,662**
Total Long-Term portion	**4,419,795**	**3,822,907**	**2,598,691**	**2,496,509**
Short Term Loans	**240,760**	**108,333**	**-**	**50,000**
Loan Total	**5,840,926**	**4,523,134**	**3,439,426**	**2,904,171**

During the period 1.1.2023 – 31.12.2023, the Group and the Parent Company proceeded with contractual debt repayments amounting to €1,258.9 million (2022: € 473.1 million) and € 1,027.4 million (2022: € 317.4 million) respectively.

Within the period 1.1.2023 – 31.12.2023, the Parent Company disbursed an amount of €2.16 million from a € 680.0 million Bond Loan with foreign banks and the support of the German Export Credit Insurance Organization "Euler Hermes", where proceeds were used to to finance part of the construction cost of the new Lignite unit “Ptolemaida V.

The Parent Company on 29.8.2023 proceeded to the early full repayment of €265.75 million related to a Syndicated Bond Loan with an initial amount of € 1,085 million from Greek Banks.

The following is a further breakdown of the long-term borrowings (without overdrafts and short-term borrowings) of the Group and the Parent Company:

	GROUP		COMPANY	
	31.12.2023	**31.12.2022**	**31.12.2023**	**31.12.2022**
Bank loans and bonds				
- Fixed rate	1,435,000	1,435,000	1,275,000	1,275,000
- Floating rate	2,097,825	1,275,319	1,768,000	1,091,250
European Investment Bank				
- Fixed rate	1,380,894	1,319,106	138,864	164,849
Project Financing				
- Floating rate	692,534	456,119	314,520	390,519
-Fixed rate	64,275	-	-	-
Total	**5,670,528**	**4,485,544**	**3,496,384**	**2,921,618**

The total amount of interest on loans (excluding those that were capitalized - Note 16) for the year ended December 31, 2023 is included in the financial expenses, in the income statement.

Below exists a brief description on the new loan agreements/ bonds signed during the year 2023 by the Group and the Parent Company:

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

Issuance of Common Bond Loans with Greek Banks by the Parent Company

Parent Company on 4/8/2023 signed a Common Bond Loan of Law 4548/2018 and Law 3156/2003 for €485 million and a tenor of 5 years, with floating interest rate Euribor plus margin between 2.50%-2.90% depending on the ratio Net debt / EBITDA, without collateral or guarantees, from Greek Banks, with Payment Agent Piraeus Bank. Proceeds of the facility were used for general corporate purposes, including among others the partial financing of the acquisition of all the shares held by Enel and its subsidiaries in Romania. On September 1, 2023, the full amount of the facility was fully drawn.

Parent Company on 29/8/2023 signed a Common Bond Loan, of Law 4548/2018 and Law 3156/2003, amounting to €315 million, with a duration of 18 months, with floating interest rate Euribor plus margin 2.25%, without collateral or guarantees, with Alpha Bank, to finance part of the consideration for the acquisition of all the shares held by Enel and its subsidiaries in Romania. On September 1, 2023, the full amount of the facility was fully drawn.

On 28.12.2023, the Parent Company issued a Common Bond Loan, amounting to €150 million, with Eurobank as the bondholder, maturing on the 3rd of 2027, with a floating Euribor interest rate plus a margin of 2.25%, depending on the Net Debt/EBITDA. On 31.12.2023, the drawn amount was €150 million.

At the same time, the Parent Company canceled an existing line of financing from the same bank of the Common Bond Loan of Law 4548/2018 in the amount of €100 million without collateral, maturing in 2025 and with a higher cost.

Within December, the Parent Company proceeded to issue bonds with the aim of repurchasing them of a total amount of €150 million from existing RCF lines with NBG and Piraeus. The repurchase was made by the Company in January 2024 as part of cash management. In the above context, on 11.1.2024, the parent company proceeded to repurchase Bonds with the aim of redistribution them, amounting to €150 million of the 12.8.2021 Common Bond Loan, in the form of RCF up to €300 million with Alpha Bank S.A. and Eurobank S.A.

New bond loan with the participation of the Recovery and Resilience Fund.

On 14.11.2023 the Parent Company signed a Common Bond Loan of Law 4548/2018 and Law 3156/2003, for an amount up to €396 million, to cover part of the investment costs for PPC's Digital Transformation program, co-financed by National Bank of Greece S.A., Eurobank S.A. and with the participation of the Recovery and Resilience Fund. Until 31.12.2023, the loan had not been drawn.

The existing borrowing of the Parent Company in the form of Revolving Credit (RCF)

The Parent Company signed on October 7, 2022 a loan agreement for the issuance of a new Common Bond Loan (L.4548/ 2018), amounting to € 100.0 million in the form of revolving credit Facility (RCF), unsecured, with floating interest rate Euribor plus margin between 3.00%-3.75% depending on the ratio Net debt / EBITDA and the credit rating by ICAP, with Initial Bond holder Piraeus Bank. The Loan will be used for general corporate purposes and has a duration of 18 months. On 31.12.2023 the drawn amount was €50 million which was repaid by the Parent Company on 11.1.2024.

Moreover, the Parent Company signed on October 14, 2022 a loan agreement for the issuance of a Common Bond Loan (L.4548/ 2018), for an amount of up to € 100 million in the form of RCF, unsecured with floating interest rate Euribor plus margin between 2.50%-3.25% depending on the ratio Net debt/ EBITDA and the credit rating by ICAP, with Initial Bond holder National Bank of Greece. The Loan will be used for working capital and general corporate purposes and will have a duration of 2 years, which can be extended by an additional 1 year. On 31.12.2023 the drawn amount was €100 million, which was fully repaid by the Parent Company on 11.1.2024.

The above Loan had a sustainability linked target for the reduction of CO_2 emissions by 40% by December 2022 with 2019 as a base year. This target was introduced in the context of aligning PPC's financing policy with its overall strategy for the environment and for mitigating the effects of climate change. Based on actual data of CO_2 emissions for the year 2022, this clause had not been achieved, as a result of measures taken to secure energy supply for the country. As a result, the margin on the loan increased by 0.50% from 28.12.2023.

Moreover, the Parent Company signed on November 15, 2022 a loan agreement for the issuance of a Common Bond Loan (N.4548/ 2018), amounting to € 53.0 million in the form of revolving credit facility (RCF), with duration of 5 years with the right to extend 1+1 years, unsecured, with floating interest rate Euribor plus margin 2.80%, with Optima Bank and Attica Bank. The facility was fully drawn on 22.11.2022 and was used exclusively to provide liquidity. On 31.12.2023 the drawn amount was €53 million.

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

The Parent Company signed on August 12, 2021 a loan agreement for the issuance of a Common Bond Loan (L.4548/ 2018), amounting to € 300.0 million in the form of RCF, unsecured with floating interest rate Euribor plus margin between 2.50%-4.75% depending on the ratio Net debt /EBITDA, with Contractor, Initial Organizer, Payment Agent and Initial Bond holder Alpha Bank. Eurobank also participates in the Loan as Organizer and Initial Bondholder. The Loan was used for general corporate purposes and will have a duration of 3 years, which can be extended by an additional 2 years. On 31.12.2023 the drawn amount was €300 million.

In addition, the Parent Company signed and disbursed in December 2021 an amount of € 300 million from the issuance of a Common Bond Loan of Law 4548/2018 in the form of RCF, of a duration of 3 years, which may be extended 1+1 years, unsecured, with a floating interest rate Euribor plus a margin between 2.50%- 3.25% depending on the Net debt / EBITDA, with National bank and Piraeus Bank as Initial Bondholders, Coordinators, Co-Organizers, to cover working capital needs and other corporate purposes. On 31.12.2023 the drawn amount was €300 million.

The above Loans had a sustainability linked target for the reduction of CO_2 emissions by 40% by December 2022 with a 2019 as a base year. This target was introduced in the context of aligning PPC's financing policy with its overall strategy for the environment and for mitigating the effects of climate change. This clause had not been achieved, as a result of measures taken to secure energy supply for the country. Failure to meet the target had a result of an interest rate increase by 0.50% from 22.06.2023 (for the loan with Alpha Bank) and from 14.09.2023 (for the loan with National bank and Piraeus bank).

The Parent Company taking advantage of the high available funds and given the difference between interest rates on deposits and borrowings, in the context of active management of its financial costs, on 16 and 19 January 2023 respectively repurchased the same bonds of € 500 million, i.e. a) € 300 million of the common Bond Loan from 15.12.2021 (L.4548/2018), amounting to €300 million with the National and Piraeus Banks, b) €200 million of the 12.8.2021 Common Bond Loan (L.4548/2018), amounting to €300 million with Alpha Bank and Eurobank, for which it redistributed to the Bondholders on 14 March 2023.

The existing borrowing of the Parent Company

The Parent Company, in September 2020, raised, through a five-year Common Bond Loan, an amount of €30 million from the CoViD-19 Business Guarantee Fund with the guarantee of the Hellenic Development Bank, for working capital. On 31.12.2023 the remaining amount of the loan amounted to €15 million.

Issuance of Sustainability Bonds (SLB "sustainability-linked bonds") expiring in 2026

The Parent Company raised on March 18, 2021 through the issuance of viability bonds with a sustainability clause an amount of € 650 million, with an interest rate of 3.875% and maturing in 2026, with a issue price of 100%. On March 24, 2021, through an additional issue, it raised an amount of € 125.0 million, with an interest rate of 3.875% and maturity in 2026, with an issue price of 100.75% and a yield of 3.672%, which corresponds to a savings of 0.205% compared to the original issue rate. The Bonds were issued in accordance with Article 59, paragraph 2, and Article 74 of Law 4548/2018, and Article 14 of Law 3156/2003, governed by New York law and traded on the Dublin Stock Exchange.

The proceeds from the sustainability bonds were used to repay existing borrowing, for general corporate purposes and to pay the costs and expenses of the issue. Both issues have a sustainability clause according to which in case of no reduction of CO_2 emissions by 40% in December 2022 compared to those of December 2019, will result an interest rate increased. Based on data of CO_2 emissions for the period 01.01.2022-31.12.2022, this clause had not been achieved as a result of measures for the energy sufficiency of the country. Failure to meet the target had a result of an interest rate increase, by 0.50% starting from October 2023 onwards.

Issuance of Sustainability Bonds (SLB "sustainability-linked bonds") expiring in 2028

The Parent Company raised on July 21, 2021 through the issuance of viability bonds with a sustainability clause an amount of € 500.0 million, with an interest rate of 3.375% and maturity in 2028, with a issue price of 100%. The Bonds were issued in accordance with Article 59 paragraph 2, and Article 74 of 4548/2018, and Article 14 of Law 3156/2003, governed by New York law and traded on the Dublin Stock Exchange. An amount of € 495.0 million from the income from the viability bonds was used for the partial repayment of an existing bank loan on 30.9.2021, while an amount of € 5.0 million was used to pay the costs and expenses of the issue.
The Bonds have a sustainability clause according to h in case of failure to achieve a reduction of CO_2 emissions by 57% in December 2023 compared to those of December 2019, the coupon will increase by 0.50% starting from January 2025. Based on provisional CO_2 emissions for 2023, the sustainability clause is expected to be met.

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

European Investment Bank Loans

The Group is a party to certain loan agreements with the European Investment Bank ("EIB"), which have been provided in the context of development of investment projects. EIB loans generally have a maturity of fifteen years from the date of disbursement.

As of December 31, 2023, EIB loans of the Group and Parent Company amounted to €1,380.9 million και €138.9 million respectively which are guaranteed by the Hellenic Republic. The annual weighted average cost of EIB outstanding loans as of December 31, 2023 for the Group and the Parent Company was 3.58% and 3.61% respectively. For the provision of the guarantee of the Greek State in favor of PPC SA to all loans from the European Investment Bank, the Parent Company pays a relevant guarantee to the Greek State.

KFW Syndicated Bond Loan

The Parent Company has disbursed until December 31, 2023 an amount of € 651 million from a Bond Loan of € 680.0 million to finance part of the construction cost of the new Lignite plant "Ptolemaida V" with a consortium of foreign banks supported by the German Export Insurance Agency Credits ''Euler Hermes", the balance of which amounted to €314.5 million as of December 31, 2023.

Finally, as of December 31, 2023 there is first class pledge on bank account of €19.128 million, regarding this bond loan and is included in “Restricted cash” of the Group and the Parent Company.As of February 2024, first class pledge on bank account is € 15.207 million.

Borrowings of HEDNO S.A.

Loans from the European Investment Bank (EIB)

With the spin-off of the Electricity Distribution Network Sector on 30/11/2021, EIB loans amounting to € 1,256.30 million were contributed by PPC S.A to the subsidiary HEDNO S.A. The amount of the aforesaid loans amounted to € 1,159.75 million on 31/12/2023, compared to € 1,069.26 million on 31/12/2022, following the disbursement of € 230 million on 20/04/2023 in the context of the open financing line amounting to € 330 million in total for the modernization of the Distribution Network of HEDNO S.A. in Greece. In 2023, HEDNO S.A. proceeded with capital repayments of € 139.51 million. The EIB loans have a total duration of 15 - 20 years from the date of disbursement, have a fixed interest rate and are guaranteed by the Greek State.

Black Sea Trade & Development Bank loan

In June 2019, PPC S.A. raised financing of € 160 million from the Black Sea Trade & Development Bank, with fixed interest rate, duration of 5 years, a balloon repayment at the end of the loan, and it is guaranteed by the Greek State. The loan has been used to finance the investment plan of the Distribution Network and it was contributed by PPC S.A. to the subsidiary HEDNO S.A. with the hive-down of the Electricity Distribution Network Sector on 30/11/2021.

Bond Loan with Eurobank

On 19/07/2022 the subsidiary HEDNO S.A. signed a contract with Eurobank for the issuance of a joint bond loan with collateral and a capital of up to € 660 million with an accordion option for increase by an additional amount of up to € 440 million. The loan is covered by Eurobank by 54.55% and by National Bank of Greece, Piraeus Bank and Alpha Bank, each participating by 15.15%. This is a floating rate loan based on the 6-month Euribor plus margin. It is noted that, based on a relevant term provided in the loan agreement in question, from the following interest-bearing period a reduced margin is applied due to Greece's recent investment grade recovery by recognized rating agencies. The purpose of the loan is the financing of the investment plan of the Distribution Network, the repayment of part of the loans contributed to the subsidiary by PPC S.A., the coverage of cash needs for working capital and the repayment of the expenses of the bond loan in question.

In the context of this bond loan, on 03/08/2022 the subsidiary HEDNO S.A. proceeded with the first issuance of bonds amounting to € 150 million and on 22/09/2023 with a second issuance of the same amount. On 31/12/2023 the total capital raised from this bond loan amounted to € 300 million.

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

Bond Loan with NBG

On 19/07/2022 the subsidiary HEDNO S.A. signed a contract with NBG for the issuance of a joint bond loan with a duration of 15 years – without a grace period – and amounting to € 22.52 million with a floating interest rate based on the 6-month Euribor plus margin. The loan was issued on 16/12/2022. The purpose of the loan was to finance the cost of purchasing three properties, which will house the administration services of HEDNO, plus the repair & improvement costs of the properties. It is noted that NBG has been granted a first-class mortgage on the properties to secure the claims from the bond loan. The outstanding balance of the bond loan on 31/12/2023 amounted to € 21.01 million.

Interest Rate Swaps

In order to hedge the interest rate risk arising from the two floating rate loan agreements with Eurobank and NBG, as described above, HEDNO S.A. entered into over-the-counter derivative contracts with each bank with a current nominal value of € 311.5 million and € 19.5 million respectively. These are Interest Rate Cap Transactions that give the subsidiary the possibility of coverage against a positive Euribor price while paying a premium. Hedge accounting is not followed for these contracts (Note 46.2).

New Loan Agreements

In the context of the installation of smart electricity consumption measurement systems in Greece, the subsidiary HEDNO S.A. has undertaken an investment program of a total amount of € 1.42 billion with a time horizon until 2030. The first phase of the project's implementation will take place in the period 2023-2026 and it is estimated that an investment expenditure amounting to € 546.42 million is required for its completion. This cost is planned to be financed up to 50% by the Recovery & Resilience Fund (RRF), by a minimum of 30% by the EIB jointly with Greek Systemic Banks and the remaining 20% (at minimum) will be covered by HEDNO own funds.

In order to fulfill the financing framework of the project set out above, HEDNO proceeded to conclude the following contracts:

Finance Contracts with the EIB – Co-financing from the RRF

On 06/11/2023 the subsidiary HEDNO S.A. signed a finance contract with the EIB amounting to € 90.75 million, with the possibility of increase by an amount of up to € 150 million. This is a 15-year loan - without a Greek State guarantee - with a 4-year grace period and an availability period of up to 3 years from the signing of the contract.

On 21/12/2023 the subsidiary HEDNO S.A. signed a second finance contract with the EIB to finance the project with RRF funds amounting to € 151.25 million while maintaining the same basic financial terms as the first contract.

Bond Loan with Piraeus Bank – Co-financing from the RRF

On 21/12/2023 the subsidiary HEDNO S.A. signed a contract with Piraeus Bank for the issuance of a bond loan without collateral and a total capital of up to € 195.14 million. The loan is expected to be covered by Piraeus Bank by 60% as well as Eurobank by 40%. More specifically, it is a fixed-rate bond loan with two series of bonds, one financed with RRF funds (62.5%) and one financed with Greek Banks funds (37.5%), with a duration of 15 years with a 4-year grace period and an availability period of up to 4 years from the signing of the contract.

The subsidiary HEDNO S.A. has not withdrawn any funds from the above new loan agreements on 31/12/2023.

The total long-term borrowing of the subsidiary HEDNO S.A. on 31/12/2023 amounted to € 1,637.1 million compared to € 1,400.1 million on 31/12/2022. Within 2023, HEDNO S.A. proceeded with capital repayments totaling to € 141.01 million.

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

Borrowings of PPC RENEWABLES S.M.S.A

The subsidiary PPC Renewables S.M.S.A. signed a loan agreement with the European Investment Bank in December 2017 to finance finally 17 projects (13 Wind Parks and 4 Small Hydroelectric Power Plants) for an amount of €85.0 million. The full amount of the approved loan has been disbursed. Principal repayments are semi-annual starting on 24.04.2023 and will be completed on 24.04.2036. As at 31.12.2023 the balance of the loan amounted to €82.3 million.

In addition, in September 2018, PPC Renewables S.M.S.A. signed a Bond Loan secured by Collateral for an amount of up to €17.5 million, subscribed for by the National Bank of Greece S.A., of which an amount of €16.7 million was eventually disbursed. Principal repayments are semi-annual starting on 30.06.2021 and ending on31.12.2026. As of 31.12.2023, the balance of the loan amounted to €8.8 million.

To secure the loan obligations of PPC Renewables SA, an irrevocable notarial letter of attorney has been provided for the establishment, in the event of a Complaint Event, of a fictitious pledge on the premises and of the mechanical and other equipment of each project that was funded. In addition, there is a first-class pledge on all claims arising from the Revenue Contracts for each of the funded projects, a pledge on the Proceeds Account, the Reserve Accounts on Loan Liabilities (DSRA), of its receivables deriving from the insurance contracts which is obliged to sign for each of the financed projects.

Bond Loan issued by AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS

The subsidiary AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS is developing a Wind Farm for the generation of electric power with a capacity of 26 MW, at the location "Doukas", Regional Unit of Kastoria. On 04.08.2023, a Bond Loan Agreement was signed for an amount of €28.5 million issued by AIOLIKO PARKO DOUKAS S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS and subscribed for by the National Bank of Greece S.A., maturing on 31.12.2043. Up to date, €18.2 million have been disbursed, with €6.7 million remaining to be drawn, after deducting a Letter of Guarantee amounting to €3.6 million, which has been issued in ordered to cover the needs of the project. As of 31.12.2023 the balance of the loan amounted to €18.2 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the National Bank of Greece, for obtaining the bond loan.

Bond Loan issued by AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS

The subsidiary AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS is developing a wind farm for the generation of electric power with a capacity of 13.5 MW at the location "Koukouli", Regional Unit of Kozani. On 04.08.2023 an Ordinary Bond Loan was signed for an amount of €17.6 issued by AIOLIKO PARKO KOUKOULI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS and subscribed by the National Bank of Greece S.A., maturing on 31.12.2043. Up to date, €14.8 million have been disbursed, with €0.6 million remaining to be drawn, after deducting a Letter of Guarantee amounting to €2.1 million, which has been issued in ordered to cover the needs of the project. As of 31.12.2023 the balance of the loan amounted to €14.8 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the National Bank of Greece, for obtaining the bond loan.

Bond Loan issued by AIOLIKO PARKO AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS

The subsidiary AIOLIKO PARKO AIOLIKO PARKO K-R S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS has two operating Wind Parks with a total capacity of 16 MW in Viotia. On 27.12.2023, an amendment was signed regarding the amount of the Bond Loan dated 20.09.2023 subscribed for by the National Bank of Greece S.A., maturing on 30.06.2039, amounting now to €20.2 million, while initially it amounted to €20.4 million. Up to date, the entire amount of the loan has been disbursed. As of 31.12.2023 the balance of the loan amounted to €19.7 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the National Bank of Greece, for obtaining the bond loan.

Bond Loan issued by AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS

The subsidiary AIOLIKO PARKO LYKOVOUNI S.M.S.A. PARAGOGIS KAI EMPORIAS ENERGEIAS has two operating Wind Parks with a total capacity of 53.7 MW in Viotia.. On 27.12.2023, an amendment was signed regarding the repayment schedule of the Bond Loan dated 20.09.2023 subscribed for by the National Bank of Greece S.A., maturing on 30.06.2042. Up to date, the entire amount of the loan has been disbursed. As of 31.12.2023 the balance of the loan amounted to €63.5 million.

32.LONG-TERM BORROWING (CONTINUED)

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the National Bank of Greece, for obtaining the bond loan.

Bond Loan issued by HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS

The subsidiary HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS has one operating photovoltaic power plant with a capacity of 2.7 MW in Viotia. On 27.12.2023, an amendment was signed regarding the amount of the Bond Loan dated 20.09.2023 and subscribed for by the National Bank of Greece S.A., maturing on 30.06.2042, amounting now to €1.74 million, while initially it amounted to €1.75 million. Up to date, the entire loan has been disbursed. As of 31.12.2023 the balance of the loan amounted to €1.7 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the National Bank of Greece, for obtaining the bond loan.

Bond Loan issued by AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA

In January 2023, following the agreement of 22.12.2022 with Piraeus Equity Partners, the acquisition of the companies AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A was completed. AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA owns two operating Wind Parks (W/F) located in "Belecheri" and "Lefkes" with a capacity of 19.8 MW and 24 MW, in the Prefectures of Lakonia and Arkadia respectively, whilst KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A has a Photovoltaic Power Plant with a capacity of 1.995 MW, located in "Vlachopigado" in the Prefecture of Trikala.

In order to finance the construction of the wind parks, AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA had entered into a Bond Loan Agreement dated 02.11.2018 with Piraeus Bank, for an amount of up to €26 million and a balance of €19 million on 30.06.2023, maturing on 31.12.2032.

The principal of the above loan was fully repaid on 30.06.2023 and was refinanced by Ordinary Bond Loan dated 28.06.2023 for an amount of up to €62.3 million, issued by AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA and subscribed for by Piraeus Bank, maturing on 30.06.2035. An amount of €3.5 million concerns Debt Service Reserve Facility (DSRF), which will be activated in case the company isn’t able to fully cover its loan obligations, for a 6-month period. Up to date, a total amount of €58.8 million has been disbursed. As of 31.12.2023 the balance of the loan amounted to €53.4 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the Piraeus Bank, for obtaining the bond loan.

In addition, all the shares of the subsidiary company KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A. has been pledged by Piraeus Bank, for obtaining the bond loan of AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA.

Bond Loan issued by SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A.

The company SOLAR PARKS WESTERN MACEDONIA ONE S.M.S.A. (a 100% subsidiary of PPC RENEWABLES S.M.S.A.), signed a Bond Loan Agreement on 8 April 2021 for an amount of €8.7 million for the financing of the development of a 14.99 MW photovoltaic power plant in Ptolemaida, Region of Kozani. This amount is part of a broader financing agreement for the construction of a portfolio of photovoltaic power plants with a total installed capacity of 230 MW, in the same area, in which the National Bank of Greece S.A. and Eurobank S.A. participate as initial bondholders, whilst from the outset the right of the European Investment Bank to participate in the financing of the entire 230 MW portfolio had been provided for. To date, the company has drawn the entire amount of the loan. On December 4, 2023 an amendment to the bond loan was signed in order for the European Investment Bank to participate. As of 31.12.2023 the balance of the loan amounted to €6.8 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by Eurobank in favor of Eurobank, National Bank of Greece and European Investment Bank, for obtaining the bond loan.

Bond Loan issued by SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A.

The company SOLAR PARKS WESTERN MACEDONIA TWO S.M.S.A. (a 100% subsidiary of PPC RENEWABLES S.M.S.A.), signed a loan agreement on 01.07.2021 for an amount of €9.9 million in the form of a Bond Loan Agreement for the financing of the development of a photovoltaic power plant with an installed capacity of 14.99 MW in Ptolemaida, Region of Kozani. This amount is part of a broader financing agreement for the construction of a portfolio of photovoltaic

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

power plants with a total installed capacity of 230 MW, in the same area, in which the National Bank of Greece S.A. and Eurobank S.A. participate as initial bondholders, whilst from the outset the right of the European Investment Bank to participate in the financing of the entire 230 MW portfolio had been provided for. The subsidiary has drawn the entire amount of the loan. On 4 December 2023, an amendment to the bond loan was signed in order for the European Investment Bank to participate. As of 31.12.2023 the balance of the loan amounted to €8.1 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by Eurobank in favor of Eurobank, National Bank of Greece and European Investment Bank, for obtaining the bond loan.

Bond Loan issued by SOLAR ARROW ONE S.M.S.A..

The subsidiary SOLAR ARROW ONE S.M.S.A. has a 200MW photovoltaic power plant at the location "West Macedonia Lignite Center", Prefecture of Kozani. For the financing of the project, a Bond Loan dated 21.12.2022 was signed for the amount of €102.4 million between SOLAR ARROW ONE S.M.S.A. as issuer and Eurobank S.A., National Bank of Greece S.A. and the European Investment Bank, as initial Bondholders. Up to date, the entire amount has been disbursed. As of 31.12.2023 the balance of the loan amounted to €95.2 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by Eurobank in favor of Eurobank, National Bank of Greece and European Investment Bank, for obtaining the bond loan.

Bond Loan issued by SOLARLAB S.M.S.A.

The subsidiary SOLARLAB S.M.S.A. is developing 5 photovoltaic power plants with a total capacity of approximately 159MW, which will be developed at the locations "AGIOS CHRISTOFOROS 1", "PTELEONAS 1", "PTELEONAS 2", "CHARAVGI 1" and "CHARAVGI 5", Prefecture of Kozani.

On 12.04.2023 a Bond Loan Agreement was signed for an amount of approximately €85.8 issued by SOLARLAB S.M.S.A. and subscribed for by ALPHA BANK S.A., using funds from the Recovery and Resilience Fund, which participates in the loan with 46% of the investment. Upto date, €43.5 million have been disbursed, with €42.3 million remaining to be drawn. As of 31.12.2023 the balance of the loan amounted to €43.5 million.

All the shares of the subsidiary PPC RENEWABLES S.M.S.A have been pledged by the Alpha Bank of Greece, for obtaining the bond loan.

On 04.08.2023 an Additional Bond Loan Agreement was signed for an amount of €11.6 million issued by SOLARLAB SINGLE-MEMBER S.A. and subscribed for by ALPHA BANK S.A. An amount of €4.2 million concerns Debt Service Reserve Facility (DSRF), which will be activated in case the company isn't able to fully cover its loan obligations, for a 6-month period. Up to date, €2.4 million have been disbursed, with €5 million remaining to be drawn. As of 31.12.2023 the balance of the loan amounted to €1.7 million.

Bond loan issued by PHOEBE ENERGY S.M.S.A.

The subsidiary PHOEBE ENERGY S.M.S.A. is developing a Photovoltaic Power Plant with a capacity of approximately 550MW at the location "PPC ORICHEIO PTOLEMAIDA", Prefecture of Kozani**.** On 20.09.2023, a Bond Loan Agreement was signed of up to €294.4 million between PHOEBE ENERGY S.M.S.A. as issuer and Eurobank S.A. and Piraeus Bank S.A. as initial Bondholders, using funds from the Recovery and Resilience Fund, maturing on 31.12.2043. Up to date, no disbursement has been made.
An Additional Bond Loan Agreement will be signed, on order to cover VAT and Debt Service Reserve Facility.

Bond loan of ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A.

The subsidiary company ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. signed at 3.7.2023 a Bond Loan coverage agreement, for the issuance of a common collateral secured bond loan through a project financing structure, with the original bondholder and representative of the bondholders, NATIONAL BANK OF GREECE S.A (NBG) for up to €436.1 million. The main purpose is the partial financing of the construction costs of the Combined Cycle Power Generation Station fueled by natural gas with a nominal capacity of 840 MW, in the industrial area of Alexandroupolis of the Municipality of Evros. The above financing is expected to cover a leverage ratio of 60-65%.
On July 6, 2023, the 1st disbursement of the facility was drawn for an amount of €51.4 million and on 11.10.2023 a 2nd disbursement of € 27.8 million took place. On 31.12.2023, the drawn amount of the facility amounted to € 79.2 million.

The shares of the subsidiary were pledged by NBG in accordance with the share pledge agreement, in the context of the collateral provided by shareholders to the bank. In addition, letters of bank guarantee were issued by all the shareholders as collateral for the loan.

In addition, the above subsidiary company signed on July 3, 2023 a contract for the issuance of a subordinated unsecured common bond loan, amounting to €157.27 million, with the Company's shareholders, namely PPC, DAMCO

(All amounts in thousands of Euro, unless otherwise stated)

32.LONG-TERM BORROWING (CONTINUED)

ENERGY and DEPA, as bondholders, as an equity contribution for the financing of the above project expiring on 30/06/2042.

On December 31, 2023, this bond loan amounted to €74.3 million and as a result it remains a long-term loan liability (to the minority shareholders) in the Group for the amount of €36.4 million.

Signing of a bond loan agreement for the financing of the development of a Fiber to The Home Network (FTTH)

PPC established the 100% special purpose subsidiary company DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. in December 2022, which will undertake the construction, operation, exploitation and maintenance of the optical fibers that will be created.

On February 16, 2023, an amount of €30 million was paid by the Parent Company as the initial share capital of the subsidiary.

On February 24, 2023, DEI OPTIKES EPIKOINONIES SINGLE MEMBER S.A. proceeded, as Issuer, to sign a Project Financing Agreement ("Bond Loan Program"), amounting to €465 million through commercial borrowing and funds from the Recovery and Resilience Fund. Alpha Bank S.A. and Piraeus Bank SA. are the Lead Arrangers and the Greek State and Alpha Bank S.A., Piraeus Bank S.A. and Eurobank A.E. are the Original Bondholders. Piraeus Bank acts as Representative of the Bondholders, with Alpha Bank as Payment Administrator.

The disbursement will start upon fulfillment of the conditions included in the Bond Loan Program. This financing concerns the development of an optical fiber network ("Fiber-to-the-Home") in 3,000,000 homes in Greece and the provision of wholesale telecommunications services. The investment is part of the Digital Transformation pillar of the Recovery and Resilience Fund (REF) and seeks to contribute to the fulfillment of the relevant objectives of the National Recovery and Resilience Plan.

The annual repayment schedule of long-term and short-term borrowing after December 31, 2023 is as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Within one year	1,243,257	637,849	862,115	427,339
In the second year	600,565	1,066,830	427,115	761,589
Between three and five years	2,649,904	1,656,091	2,183,821	1,245,039
After five years	1,241,301	1,233,100	23,333	537,651
Total	**5,735,027**	**4,593,870**	**3,496,384**	**2,971,618**

Credit rating

As of 31.12.2023, the credit rating by S&P and by Fitch is set at "BB-" with a stable outlook and by ICAP at "BB".

Compliance with financial ratios

Certain loan agreements of the Group and Parent Company, include financial covenants, the non-compliance of which may lead to the contract defaulting or, if necessary, a change in the margin.

The Group and the Parent Company is in compliance with the financial ratios included in their loan agreements on 31.12.2023.

The Group on 31.12.2022 was not in compliance with the financial ratio "Guarantees and Loans in favor of third parties to Total Assets ≤ 20%" of the loan agreement with the European Investment Bank. The deviation occurred temporarily on 31.12.2022 due to the implementation of the investment plan of the subsidiary. The European Investment Bank has subsequently provided its consent and it is expected that the existing agreement will be amended with retroactive effect, in order on 31.12.2022 to cure this excess. For this reason, as of 31.12.2022 the long-term portion of this loan agreement amounting to €82,280 was classified to Short-term Liabilities.

(All amounts in thousands of Euro, unless otherwise stated)

33. POST-RETIREMENT BENEFITS

33.1 Supply of electricity at reduced tariff

The Group's employees and pensioners are entitled to the supply of electricity which the Parent Company provides at reduced tariffs. Such reduced tariffs to pensioners are considered to be retirement obligations and are calculated at the discounted value of the future retirement benefits deemed to have accrued at year-end based on the employees earning retirement benefit rights steadily throughout the working period. The relevant retirement obligations are calculated on the basis of financial and actuarial assumptions.

Net costs for the year are included in the payroll cost in the accompanying income statement consisting of the interest cost, as well as service cost, reduced by the benefits granted in the year.

The actuarial gains or losses are recorded in comprehensive income statement. Retirement benefit obligations are not funded.

By the Decision of the Board of Directors of the Parent Company dated on 21.01.2020, the percentage of the discount received by the employees and pensioners of the Group in Greece was set at 30% of the value of the electricity consumed. The Group in Romania provides its staff and pensioners with a reduced value electricity tariff with an average consumption of 1,200 KWh per year.

The results of the actuarial study regarding the supply of electricity at reduced tariffs for the fiscal year ended December 31st, 2023 and December 31st, 2022 are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Changes in the Present Value of the Liability				
Liability at the beginning of the year	58,951	67,506	37,487	39,041
Absorption of Lignite subsidiaries (Note 5.1)	-	-	-	2,282
From acquisition	7,625	-	-	-
Exchange differences	(21)	-	-	-
Current service cost	418	606	271	344
Interest cost	2,109	672	1,284	408
Actuarial (gains)/losses	2,975	(5,157)	2,073	(1,657)
Benefits provided	(3,598)	(4,676)	(2,235)	(2,931)
Liability at the end of the year	**68,460**	**58,951**	**38,880**	**37,487**
Short-term liability	**91**	**-**	**-**	**-**
Long-term liability	**68,369**	**-**	**38,880**	**-**
Components that burden the Income Statement				
Current service cost	418	606	271	344
Interest cost	2,109	672	1,284	408
Benefits granted	(3,598)	(4,676)	(2,235)	(2,931)
Total	**(1,070)**	**(3,398)**	**(680)**	**(2,179)**
Statement of Comprehensive income				
Actuarial (gains)/losses	2,975	(5,157)	2,073	(1,657)
Total	**2,975**	**(5,157)**	**2,073**	**(1,657)**

Assumption values in the Actuarial Study

Valuation date	Discount rate	Tariff increases	Profit margin	Expectancy of future services
31/12/2023	3.30%		2024:5.0%	11.30
			2025:7.0%	
		0.00%	2026:10.0%	
			2027+:9.0%	
31/12/2022	3.57%		2023:2.3%	12.91
			2024:4.5%	
		0.00%	2025:8.2%	
			2026+:7.4%	

(All amounts in thousands of Euro, unless otherwise stated)

33.POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity disclosures	Percentage change
Increase in discount rate by 0.5%	(5.4%)
Decrease in discount rate by 0.5%	5.9%

Actuarial Study Assumptions – Romania

Valuation Date	Discount Rate	Salary Increase	Inflation
31/12/2023	**6.35%**	**4.00%**	**3.50%**

33.2 PROVISION FOR SEVERANCE PAY

Voluntary retirement programs

On November 2, 2023, with Decision no. 78, the Board of Directors of the Parent Company decided to implement the voluntary retirement plan by providing additional financial incentives based on regular remuneration depending on the previous service, age and number of protected children of employees as well as a fixed amount of € 10,000 to cover their insurance issues.

The program was addressed to all employees of the Parent Company including the employees who are seconded to organizations outside PPC, who are employed on an indefinite contract, aged 50 and over, including those who reach the age of 50 by December 31, 2023 and have completed at least 15 years of continuous service in the Company or complete the 15-year period up to and including December 31, 2023 regardless of the establishment of a pension right.

Employees who met the requirements of the program and wished to join it, had to declare their voluntary participation until February 15, 2024. Those employees who declared their participation within the month of December 2023, will receive as an incentive for short registration, the payroll cost of one month. From this program, additional compensations of €13.7 million arised for the Parent Company for the year ended on December 31, 2023.

On December 6, 2022, with Decision no. 142, the Board of Directors of the Parent Company decided to implement the voluntary retirement plan by providing additional financial incentives based on regular remuneration depending on the previous service, age and number of protected children of employees as well as a fixed amount of € 10,000 to cover their insurance issues.

The program was addressed to all employees of the Parent Company including the employees who are seconded to organizations outside PPC, who are employed on an indefinite contract, aged 50 and over, including those who reach the age of 50 by December 31, 2022 and have completed at least 15 years of continuous service in the Company or complete the 15-year period up to and including December 31, 2022 regardless of the establishment of a pension right.

Employees who met the requirements of the program and wished to join it, had to declare their voluntary participation until February 15, 2024. Those employees who declared their participation within the month of December 2022, will receive as an incentive for short registration, the payroll cost of one month.

Additionally, on March 2, 2023, the Board of Directors of the subsidiary HEDNO decided to implement a new voluntary retirement program by providing a financial incentive to its staff. Additional compensations of €11.6 million arised from this program, which are not included in the below analysis of the Group's staff compensation forecast as this obligation was formed within 2023 and an amount of €3.7 million has been included in accrued and other liabilities of the Group.

On December 31, 2023, the amounts of € 12.4 million and € 8.7 million for the Group and the Parent Company, respectively, were included in the accrued and other liabilities regarding obligations to the staff from the voluntary retirement programs that ran within the 2023.

In the year ended December 31, 2023, the Group and the Parent Company recognized an additional provision for staff benefits due to the voluntary retirement programs amounting to €25.3 million and €13.7 million (2022 €46.1 million the Group and the Parent Company) equally burdening their results.

All above are defined benefit plans in accordance with the provisions of IAS 19.

(All amounts in thousands of Euro, unless otherwise stated)

33.POST-RETIREMENT BENEFITS (CONTINUED)

Provision for staff leave indemnities - Actuarial study

The present value of the liability undertaken by PPC and its subsidiaries is calculated using actuarial methods.

As of October 25, 2023, the Group includes in the severance liability the liability to compensate the personnel in Romania based on the compensation provisions of the local legislation and meets the criteria of the 2021 Interpretation decision, as it provides a benefit that does not increase after from 15 or 25 years of service (depending on the subsidiary of the Group). The present value of the respective liability was calculated using actuarial methods.

The results of the actuarial study regarding the obligation for compensation to staff due to retirement for the year ended December 31, 2023 and the year ended December 31, 2022 are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Liability, at beginning of year	**143,247**	**144,016**	**103,308**	**80,584**
Absorption of Lignite subsidiaries (Note 5.1)	-	-	-	9,338
From acquisition	2,894	-	-	-
Exchange differences	(8)	-	-	-
Current service cost	1,259	1,492	595	932
Interest cost	3,985	937	2,609	598
Cost of cuts/settlements/termination of service	6,292	48,047	6,292	47,664
Actuarial (gains)/losses	9,048	(24,819)	4,908	(15,995)
Benefits provided	(24,148)	(26,426)	(17,728)	(19,813)
Liability, end of the year	**142,569**	**143,247**	**99,984**	**103,308**
Short term portion of liability	**62,428**	**64,803**	**59,297**	**64,803**
Long term portion of liability	**80,141**	**78,444**	**40,687**	**38,505**
Components that burden the results				
Current service cost	978	1,492	595	932
Interest cost	3,985	937	2,609	598
Cost of cuts/settlements/termination of service	6,292	48,047	6,292	47,664
Total	**11,255**	**50,476**	**9,496**	**49,194**
Statement of Comprehensive income				
Actuarial (gains)/losses	9,040	(24,819)	4,908	(15,995)
Total	**9,040**	**(24,819)**	**4,908**	**(15,995)**

Assumptions values in the Actuarial Study

Valuation date	Discount Rate	Salary Increase	Inflation	Resignations	Future Service Expectancy
31/12/2022	**3.68%**	**2.5%**	**2.5%**	**0.00%**	**10.94**
31/12/2023	**3.23%**	**2.10%**	**2.10%**	**0.00%**	**10.20**

Actuarial Study Assumptions – Romania

Valuation Date	Discount Rate	Salary Increase	Inflation
31/12/2023	**6.35%**	**4.00%**	**3.50%**

(All amounts in thousands of Euro, unless otherwise stated)

33.POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity Analysis	Percentage change
Increase in the discount rate by 0.5%	(4.8%)
Decrease in the discount rate by 0.5%	5.1%
Increase in the expected salary increase by 0.5%	0.5%
Decrease in the expected salary increase by 0.5%	(0.7%)

33.3 PROVISION FOR STAFF ANNIVERSARY COMPENSATION

All subsidiaries in Romania offer their employees an anniversary compensation in specific years of service as a benefit for their continuous service, the amount of which depends on the years of continuous service to the company. This plan is a defined benefit plan.

The results of the actuarial study regarding the calculation of this benefit for the year ending December 31, 2023 are as follows for the Group:

	Group
	2023
Liability on acquisition of subsidiaries (Note 3.6)	10,725
Exchange differences	(28)
Current service cost	312
Interest cost	101
Liability, end of the year	**11,110**
Short term portion of liability	**469**
Long term portion of liability	**10,641**
Components that burden the results	
Current service cost	312
Interest cost	101
Total	**413**

Actuarial Study Assumptions – Romania

Valuation Date	Discount Rate	Salary Increase	Inflation
31/12/2023	**6.35%**	**4.00%**	**3.50%**

(All amounts in thousands of Euro, unless otherwise stated)

34. PROVISIONS

	Group		Company	
	2023	2022	2023	2022
Litigation against employees/ third parties (Note 43)	354,211	400,250	391,348	404,391
Non-current portion of provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration	429,592	401,379	405,387	395,186
PPC-PIO fixed assets	2,400	2,400	2,400	2,400
Other	13,652	-	-	-
Total	**799,855**	**804,029**	**799,135**	**801,977**

During the year ended December 31, 2023, the Group and the Parent Company reduced the provision for disputes by € 46 million and € 13 million respectively. For further details refer to Note 43.

Provision of Decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and provision for mines' land restoration

The Group and the Parent Company have undertaken the commitment to dismantle or alternatively use of the power plants' and mining facilities, to remove their equipment and to fully restore mines' lands when the facilities cease to operate. The provision is recognized at the present value of future cash flows that will be required to settle the relevant liabilities and has not taken into account any income from the sale of machinery, spare parts and materials or from the utilization of land.

During 2023, the Group and the Parent Company proceeded with land restoration and removal of equipment in the mines, as a result of which the relevant provision was reduced by € 23 million (31.12.2022: € 21.1 million). At the same time, they carried out decommissioning work in Production Units, reducing the relevant provision by €8.7 million (31.12.2022: €5.7 million). In particular, within 2023 the demolition of the AIS LIPTOL was completed. In addition, the restoration studies of specific Production Units were updated as well as the schedule of mine restoration and Generating Unit decommissioning and removal was changed based on the most recent information available.

On December 31, 2022, the schedule of the restoration of the mines and the decommissioning and removal of the Production Units was updated due to the differentiation of the lignite unit withdrawal program, transferring the relevant works to the following years.

The provision for the decommissioning of Units, Mines and Wind Parks is as follows:

(All amounts in thousands of Euro, unless otherwise stated)

34.PROVISIONS (CONTINUED)

	Group				
	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2023	**190,867**	**75,561**	**210,721**	**6,192**	**483,341**
From subsidiaries acquisition (Note 3)	-	-	-	15,763	**15,763**
Exchange differences	-	-	-	(41)	**(41)**
Change in future outflows (property, plant and equipment- note 16)	(8,425)	-	4,278	514	**(3,632)**
Change in future outflows through income statement	(2,363)	(1,364)	27,236	973	**24,481**
Change in future outflows through comprehensive income statement	-	(2,992)	(14,387)	(235)	**(17,614)**
Finance cost (Note 12)	13,114	5,186	14,803	1,040	**34,143**
Used provision	(17,209)	(5,816)	(8,774)	-	**(31,798)**
Balance, December 31, 2023	**175,984**	**70,576**	**233,877**	**24,205**	**504,642**

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Current portion	46,556	18,145	10,349	-	**75,050**
Non-current portion	129,429	52,431	223,528	24,205	**429,592**
Balance, December 31, 2023	**175,984**	**70,576**	**233,877**	**24,205**	**504,642**

	Group				
	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Balance, January 1, 2022	**194,748**	**73,513**	**222,761**	**1,407**	**492,429**
From subsidiaries acquisition (Note 3)	-	-	-	1,246	**1,246**
Change in future outflows (property, plant and equipment- note 15)	(5,600)	-	-	47	**(5,553)**
Change in future outflows through income statement	2,771	2,995	(11,579)	413	**(5,400)**
Change in future outflows through comprehensive income statement	-	1,035	(9,608)	2,954	**(5,619)**
Finance cost (Note 11)	13,048	4,925	14,925	125	**33,024**
Used provision	(14,100)	(6,907)	(5,778)	-	**(26,785)**
Balance, December 31, 2022	**190,867**	**75,561**	**210,721**	**6,192**	**483,341**

	Provision for mines' land restoration	Provision of dismantling of mining facilities/ equipment	Provision of decommissioning of power plants	Provision for Wind Parks' restoration	Total
Current portion	44,914	19,220	17,828	-	**81,963**
Non-current portion	145,953	56,341	192,893	6,192	**401,378**
Balance, December 31, 2022	**190,867**	**75,561**	**210,721**	**6,192**	**483,341**

(All amounts in thousands of Euro, unless otherwise stated)

34.PROVISIONS (CONTINUED)

	Parent Company				
	Provision for mines' land restoration	**Provision of dismantling of mining facilities/ equipment**	**Provision of decommissioning of power plants**	**Provision for Wind Parks' restoration**	**Total**
Balance, January 1, 2022	**190,867**	**75,561**	**210,721**	**-**	**477,149**
Change in future outflows (property, plant and equipment- Note 16)	(8,425)	-	4,278	-	**(4,146)**
Change in future outflows through income statement	(2,363)	(1,364)	27,236	-	**23,509**
Change in future outflows through comprehensive income statement	-	(2,992)	(14,387)	-	**(17,379)**
Finance cost (Note 12)	13,114	5,186	14,803	-	**33,103**
Used/Unused provision	(17,209)	(5,816)	(8,774)	-	**(31,798)**
Balance, December 31, 2023	**175,985**	**70,576**	**233,877**	**-**	**480,438**

	Provision for mines' land restoration	**Provision of dismantling of mining facilities/ equipment**	**Provision of decommissioning of power plants**	**Provision for Wind Parks' restoration**	**Total**
Current portion	46,556	18,145	10,349	-	**75,050**
Non-current portion	129,429	52,431	223,528	-	**405,388**
Balance, December 31, 2023	**175,985**	**70,576**	**233,877**	**-**	**480,438**

	Parent Company				
	Provision for mines' land restoration	**Provision of dismantling of mining facilities/ equipment**	**Provision of decommissioning of power plants**	**Provision for Wind Parks' restoration**	**Total**
Balance, January 1, 2022	**194,748**	**73,513**	**222,761**	**-**	**491,022**
Change in future outflows (property, plant and equipment- Note 15)	(5,600)	-	-	-	**(5,600)**
Change in future outflows through income statement	2,771	2,995	(11,579)	-	**(5,813)**
Change in future outflows through comprehensive income statement	-	1,035	(9,608)	-	**(8,573)**
Finance cost (Note 11)	13,048	4,925	14,925	-	**32,898**
Used/Unused provision	(14,100)	(6,907)	(5,778)	-	**(26,785)**
Balance, December 31, 2022	**190,867**	**75,561**	**210,721**	**-**	**477,149**

	Provision for mines' land restoration	**Provision of dismantling of mining facilities/ equipment**	**Provision of decommissioning of power plants**	**Provision for Wind Parks' restoration**	**Total**
Current portion	44,914	19,220	17,828	-	**81,963**
Non-current portion	145,953	56,341	192,893	-	**395,186**
Balance, December 31, 2022	**190,867**	**75,561**	**210,721**	**-**	**477,149**

(All amounts in thousands of Euro, unless otherwise stated)

34.PROVISIONS (CONTINUED)

As of December 31, 2023, the present value of the provision for the dismantling and removal of Production Units, Mines and the rehabilitation of the Group and the Parent Mine was estimated at the total cost of land rehabilitation, dismantling of existing equipment/ installations and equipment, demolition any waste by applying an average inflation rate of 2% (31.12.2022: 2%) and a discount rate of 7.7% (2022: 6.9%).

Below we present a sensitivity analysis of the forecast for the dismantling and removal of facilities of Production Units, Mines and restoration of areas of Mines from the change of the discount rate used.

	Present value of the provision of decommissioning		Sensitivity Analysis 2023		Sensitivity Analysis 2022	
	2023	**2022**	**0,25%**	**(0,25)%**	**0.25%**	**(0.25%)**
Provision of decommissioning of units and mines and land restoration	480,438	477,149	474,517	486,552	470,976	483,526
Balance, December 31,	**480,438**	**477,149**	**474,517**	**486,552**	**470,976**	**483,526**
Positive / (Negative) effect on the Results of the Group and the Company	**-**	**-**	**5,921**	**(6,114)**	**6,173**	**(6,377)**

(All amounts in thousands of Euro, unless otherwise stated)

35. SUBSIDIES

Net book values	Group
31.12.2021	**137,548**
-Transfer to revenues (Note 10)	(12,929)
-New subsidies for fixed assets of distribution network	58,336
31.12.2022	**182,955**
-New subsidies for fixed assets of distribution network	21,398
-Acquisition of subsidiaries (Note 3)	11,602
-Transfer to revenues (Note 10)	(8,663)
Exchange differences	(22)
31.12.2023	**207,270**

Net book values	Company
31.12.2021	**95,665**
- Subsidies due to absorption of Lignite subsidiaries (note 5.1)	2,808
-Transfer to revenues (Note 10)	(9,257)
31.12.2022	**89,217**
-Transfer to revenues (Note 10)	(6,108)
31.12.2023	**83,109**

36. LONG-TERM CONTRACT LIABILITIES

As stated in Note 4.4, Group and the Parent Company classify Customers' Contributions and Customers' Advances for Electricity Consumption to Long-Term Contract Liabilities under the provisions of IFRS 15. The following table presents in detail the corresponding figures, as well as the balance on December 31st, 2023 and December 31st, 2022 of the Long-Term Contract Liabilities.

	Group	Company
Balance, December 31, 2021	**2,349,074**	**438,272**
Customers' contributions receipts	134,216	-
Transfer to revenues (Note 7)	(96,343)	(248)
Reduction of customers advances for electricity consumption	(2,292)	(2,292)
Other	2	-
Balance, December 31, 2022	**2,384,657**	**435,732**
Customers' contributions receipts	95,472	-
Transfer to revenues (Note 7)	(101,390)	(248)
Customers contribution from acquisition of subsidiaries (Note 3.6)	550,546	-
Reduction of customers advances for electricity consumption	(10,033)	(10,033)
Exchange differences	(1,449)	-
Other	-	-
Balance, December 31, 2023	**2,917,803**	**425,451**

(All amounts in thousands of Euro, unless otherwise stated)

37. OTHER NON-CURRENT LIABILITIES

	Group		Company	
	31.12.2023	**31.12.2022**	**31.12.2023**	**31.12.2022**
Financial liability to pay contingent consideration for the acquisition of subsidiaries (Note 3.5 and 3.6)	32,412	-	18,041	-
Cargo representation guarantees	1,469	10,200	-	-
Reserve for electricity stealing	18,457	16,962	-	-
Subsidies for expenses	4,813	4,780	-	-
Other non-current liabilities (Note 3.5)	3,172	3,599	4,483	512
Total	**60,323**	**35,541**	**22,524**	**512**

38. IMPAIRMENT LOSS ON ASSETS

The provisions for the impairment loss on assets of the Income Statements include the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
Increase/(Decrease) in the provision for impairment of inventories (Note 22)	7,324	(18,380)	7,324	(18,380)
Impairment loss on mines land and under construction mines	1,774	2,882	1,774	2,882
Partial (reversal of impairment loss) on investment in Ptolemaida V plant (Note 16)	-	(177,500)	-	(177,500)
Provision for onerous contracts	-	(1,361)	-	(1,361)
Decommissioning provision of Units and Mines (Note 34)	24,481	(5,813)	23,509	(5,813)
Other impairment loss on property, plant and equipment	139	2,497	-	206
Total	**33,718**	**(197,675)**	**32,607**	**(199,966)**

(All amounts in thousands of Euro, unless otherwise stated)

39. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
Trade Payables:				
Suppliers and contractors	1,116,506	559,218	409,145	320,326
Municipalities' duties	75,953	83,224	75,953	83,224
Social security funds	44,385	39,777	24,720	24,982
Greek TV	28,549	28,438	28,549	28,438
DAPEEP S.A.	8,517	17,461	8,517	17,461
Taxes withheld	52,017	39,652	23,265	21,694
Special consumption tax	6,867	6,390	6,867	6,390
Customers' credit balances	140,101	103,777	140,101	103,777
IPTO S.A.	263	385	263	385
HEDNO S.A.	-	-	73,200	34,688
Bank of Crete	12,053	12,053	12,053	12,053
Lignite levy	51,109	51,953	51,109	51,953
HEnEx S.A.	49,080	997	49,080	-
Liabilities for PSO	-	72,997	-	-
VAT	96,319	10,741	-	10,741
Advances from RES customers/HEDNO	81,873	71,703	-	-
Transitional credits of photovoltaic scheme/HEDNO	95,220	-	-	-
Customer advances of Romanian subsidiaries	132,528	-	-	-
Various liabilities from Romanian subsidiaries	23,710	-	-	-
Other	80,100	47,959	22,199	19,777
Total	**2,095,150**	**1,146,725**	**925,021**	**735,889**

On December 31, 2023, the Suppliers and contractors of the Group include the obligations to Suppliers and contractors amounting to €302.9 million of the Romanian subsidiaries.

Transitional photovoltaics on the roof program credits/ HEDNO

The amount of € 95,220 concerns an amount deposited on 27/10/2023 to HEDNO by the Ministry of Environment and Energy as an advance/first installment of the financing of the "Photovoltaics on the roof" Program. This amount will be awarded to customers who joined the "Photovoltaics on the roof" Program and are entitled to a subsidy.

(All amounts in thousands of Euro, unless otherwise stated)

40. SHORT-TERM BORROWINGS

An analysis of the short-term borrowings of the Group and the Parent Company is presented in the table below:

	Group		Company	
	2023	2022	2023	2022
Overdraft facilities				
Credit lines available	1,026,433	254,250	220,000	170,250
Unused portion	795,585	150,419	220,000	120,250
Used portion	**230,848**	**103,831**	**-**	**50,000**
Short-Term borrowings				
Credit lines available	71,245	21,000	-	-
Unused portion	61,333	16,498	-	-
Used portion	**9,912**	**4,502**	**-**	**-**
Short-Term borrowings	**240,760**	**108,333**	**-**	**50,000**

On December 31, 2023, the Group's short-term borrowings include an amount of €176.3 million related to the overdraft facilities of the Romanian subsidiaries.

In August 2022, the Parent Company signed with Eurobank an agreement to increase the credit of the overdraft facility by € 100 million, which was repaid in November 2022 with an amount of the Joint Bond Loan in the form of Revolving Credit (RCF) which the Parent raised the same month.

On December 15, 2022, the subsidiary HEDNO, with the aim of covering cash needs for working capital, used the credit limit through an overdraft facility it maintains at the National Bank of Greece and drew the amount of € 45 million with a floating interest rate based on 1-month Euribor plus margin of 2.4% and contribution of 0.6% (Law 128/1975). The principal and the accrued interest liabilities were repaid on January 3, 2023.

On 31/12/2023 the subsidiary HEDNO has no short-term liabilities from from revolving credit facilities.

Overdraft Facility of PHOEBE ENERGY S.M.S.A.

On 21.07.2023, an overdraft Facility was signed for an amount of €65 million between PHOEBE ENERGY S.M.S.A. and Eurobank S.A, out of which €54.6 million have been drawn.

On 31.12.2023 the balance of the credit amounted to €54.6 million.

As of 22.01.2024, an amendment of the 21.07.2023 Overdraft Facility of PHOEBE ENERGY S.M.S.A. was signed, in order to increase the amount of the facility from €65 million to €80 million and to extend the maturity date from 22.01.2024 to 30.04.2024.

Overdraft Facility of PPC RENEWABLES S.M.S.A.

On 04.12.2023, the overdraft Facility of PPC RENEWABLES S.M.S.A. with the National Bank of Greece S.A. was increased by €50 million, which now amounts to €200 million for the issuance of Letters of Guarantee and/or the financing for Working Capital purposes for an amount of up to €50 million.

(All amounts in thousands of Euro, unless otherwise stated)

41. CONCTRACT LIABILITIES

On December 15, 2023 the Parent Company received from the Greek State the amount of €968.3 million, as a partial prepayment for the year 2024, while the total amount for the energy consumption of its government owned entities is €974.9 million (OG 730/B/13.12.2023).

On December 15, 2022 the Parent Company received from the Greek State the amount of €833.7 million, as a partial prepayment for the year 2023, while the total amount for the energy consumption of its government owned entities is €999.3 million (OG 6354/B/14.12.2022).The amount of €165.6 million has not been paid by the Greek State until December 31, 2023, but the amount of consumption by the State Agencies for 2023 has not been cleared either.

	Group		Company	
	2023	**2022**	**2023**	**2022**
Balance, January 1	**1,490,085**	**1,129,571**	**1,490,085**	**1,129,571**
Received advance from the Greek State for the value of the electricity consumed by the government owned entities	968,367	833,739	968,367	833,739
Decrease in the Greek State's advance for the value of the electricity consumed by the government owned entities	(443,187)	(473,225)	(443,187)	(473,225)
Balance, December 31	**2,015,265**	**1,490,085**	**2,015,265**	**1,490,085**

(All amounts in thousands of Euro, unless otherwise stated)

42. ACCRUED AND OTHER CURRENT LIABILITIES

	Group		Company	
	2023	2022	2023	2022
Accrued interest on loans and borrowings	60,390	34,343	54,177	29,633
Natural gas and liquid fuel purchases	75,185	218,160	75,185	218,160
Energy purchases	77,135	-	-	-
Personnel day off and overtIme	59,672	61,499	35,970	36,754
RAE fees	13,520	10,941	13,520	10,941
Purchase of CO_2 emission allowances	1,378,332	1,476,296	1,378,332	1,476,296
Discounts on medium voltage customers	9,171	9,171	9,171	9,171
HEDNO S.A.	543	-	90,425	73,925
Variation margin of CO_2 emission allowances	51,020	13,410	51,020	13,410
Friendly arrangements (Note 43)	-	30,000	-	30,000
Extraordinary levy of suppliers (Note 2.1)	200,000	-	200,000	-
Unbilled liability PSO/other and HEDNO	13,267	6,031	-	-
Energy purchases net-off/HEDNO	3,357	3,574	-	-
Interim dividend from HEDNO	-	-	21,675	-
Extraordinary contribution on electricity generators of Romania	56,645	-	-	-
Liability from voluntary exit schemes (Note 33.2)	12,380	-	8,660	-
Other	100,999	120,331	60,104	99,387
Total	**2,111,616**	**1,983,756**	**1,998,239**	**1,997,677**

On December 31, 2023, accrued and other current liabilities from natural gas and liquid fuels of the Group and the Parent company appear reduced by € 143 million compared to December 31, 2022 due to an decrease in purchases for natural gas but also due to the significant reduction in natural gas prices within 2023. Finally, there was also a reduction in the special levy that was imposed in 2022 for the first time on the quantity of natural gas used for electricity production from natural gas units.

Interim Dividend HEDNO

The Board of Directors of the subsidiary HEDNO with Decision no. 27/28.09.2023 distributed an interim dividend against the results of the financial year 2023 amounting to € 42,500. With this collection, the Parent Company recognized an amount of € 21,675 in other and accrued liabilities until its approval by the General Meeting of the Subsidiary. The Group has a claim of € 20,825 (Note 25) which corresponds to the Minority which has been registered under other claims.

43. COMMITMENTS, CONTINGENCIES AND LITIGATION

OWNERSHIP AND INSURANCE OF PROPERTY

1. The National Cadastral process is in progress. The Parent Company has already completed its Real Estate's recording. Those properties are recorded in total in the Land Registries throughout Greece in the Cadastral Offices and at the same time the cadastral process is monitored, and all pending issues from this process are settled (it has been completed about 50% of the Country). In this context, over 100 cadastral lawsuits are pending, out of which 20 are in Athens, for which the relevant judgements have not yet been issued. From 20.03.2023, the Athens Land Registry Office operates for Athens. The posting of temporary cadastral tables in Athens is expected (72 areas under Cadastral Process), where the Parent Company owns a significant number of properties.
2. In several cases, expropriated land, as presented in the expropriation statements, differs from the cadastral or ownership survey, a reason for which PPC is in the process of cadastral settlement (registration of registrable deeds, filing of declarations, requests for manifest errors) in collaboration with the Cadastral Offices. In particular, for the properties in question, PPC has the right till November 2024 to proceed with lawsuits for the said land which are mainly located in expropriated lignite-bearing areas and in the official records appear to have an unknown owner or third-party owner. Cadastral lawsuits have not yet been filed, because an out-of-court settlement is being attempted in cooperation with the central Cadastral Service.
   At a pre-trial/preliminary stage, 185 objections are still pending, a procedure which, according to the competent authority, has been temporarily frozen and is expected to be reactivated
3. Agricultural land acquired by the Parent Company through expropriation in order to be used for the operation of hydroelectric power plants, must be transferred to the State at no charge, following a decision of the Parent Company's Board of Directors and a related approval by the Ministry of Development, if such land is no longer needed by the Parent Company for the fulfilment of its purposes according to article 9, of Law 2941/01.
4. All applications for the removal of expropriations concerning abolished HV Transmission Lines have been served and there are no pending actions required by PPC S.A.
5. The Group does not carry any form of insurance coverage on its fixed assets in operation (except for its information technology infrastructures), and as a result if a sizable damage occurs to its properties, it might affect its profitability. Material spare parts as well as liability risks against third parties are not insured.

LITIGATION AND CLAIMS

The Group is a defendant in a number of cases concerning its activities. On 31 December 2023, the total amount claimed by third parties amounts to € 974.0 million (31.12.2022: € 999.0 million), as analyzed below. Against all cases 1 to 7 below, the Group and the Parent Company have established a provision which on 31 December 2023 amounts to € 354.0 million and € 392.0 million respectively (31.12.2022: € 404.3 million Group and € 400.2 million, Parent), which is considered sufficient against the expected losses that will result from the final adjudication of the above cases.

1. **Claims with contractors, suppliers and other claims:**

   Third parties as well as a number of contractors and suppliers have raised claims against the Group. These claims are either pending before courts or under arbitration and mediation proceedings. Total claims amount to €424.0 million (31.12.2022: €439.0 million). In most cases the Group has raised counter claims, which are not reflected in the accounting records, until the time of collection.

2. **Fire incidents and floods:**

   A number of individuals have raised claims against the Group for damages incurred as a result of alleged electricity-generated fires and floods. Total claims amount to €95.0 million (31.12.2022: €92.0 million).

3. **Claims by employees:**

   A number of the Groups' Employees are claiming the amount of €75.0 million (31.12.2022: €77.0 million), for allowances and other benefits that according to the employees should have been paid by PPC.

4. **Lawsuits and extrajudicial documents of IPTO against PPC S.A.**
   A)Extrajudicial document of IPTO against PPC
   On 29.11.2018, IPTO served an extrajudicial document to PPC with which asks from PPC:
   -to pay-off debts of € 495.3 million from PPC's participation in the wholesale electricity market for the period January 2018 to August 2018, which have become overdue, plus overdue interest.
   -to pay overdue interest amounting to € 83.4 million arising from the overdue payment of PPC's debts from its participation in the wholesale electricity market for the period August 2016 to September 2018.
   Of the above amounts, only the amount of € 55.0 mil. concerns IPTO while for the rest amounts DAPEEP (former EMO) has become the universal successor.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Claims relating to overdue receivables have been paid-off by PPC in previous years.
Claims relating to interest on overdue receivables, for which IPTO remained the beneficiary (after Law 4585/2018, art. 4), were incorporated in IPTO's later lawsuit, brought in 2021 (4th lawsuit).
Overdue interest receivables amounting to €55 mil., for which DAPEEP became the beneficiary and resulting from invoices that were overdue up to 2018, were timebarred at the end of 2023. Therefore, the provision recognized by the Group and the Parent Company was reversed with an equal benefit to "Provisions for risks" in the Statement of Profit and Loss at 31 December 2023.

B) 1st & 2nd Lawsuit of IPTO against PPC
On 28.02.2019, two IPTO's lawsuits, no. ΓΑΚ/ΕΑΚ 10679/355/2015 and 10682/356/2015 (February 2015) against PPC for a total amount of € 540.0 million, for amounts due from the Parent Company's participation in the wholesale electricity market, were discussed before the Multimember Court of First Instance in Athens. By its first lawsuit IPTO was asking for an amount of € 242.7 million (with interest) for amounts due which PPC collects from electricity bills and conveys to IPTO, that in turn conveys them to EMO. By its second lawsuit, IPTO was asking for the payment of € 232.6 million (with interest) for amounts due which PPC collects from electricity bills and conveys to IPTO.
Decision 944/2020 of the Multimember Court of First Instance in Athens was issued and was sent to PPC on 08.07.2020, which is not provisionally enforceable and obliges PPC to pay:
- regarding the first lawsuit, to IPTO: a) the legal interest on the amount of € 188.3 million for the period from 03.02.2015 until the payment of each of the invoices included in the lawsuit and paid after that date, and b) the amount of € 18.9 million with the legal interest from the service of the lawsuit until the full repayment,
- regarding the second lawsuit, to IPTO: a) the legal interest on the amount of € 227.6 million for the period from 03.02.2015 until the payment of each of the invoices included in the lawsuit and paid after that date, and b) the amount of € 40.3 million with the legal interest from the service of the lawsuit until the full payment.
-to HEDNO: a) the legal interest on the amount of €5.0 million for the period from 03.02.2015 until the payment of each of the invoices included in the lawsuit and paid after that date and b) the amount of €244.6 thousands with the legal interest from the service of the lawsuit until the full payment.
Interest corresponding to these overdue receivables amounts to € 62.0 million. PPC has filed an appeal against the above decision, which was heard on 23.02.2023 before the Three-Member Court of Appeal of Athens and on 21.09.2023, Decision no. 4447/2023 was issued, which accepted PPC's appeal and fully rejected IPTO's two initial lawsuits.

On its side, PPC has served an extrajudicial document to IPTO (without the latter having answered), requesting the payment of a total amount of € 14.0 million for overdue interest on invoices which incorporate debts to PPC from March 2012 until 02.02.2015.

C) 3d Lawsuit of IPTO against PPC
On 5.10.2017, a new (third) lawsuit (no.ΓΑΚ/ΕΑΚ 508791/2833/2016 and after the redefinition ΓΑΚ/ΕΑΚ 72442/794/2020) of IPTO against PPC was discussed and furthermore re-discussed on 07.01.2021, due to a long delay in the issuance of a decision by the first composition of the Athens Multi-Member Court of First Instance, by which IPTO asks PPC to pay an amount of € 406.4 million (with interest) for overdue receivables arising also from PPC's participation in the wholesale electricity market and specifically relating to non-competitive charges of IPTOs' invoices for the year 2015 - 2016.
Decision no. 1494/2021 of the Athens Multi-Member Court of First Instance was issued on this lawsuit, which rejected the claim for interest. The interest corresponding to these overdue receivables, amounted to € 59.0 million. IPTO, together with HEDNO and DAPEEP (who entered by law in part of the original claim) appealed against the above decision, which was discussed before the Tri-member Court of Appeal of Athens on 13.10.2022 and on 29.06.2023 the non-final decision no. 3173/2023 was issued, by which the appeal of the opposing parties was accepted. By this decision, PPC is required to pay the above interest on overdue receivables, and the Court orders, for the issuance of a final decision, the carrying out of an accounting expert opinion. To this end, the completion of the expert opinion, the repetition of the discussion of the case by the most diligent of the parties, and the issuance of a final decision are pending.

D) 4th Lawsuit of IPTO against PPC
On 31.12.2021 the lawsuit No. ΓΑΚ/ΕΑΚ/106878/4124/2021 (new fourth lawsuit) was served to PPC by IPTO, as it was filed in the Multi-Member Court of First Instance of Athens on 30.12.2021, by which IPTO requests PPC to pay:
a) an amount of € 78.2 million for interest on arrears, with legal interest from the service of the lawsuit until the full payment.
b) an amount of € 6.5 million for outstanding capital, with legal interest from the respective declared day, otherwise from the notification, otherwise from the service of the lawsuit until the full repayment.
The above amounts relate to invoices issued by IPTO, that PPC allegedly did not pay or paid late and relate to the years 2016 to 2020. The proposals were submitted on 11.04.2022 and with an addition on 19.04.2022. The case was discussed on 01.02.2024 and the decision is expected.

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

All the above amounts of overdue receivables of the lawsuits have been paid to date except for the interest for which the Parent Company has established a provision in previous years.

5. **Alleged claims of DAPEEP (former EMO) against PPC S.A. due to deficits of the Day Ahead Schedule (DAS)**

Due to the deficits created by electricity suppliers ENERGA POWER TRADING S.A. and HELLAS POWER S.A. during the years 2011 and 2012, PPC was obligated under RAE's Decision No. 285/2013 (whose legality was confirmed by the State Council's decision No.1761/2016), as well as by the Power Exchange Code for Electricity, to pay to EMO a total amount of € 126.3 million (after a final clearing according to Article 61 of the Power Exchange Code for Electricity) within 2017.

A. Although EMO explicitly accepted the proposed debt settlement, in December 2016 filed a lawsuit against PPC asking the (then) residual amount of € 78.0 million (with interest), which the Parent Company paid in 2017. In February 2017, PPC filed a counter lawsuit asking EMO to be ordered to pay the amount of € 126.0 million (plus an amount of € 100 thousands for PPC's moral damages). On these lawsuits, the Multimember Court of First Instance in Athens issued the decision 4810/2018 which accepted EMO's lawsuit and rejected PPC's counterclaim. PPC has filed a relevant appeal which was discussed after postponement on 19.05.2022 (from initial hearing on 16.09.2021), before the 13th section of the Three-Member Court of Appeal in Athens.

B. In December 2017, EMO sent to PPC two new Information Notes on the Allocation of Monthly Deficits of the Day Ahead Schedule (DAS), totalling to € 833 thousand with which, EMO claimed that its new claims arose from the second settlement of the Deficit for the years 2011 and 2012, due to the disappearance or insolvency of the previous third-party electricity suppliers of that time.

In this context, in March 2018, PPC filed before the Multimember Court of First Instance in Athens its lawsuit against EMO, requesting a declaration that it does not owe the above-mentioned amount and EMO to be condemned to pay an amount of € 50.0 thousand as compensation for PPC's moral damages. In May 2018, EMO filed its counterclaim. The two opposite lawsuits were discussed, and the Multimember Court of First Instance in Athens issued the decision No. 932/2020, which justifies EMO (now DAPEEP), a reason for which a relevant appeal has already been filed, which was to be heard on 17.02.2022. It has been agreed to postpone them for co-adjudication with the above initial case on 19.5.2022. The cases were discussed on 19.05.2022 and the decisions MCFI 6663 & 6664/22 were issued, which PPC challenged before the Supreme Court.

6. **Claims of third parties against real estate properties**

As of December 31, 2023, there are claims from third parties against the Parent Company's properties with a net book value of €13.2 million (31.12.2022: €13.2 million) for which the Parent Company has established an adequate provision.

7. **HEDNO lawsuits against PPC**

HEDNO has so far filed 6 lawsuits against PPC seeking regulated charges and interest on them, the most important of which are described below:

Lawsuit ΓΑΚ/ΕΑΚ 121583/4693/2018

On 31.12.2018, the lawsuit No. ΓΑΚ/ΕΑΚ 121583/4693/2018 (1st lawsuit) was served to PPC, requesting it to pay the total amount of € 1.9 million with the legal interest of the lawsuit from the service of the lawsuit until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of invoices for the year 2013 issued by HEDNO. The case was heard on 1.10.2020, however due to non-issuance of a decision within 8 months and after the submission of a relevant letter of protest by PPC to the Court of First Instance, the case was assigned to another judge by a decision of 19.04.2022 and received new No. 54481/799/2022. The case was re-heard on 10.11.2022 and on 01.11.2023 the decision No 3775/2023 was issued, which partially accepted HEDNO's lawsuit and condemned PPC to pay an amount of € 421,271.71 for overdue interest. This decision has not been yet served to PPC. PPC will appeal for the part of the decision that accepted the lawsuit.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Lawsuit ΓΑΚ/ΕΑΚ 115464/3775/2019

On 30.12.2019 the lawsuit No. ΓΑΚ/ΕΑΚ 115464/3775/2019 was served (2nd lawsuit), with which PPC is requested to pay to HEDNO the total amount of € 1.4 million with the legal interest from the service date until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of invoices for the year 2014 issued by HEDNO. The case was heard on 18.11.2021 and on 18.02.2022 decision no. ΠΠΑ 417/2022 was issued which partially accepted the lawsuit of HEDNO and ordered PPC to pay to HEDNO the amount of €1.2 million for interest on delayed payments. The decision was served to PPC on 05.05.2022. PPC filed an appeal on 02.06.2022 with the trial date on 16.11.2023 and was postponed for 18.04.2024 due to the abstention of the lawyers at the Three-Member Court of Appeal in Athens.

Lawsuits ΓΑΚ/ΕΑΚ 93423/2020 and 2989/2020

The case is a first instance case concerning the payment of interest on arrears due to delays in the payments of regulated charges by PPC.

With this 3rd lawsuit, PPC is requested to pay interest on arrears amounting to €5.0 million (with legal interest from its delivery on 31.12.2020 - until payment) relating to late payment of invoices of the disputed year 2015. This lawsuit was discussed on 26.05.2022 in the Multimember Court of First Instance in Athens and on 02.10.2023 the 3518/2023 decision was issued which has partially accepted the HEDNO's lawsuit and condemned PPC to pay the amount of € 4.6 million for overdue interest to HEDNO. This decision has not been yet served to PPC. PPC will appeal against the part of the decision which has accepted the Lawsuit.
The above amount of interest relates to invoices for the following charges:
a) Distribution use charges, b) recovery of cost of purchase of electricity from RES in the NII, c) sale of electricity from PV rooftops in the NII, d) ETMEAR in the NII, e) intra-group contracts SLAs, ie, repetitive projects, branded projects, supply transport services, services to PPC customers, vehicle maintenance, PPC staff benefits.

Lawsuit ΓΑΚ/ΕΑΚ 105062/4055/2021

On 29.12.2021, lawsuit No. ΓΑΚ/ΕΑΚ 105062/4055/2021 (4th lawsuit) was served to PPC by HEDNO, which HEDNO filed before the Athens Multi-Member Court of First Instance on 24.12.2021, requesting PPC to pay the total amount of € 22.5 million with the legal interest from the service of the lawsuit until the full payment. No official trial date has been set. This amount refers to interest on arrears due to alleged late payment by PPC of the invoices issued for the year 2016. Proposals were submitted on 04.04.2022 and an addition on 18.04.2022. The case was discussed on 01.02.2024 and the issuance of the decision is expected.

Lawsuit ΓΑΚ/ΕΑΚ 128343/3501/2022

On 27.12.2022, the lawsuit No. ΓΑΚ/ΕΑΚ 128343/3501/2022 (5th lawsuit) was served to PPC, filed by HEDNO before the Athens Multi-Member Court of First Instance, with which it requests PPC to pay the total amount of € 16.9 million with the legal interest from the service of the lawsuit until full payment. This amount refers to interest on arrears due to alleged late payment by PPC of the invoices issued for the year 2017. The proposals were submitted on 19.4.2023 and the addition on 04.05.2023. The discussion of the case has been determined for 07.03.2024.

Lawsuit ΓΑΚ/ΕΑΚ 137044/3102/2023

On 27.12.2022, PPC was served with the lawsuit No. ΓΑΚ/ΕΑΚ 137044/3102/2023 (6th lawsuit), filed by HEDNO before the Multi-Member Court of First Instance of Athens, with which it requests PPC to pay the total amount of € 45 million with legal interest from the service of the lawsuit until full payment. This amount concerns overdue interest due to the late payment by PPC of the invoices for the year 2018. The deadline for submission of proposals is 22.04.2024 and for the addition on 07.05.2024. The determination of the date for the discussion of the case is expected.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

PPC’s lawsuit against ETAA/ Department of Engineers and Public Works Contractors (former TSMEDE)

ETAA/ Department of Engineers and Public Works Contractors (former TSMEDE) by its Decision 7/2012 has imposed on PPC the amount of € 27.4 million by applying article 4 of L. 3518/2006, relating to employer’s contributions due to the main pension branch for the period 01.01.2007 – 30.04.2012 and pertaining to the engineers insured before 01.01.1993 to the above-mentioned Insurance Fund, that have been employed by PPC with a dependent work relationship for the above-mentioned period.

Against the above mentioned 7/2012 decision of the Insurance Fund in question, PPC has filed legally and timely the 05.09.2012 appeal to the Athens Administrative Court of First Instance. The discussion of the appeal took place on 03.11.2014. The preliminary ruling 11872/2016 was issued, which obliges TSMEDE to produce to the Court the documents referred to the judgment and then the case will be discussed again in order to issue a final decision. The case was finally discussed on December 14, 2021 and the decision no. 4476/23 was issued in favour of PPC, however, e-EFKA has filed an appeal against this decision before the Athens Administrative Court of Appeal, for which the date of the discussion of the case has not yet be set.

On 21.12.2022 two debt certificates (namely no. 64785/2022 and 64784/2022) from e-EFKA (successor of the above TSMEDE) were served to PPC, which concern additional contributions due in favor of TSMEDE for the period 01/05/2012 to 31/12/2016. PPC appealed against these certificates to the Court of First Instance and the case was discuαssed on 24.11.23 and the decision is expected to be issued.

Similarly, on 21/12/2022, a debt certificate was served to the subsidiary HEDNO S.A.y (namely no. 64787/16.12.2022) for a total amount of € 15.3 million, being differences between personal contributions in the main pension sector and employer contributions, as well as contributions on the benefits for the period from 1.5.2012 to 31.12.2016 of its insured personnel. The said appeal was discussed on 24.11.23 and the decision is expected.

Similarly, objections were filed against relevant enforcement procedures against PPC, HEDNO and their management (individuals) over time. PPC’s requests for temporary orders (which accompanied PPC’s requests for suspension of execution) have already been accepted by the Court of First Instance.
Finally, PPC’s request for a relevant "pilot" trial has been submitted to the Council of State (CoS) and the General Commission of Regular Administrative Courts, and their relevant decision is expected.

Given that the employed engineers are compulsorily insured by the relevant insurance institution based on Law 4491/1966 and the Group and the Parent Company pay the corresponding employer contributions on their behalf to the said insurance institution, while the parallel insurance of the said engineers at ETAA is optional and is done at their choice, by paying the corresponding insurance contributions provided for self-employed engineers, the Group and the Parent Company consider that the chances of PPC and HEDNO’s appeals not being accepted are limited and no provision has been established.

Lawsuit of former EMO against HEDNO in which a notice was served to PPC

On 19.06.2017, HEDNO S.A. served a notice to PPC on EMO’s lawsuit against HEDNO S.A. With this notice HEDNO S.A. requested PPC S.A. to intervene in favour of HEDNO S.A. in the court in which EMO claims from HEDNO S.A. overdue amounts from invoices issued. In particular, EMO S.A. with its lawsuit claims amounts with interest from partially paid and unpaid invoices which incorporate receivables from the RES Special Account in the Non-Interconnected Islands (mainly debts from ETMEAR, PVs on rooftops, RES Generation in the Non-Interconnected Islands and balancing of the Special Account in the Non-Interconnected Islands). The claim from EMO’s part amounted to approximately € 140.0 million, while interest due for late payment amounted to € 3.9 million.

The Multimember Court of First Instance in Athens, with its decision No.1302/2019, rejected in favor of PPC HEDNO’s notice to PPC as unlawful considering that there is no relationship of procedural guarantee between HEDNO and PPC, and that, on the contrary, the only relationship that binds them is a contractual one. In particular, the Court considered that according to the NII Code there is no obligation of PPC to pay-off HEDNO’s lenders other than PPC’s contractual obligations towards HEDNO regarding the timely payment of invoices under the NII Load Representatives contract.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

HEDNO filed an appeal before the Three-Member Court of Appeal in Athens that was discussed on 22.09.2022 and the decision n. 2643/2023 was issued. With its 2463/2023 Decision, the Court of Appeals confirms what the Court of First Instance had previously ruled with its 1302/2019 Decision, namely that no procedural guarantee between the notified party (PPC) and the notifying party (HEDNO), is founded and, on that ground, HEDNO's notice to PPC is unlawful. In particular, according to the legal framework governing the relationship of the parties -notably the Non-Interconnected Islands Code-, beyond the contractual obligations of the notified company regarding the timely payment of invoices, PPC S.A. is not required to pay off any lenders of the notifying party HEDNO S.A. in case of the breach of the contractual obligations.
Thus, this claim must be rejected as unlawful. The Decision has not been officially notified between the litigants.

Corrective settlements of IPTO, concerning the Special Account of art. 143 L. 4001/2011

According to L.4152/2013, RES energy purchases in the Interconnected System are paid through the market operation, on the higher amount of either their revenue from DAS plus Deviations or the value of energy they inject to the system multiplied by the weighted average variable cost of the conventional thermal power plants. This amendment started being applied from August 14, 2013, when RAE's Decision No. 366/2013 was published in the O.G., amending the relevant articles of the Power Exchange Code and specifying the methodology of calculations, with which the provision of the law was implemented.

In October 2013, IPTO sent to PPC S.A. corrective clearing statements for months May, June, July and part of August of 2013, totalling to an amount of € 48.2 million, which was derived from the retrospective application of the relevant methodology. PPC's lawsuit against IPTO for the invoices in question was accepted by the Multimember Court of First Instance in Athens (Decision No. 2260/2016) and is considered that PPC does not have to pay the invoices issued totalling € 54.4 million, which incorporate claims for the weighted average variable cost of the conventional thermal power plants for the months May to August 2013. IPTO (which, in the meantime, was substituted in this claim by DAPEEP) filed an appeal which was finally dismissed by the Court of Appeal in Athens with its decision 4928/2020. Finally, an appeal was filed by DAPEEP, before the Supreme Court, which was heard on 15.01.2024 and the issuance of the decision is expected.

Lawsuits from EKPIZO and INKA against PPC S.A.

In May 2022 (4/5/2022 and 5/5/2022) two (2) collective lawsuits (article 10 par. 16 of Law 2251/1994) were served to PPC S.A.:

a) of the non-profit Union with the name NION OF CONSUMERS THE QUALITY OF LIFE (hereinafter "EKPIZO") and
b) of the Second level Consumer Union under the name of “INKA - GENERAL CONSUMER FEDERATION OF GREECE (GCFG)” and of the First level Consumers' Union with the name CONSUMERS UNION OF AETOLOAKARNANIA PREFECTURE (hereinafter "Unions").

Both lawsuits concerned the cessation of the application of the Supply Charge Adjustment Clause to residential variable tariffs and the cessation of formulation and use of its terms in electricity supply contracts by PPC.

In addition, the lawsuit of 5/5/2022 was also directed against a) PPC ZEUS DESIGNATED ACTIVITY COMPANY and b) PPC ENERGY FINANCE DESIGNATED ACTIVITY COMPANY, companies managing receivables from the electricity supply contracts.

The lawsuits were heard on 06/07/2022 and decisions no. 67/2023 and no. 68/2023 of the Multi-Member Court of First Instance of Athens were issued on 02/03/2023 respectively, which ruled, among other things, in favor of the legality of the Supply Charge Adjustment Clause applied by PPC. Within a period of one month, an appeal may be filed against the service of these decisions before the Athens Court of Appeal. To date they have not been served.

Legal Claim by PPC of Public Service Obligations (PSO)

With RAE's decision 1526/2011 "Calculation of the Annual Compensation for the Coverage of the Costs of PSO for the year 2011" (OG B' 2991/28.12.2011), the compensation of the Public Service Obligation ("PSO") for the year 2011 was determined at an amount of €681.7 million. This amount had to be recovered in 2012, by virtue of the heterochronism system that was in force at that time. In 2012, however, PPC recovered only the 2012 PSO compensation, due to the change in the recovery system of PSO compensations established by art. 36 of Law 4076/2012, which was incorrectly interpreted by RAE with its opinion 10/2017. Thus, the 2011 PSO compensation was not recovered. PPC then filed, from 31.10.2018, a compensation claim against the Greek State for the 2011 PSO.

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

On 30.10.2019, L.4635/2019 was published, in which Article 16 authorized RAE to determine the PSO compensation due for the period 2007-2011 that had not been paid to PPC. Pursuant to this provision, RAE issued on 1.11.2019 the decision 1019/2019 (OG B΄4583/2019), by which it determined as due, only the amount of € 194.6 million, which was collected by PPC for the PSO compensation of the period 2007-2011.

With the passing of the provision of article 69 of Law 4876/2021, RAE was authorized to "clear in full" with a decision that it should issue within 3 months from the entry into force of this law, "debts from Public Services Obligations of past years, which relate to the years before the entry into force of article 36 of Law 4067/2012 (A' 79) and have not been fully recovered". RAE has not issued a corresponding decision.

PPC filled an appeal against this decision before the Administrative Court of Appeal of Athens, an appeal that was heard on 13.12.2022, after it was previously heard on 26.9.2022 before the Administrative Court of First Instance of Athens the lawsuit from 31.10.2018 for the compensation for the 2011 PSO against the Greek State. With this appeal, the Parent Company is legally claiming the remaining amount of €487.1 million that it was entitled to collect as PSO compensation for the year 2011. Currently, the issuance of decisions for the above-mentioned proceedings is expected.

Former Bank of Crete

The dispute with the former “Bank of Crete” is dating back to 1989, when the bank was under liquidation. More precisely, by a mandatory action of the then Trustee of the Bank, PPC’s deposits were mandatorily converted to stake-holding in the share capital of the Bank and to obligatory credit to the Bank. PPC filed a lawsuit in 1991 against the bank asking to be compensated for GRD 2.2 billion approximately, (€ 6.5 million) because the above-mentioned Act of the Trustee of the Bank was held invalid. Moreover, PPC had outstanding loan balances, received under six (6) loan agreements for which it was agreed upon to be repaid gradually through instalments. However, on June 10th, 1991, although PPC has paid the overdue instalments, the Bank has terminated all the above-mentioned loan agreements and thus on that date the claim against PPC became overdue for the whole amount of the loans.

For that reason, in the context of hearing of PPC’s above mentioned lawsuit, the Bank proposed before Court an offset of its claim resulting by the above-mentioned loans, amounting to GRD 4 billion approximately, and furthermore has asked the payment of this amount by PPC by a lawsuit in 1995.

After a series of court decisions , the case appealed on March 9, 2020 and on July 12, 2022 was issued a 1272/2022 decision of the Supreme Court where it rejected PPC's appeal.

The assumptions of the above decision of the Court of Appeal become binding for the court that has heard the second lawsuit, i.e. the Bank's lawsuit against PPC, which is obliged to accept that on 22/07/1991, PPC owed to the Bank of Crete the amount of GRD 1,264,908,711 (€3.7 million) due to the closing of the overdraft facilities on 10/06/1991, and the court will condemn PPC to pay this amount to the Bank with overdue interest (with different interest-bearing dates per loan amount, from the year 1993 until 1995), after deducting from the amount due the payments that PPC made to the Bank in repayment of the loan instalments, when they became overdue (after the Bank's lawsuit). In any case, an expert opinion will be needed.

PPC’s claims from HALYVOURGIKI S.A.

PPC filed an application for a payment order before the Court of First Instance in Athens against the company under the name "HALYVOURGIKI S.A.", in which PPC claimed from HALYVOURGIKI to pay the total amount of € 30.5 million plus interest from the day following the expiry of the final bill issued after the termination of the Electricity Supply Contract between PPC S.A. and HALYVOURGIKI S.A. and until repayment.

The payment order No. 1769/2019 of the Single-Member Court of First Instance in Athens was issued which orders “HALYVOURGIKI S.A.” to pay to PPC the above total amount, plus the amount of € 15 thousands for court costs. PPC proceeded to serve a precautionary seizure in the hands of the banks, by virtue of the above payment order against “HALYVOURGIKI S.A.”

PPC, at the request of HALYVOURGIKI S.A., proceeded to a partial withdrawal of imposed precautionary seizure toward the Bank EUROBANK up to the amount corresponding to the payroll cost of that company’s employees.

On the Caveat of HALYVOURGIKI S.A. against PPC S.A. which was discussed on October 2, 2019, the Multimember Court of First Instance in Athens by its decision No. 1080/2020, accepted partially the above caveat, annulling partially the Payment Order No. 1769/2019 for the amount of € 7.2 million, and confirming the above Payment Order for the remaining amount.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Furthermore, on February 15, 2019, HALYVOURGIKI S.A. filed against PPC an appeal for arbitration before the ICC (INTERNATIONAL COURT OF ARBITRATION) “due to PPC’s failure to comply with the obligations under the Shareholders Agreement of 2009” between PPC S.A. and HALYVOURGIKI S.A., requesting PPC to be condemned to pay the amount of €270 million for consequential damage, which according to the appeal in question, HALYVOURGIKI S.A. suffered, with interest from the service of this appeal, plus € 1 million for moral damage which according to HALYVOURGIKI S.A. suffered.

On 26.05.2021, the Arbitration Court of ICC notified the Parties of its Decision, by which it completely rejected the appeal dated 15.2.2019 of HALYVOURGIKI S.A. (Case with number 24270/AYZ) and vindicated PPC.

In particular and according to the operative part of the decision in question, all the claims and requests of HALYVOURGIKI SA were rejected and HALYVOURGIKI SA was sentenced to pay PPC, on the one hand, $350 thousand as well as €288.4 thousand for legal fees and arbitration costs. The decision in question was delivered by PPC to HALYVOURGIKI SA on 1.6.2021.

HALYVOURGIKI SA challenged the arbitral decision in question with an annulment action before the Paris Court of Appeal. It is pointed out, however, that the exercise of the annulment action does not affect the res judicata produced by the above Decision of the Court, therefore, at the present time it is not registered, since it no longer exists after the issuance in favor of PPC of the above Decision of the Arbitration Court, any provision for a claim against PPC from the case in question. The opposing party submitted Proposals before the French Court on 28.1.2022.

Furthermore, following an application by National Bank (of February 23, 2021) before the Single-Member Court of First Instance of Athens for the status of HALYVOURGIKI SA under special management under Articles 68-77 of Law 43077/2014 (A'246/2014) and during the trial of 5.4.2021, where a discussion of the case took place, PPC, as well as Piraeus and ALPHA Banks, made an additional intervention in favor of the applicant Bank (National) and against Halyvourgiki.

Subsequently, the no. 990/2021 decision of the above-mentioned court which rejected the legal application as abusively brought and therefore unfounded, bringing with it the additional interventions brought.

Pricing of High Voltage Energy:

Cases C-701/21 and C-739/21, Mytilineos S.A – Group of Companies and European Commission against PPC S.A.

On 22.02.2024 the Court of Justice of the European Union issued a decision for the above cases concerning the appeals of Mytilineos S.A.. – Group of Companies and the European Commission respectively against a first-instance decision (of 22.09.2021) of the General Court of the European Union which had vindicated PPC (T-639/14 RENV, T-352/15 & T-740/17), had accepted the appeals brought by PPC and had annulled each of the three decisions, with which the Commission had rejected the two complaints of PPC against the state aid in Mytileneos which arose, initially, from the decision of RAE which had imposed on PPC to sell electricity to Mytilineos at a price which, according to PPC, was below the cost of electricity and, subsequently, from the 31.10.2013 under No. 1/2013 decision of the special arbitration court in RAE, which had imposed an even lower price on PPC. With its decision of 22/02/2024, the Court annulled the above-mentioned first-instance decision and referred the case to the General Court of Justice which decided on those reasons, which PPC had raised with its appeals and the which it had not examined.

With the referral of the case to the General Court, and particularly for the issues on which the General Court has been called upon to rule, the decision of the Court of 22.02.2024 in no way leads to a definitive solution to the dispute and a retrial on the substance of the case before the General Court. is expected.

Judgement of a tax dispute case for the years 2006-2008

In July 2011, the final audit reports of the Company’s tax audit for the years 2006 – 2008, as far as the Income Tax is concerned, were released after a relevant decision of the Ministry of Finance that electricity benefit from the personnel electricity tariff to the Group’s employees and pensioners “constitutes the Company’s own discretion and free will and cannot be deducted from its gross revenue”. The difference between the tariff for residential use and the personnel tariff to the Group’s employees and pensioners for the years 2006-2007-2008 amounted to €107 million that were included in the taxable income of PPC. Given that PPC in the years 2006-2008 had tax losses which were carried forward to year 2009, a Partial Tax Audit Report was issued for the year 2009, as a result of which a tax amount of €26.7 million plus surcharges amounting to €9.1 million (Total amount: €35.8 million) was charged to PPC for the year 2009.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Against the Audit Reports for the years 2006 – 2008, an appeal was brought to the Administrative Court of First Instance of Athens, which was dismissed for formal reasons pursuant to the no.10769/2016 decision. Then, in 2017, a second appeal with the same content was brought again (registration no. ΠΡ10518/2017), which was discussed on 19.10.2022. On this second appeal, published on 16.11.2022, under decision no. 15884/2022, by which the issuance of a final decision is postponed, until the publication of the decision of the Plenary of the Council of State on the referral decision no. 2460/2021 of its 6th Section, which will judge whether the possibility of a second appeal is in accordance with the Constitution. Subsequently, a new trial date will be scheduled, at which time the above second appeal of PPC SA will be discussed again.

An appeal was filed against the Partial Tax Audit Report for the year 2009 before the Athens Administrative Court of Appeal. With the filing of the appeal, the 50% of the debt was suspended and the Parent Company paid an amount of €17.9 million. The Administrative Court of Appeal accepted the appeal of PPC SA with decision no. 5677/2013. Following this, the Greek State returned to PPC the amount of €17.9 million. Subsequently, the Greek State appealed against the decision of the Athens Administrative Court of Appeal, which was accepted by virtue of decision no. 289/2022 of the Council of State, which, however, did not examine the stated legal issue as to its substance. As a consequence of this, on 11.11.2022 PPC was once again served with a partial Tax Audit Report under no. 174/201, where an amount of €47.4 million plus surcharges of €17.8 million, totaling to €65.2 million was marked as certified, which was settled through netting off receivables from the Greek State within 2022 of €56.7 million and within 2023 of €8.5 million.

PPC SA filed before the Administrative Court of First Instance of Athens on 12.12.2022 an appeal for the suspension for all the cash certificates as well as a contested appeal on 12.12.2022 before the Dispute Resolution Department against the imposition of the additional tax. The obvious appeal was rejected and against the rejection decision an appeal was filed το the Administrative Court of First Instance of Athens. Both, the appeal for the suspension and the contested appeal are still pending.

Although PPC cannot exercise legal remedies against the decision of the Council of State, it can nevertheless claim the return of the imposed tax differences, in the event that its pending appeal before the Administrative Court of First Instance of Athens, concerning the years 2006 - 2008 is accepted.

For those tax differences, the Parent Company had established in previous years a provision for this case amounting to €57.1 million and as result, the results for the year 2022 were burdened only for the remaining amount of €8.1 million.

Lawsuit against the Hellenic Capital Market Commission

The Group (through its subsidiary HEDNO) at each balance sheet date calculates based on an estimation method the Network Usage Fees related to the consumed and unbilled energy for the non-monthly metered connections in the Non-Interconnected Network of Low Voltage. This estimate was invoiced by HEDNO to the electricity providers and in the next period the relevant settlement was carried out. The specific procedure was done on a monthly basis due to the specific obligations of the relevant department based on RAE guidance and the additional role it has in the energy market in non–interconnected islands.

On the contrary, for the non-monthly metered connections of Low Voltage in the Interconnected Network, due to the complexity, the significant number of connections, but also the different obligations of the Company in the Interconnected Network and the way of pricing the relevant Network Usage Fees, HEDNO and as well the Group did not recognize a corresponding provision of accrued income until the year ended 31/12/2019.

During the year ended 31/12/2020, HEDNO re-examined the method of recognizing the revenue from Network Usage Fees in the Interconnected Network, in order to reflect those revenues that correspond to the consumed and unmetered energy and which has not been invoiced for those connections.

Based on the specific estimates (Note 44 of the annual financial statements of PPC as of 31.12.2021), it was concluded that the Group's retained earnings as of December 31, 2019 appear underestimated, as the revenue accrual mentioned above was not recognized. In addition, the Parent Company did not recognize part of the accrued income as the owner of property, plant, equipment of the distribution network sector and respectively the accrued expense for the payment of distribution network usage fees as electricity provider to HEDNO.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

In the Group's and the Parent Company's financial statements as of December 31, 2020, there was no restatement of the figures of the comparative period for the above adjustment that took place, as the effect of the non-restatement on the financial figures of the Group and the Parent Company was not considered significant and especially on "EBITDA" and "EBITDA Recurring", which are the ratios that have been evaluated by the Group and the Parent Company as the key ones used by the main users of the financial statements to evaluate the Group's and the Parent Company's financial performance.

With the letter dated 1.2.2022, the Hellenic Capital Market Commission requested the Parent Company (PPC SA) to proceed with the restatement of the relevant figures in the Group's financial statements of December 31, 2021, in accordance with the provisions of IAS 8. The Group and the Parent Company keep their position that their initial judgement is correct, that the effect of the non-restatement does not meet the criteria of significance and do not agree with the request by the Hellenic Capital Market Commission toward the Parent Company to restate relevant figures and have already challenged the above act before the competent courts. Exclusively, for the avoidance of imposition of sanctions against them, the Group and the Parent Company proceeded to restate the relevant comparative figures in the financial statements of December 31, 2021, reserving all their rights and especially their right to request the cancellation of the above action. Therefore, and in accordance with the above, the Group and the Parent Company restated the comparative amounts of the previously presented periods in their financial statements of the year ended 31.12.2021, with the earlier of the presented periods, ie 01.01.2020.

The trial of the case was set on 18/11/2022. Three postponements followed and a new hearing was set on 19/04/2024.

PPC's relation to its personnel's Social Security Funds

Despite the fact that under the current legislation the Group does not have any obligation to cover in the future any deficit between revenues and expenses to PPC's personnel Social Security Funds, there can be no assurance that this regime will not change in the future. PPC S.A. has not established a provision for the subject in question.

PPC's audit by the European Commission's Directorate-General for Competition

In February 2017, the European Commission's Directorate-General for Competition conducted a drawn raid audit to PPC in accordance with Article 102 of the Treaty on the Functioning of the European Union Regulation and pursuant to the relevant decision of the Commission dated 01.02.2017, for alleged abuse of a dominant position on the wholesale market for the generation of electricity from 2010 and onwards.

In March 2021, the European Commission announced that it has opened a formal antitrust investigation to assess PPC's activity in the Greek wholesale electricity market. This investigation is in process.

In February 2024, the European Commission sent Its objections to PPC regarding PPC's alleged aggressive pricing in the Greek wholesale electricity market, alleging that, PPC has broken EC's antitrust rules by selling electricity in the Greek wholesale market below cost, obstructing by its actions and in substance excluding its main competitors from the market for the period from 7/2013 to 12/2019. PPC will respond to these objections in question within the stipulated relevant deadline.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

ENVIRONMENTAL OBLIGATIONS

Key uncertainties that may impact the final level of environmental investment which the Group will be required toundertake, over the forthcoming decade, include:

1. With the Decision E' 144/2024, an application against the Decision on the Approval of the Environmental Conditions (AEPO) of the Project is rejected and its legality is confirmed. Also, on 27/01/2023 a Partial Installation Permit for Mesochora HPP was issued.

Based on the actions to date by the competent local Agencies and Authorities, regarding the fulfillment by PPC of the Conditions of the AEPO, which are a condition for the Blocking of the Diversion Tunnel, the possibility of blockage and the beginning of filling the Reservoir, are placed within 2027, with estimated operation of the project in the second quarter of 2028. However, it should be noted that the effort made by PPC S.A continues so that, in cooperation with the State and the competent Agencies and Authorities, the blockage to become possible earlier and in particular for the operation of the project to begin in the second quarter of 2027.

The total cost for the project as of December 31, 2023 (after impairments of € 8 million) amounted to € 284.6 million, while it is estimated according to the latest survey that another € 128.3 million will be required, until the completion of the project, including the required expropriations in the area of the project as well as in the area of the relocation of the new Village.

2. In December 2010, the new Directive (2010/75/EU) was issued for industrial emissions (Industrial Emissions Directive – IED), revising Directives IPPC and 2001/80/ EC, which is effective from January 6th, 2011.

With the end of the Transitional National Emissions Reduction Plan (TNERP), i.e. on 30.06.2020, Units I and II of Ag. Dimitrios were included in a restricted operation regime (from 01.07.2020, 1500 hours per year as a rolling average of five years), while in Units III, IV and V the necessary environmental investments have been completed for the continuation of their operation.

Ptolemaida, Amyntaio, and Kardia stations, as well as Unit III of Megalopolis station, have already ceased operations permanently.

The Directive (2010/75/EU) is in the process of being revised. In December 2023, the trialogue process has been completed with the official gazette publication to be expected within 2024. PPC SA monitors the developments and possible effects having actively participated in the relevant consultation.

3. Within the framework of Directive 2010/75/EU and after the issuance of the legally binding conclusions of the revised Manual on the Best Available Techniques for Large Combustion Plants (executive decision EU 2021/2326 published on 20.11.2021), the required investments in the thermal plants were examined.

Small-scale upgrades of the combustion systems were implemented at the Komotini Unit, in order to reduce NOx emissions. In Unit V of Lavrio, the LNB combustion system was replaced by a next generation system of improved environmental performance, in order to operate more efficiently.

To this date, requests for deviation from the emission levels of EA 2017/1442/EU have been submitted based on Article 15.4 of the IED for specific Units taking into account, inter alia, their remaining life, for which PPC has received the approval of the Ministry of Environment.

4. On November 28, 2015 Directive 2015/2193 of the European Parliament and the Council of November 25, 2015 was published in the Official Journal of the European Union, on the limitation of emissions of certain pollutants into the air from Medium Combustion Plants, regardless of the type of fuel used. Medium Combustion Plants are specified as plants with a rated thermal input equal to or greater than 1 MW_{th} and less than 50 MW_{th}. Pollutants in question are sulfur dioxide (SO2), Nitrogen oxides (NOx) and dust, while rules for monitoring carbon monoxide (CO) are established. Production units of such a size, operate mainly in the islands (engines and turbines). Also, in many of PPC's power generating stations, there are many G/S and auxiliary boilers, but with limited operating time.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The provisions of the directive to limit the emissions of certain pollutants into the atmosphere from Medium-sized Combustion Units (MCPD) are thoroughly examined by the competent PPC Services, so as together with the competent Greek authorities to timely promote appropriate strategies for the electrification of the islands with technically and economically viable solutions, which must also be implemented in a timely manner, and in any case before the expiration of the deadlines provided by the Directive. For existing units in Small Isolated Systems, compliance with the new Emission Limit Values is expected from 01.01.2030 onwards.

All the Aegean islands, starting from Crete, will be interconnected within the period 2020-2030, in accordance with IPTO's Ten-Year Development Plan 2021-2030 and the National Energy and Climate Plan (NECP), while any remaining electricity generation units will operate as a backup solution only in case of emergency in accordance with the provisions of the Directive for these cases. It should be noted that the interconnection of Syros, Mykonos and Paros with the interconnected system of the mainland has been completed since the first months of 2018 and these units are now in reserve.

5. The extent of land contamination is assessed by PPC for its liable facilities, following the provisions of art. 22 of Directive 2010/75/EU and Environmental Terms Approval taking all appropriate precautionary measures. Indicatively, it is mentioned that the necessary basic reports were submitted to the Ministry of Environment.

6. PPC has performed studies on the presence of asbestos-containing materials, at its facilities. Upon submission by PPC of a full environmental impact assessment study, the Ministry of Environment issued in May 2004 the environmental permit for the construction and operation by PPC, in its facilities in Ptolemaida area of an environmentally – controlled Industrial Waste Management Area for the management and final disposal of asbestos containing construction materials, from the power plants of the Northern System. It is noted that any dismantling/ removal of materials containing asbestos from PPC’s facilities is carried out by companies properly licensed for this purpose.

7. In view of PPC’s decarbonization project and the relevant provisions included in the AEPO of the facilities that have already permanently ceased operation, complete rehabilitation studies have been submitted and approved by the licensing authority of the Ministry of Envirinment for the units Kardia (I-IV), Amyntaio (I-II), Ptolemaida (I-IV), Liptol, Lavrio (I-III), for the restoration of their fields, while the approval for the restoration of Aliveri (I- IV) is still pending.

8. In the same context, an AEPO (Decision Approving Environmental Conditions) amendment file for the Amynteo-Lakkia’s mine and updates for the Ptolemaida and Megalopolis’ mines Environmental Impact Assessment (EIA) studies have been submitted. Also, an Environmental Impact Assessment (EIA) Amendment File for Kleidi mine is being prepared. These studies include a mining planning corresponding to the decarbonization project, provisions for the cessation of operation of the mines and their permanent restoration, in order for their lands to be assigned to alternative uses.

9. In addition to the other environmental obligations arising from the approvals of environmental conditions of the Production Stations and Mines, in 2019 PPC voluntarily undertook the obligation to proceed with the dismantling or alternative utilization of the facilities of all Production Stations and Mines and removal of their equipment, when these facilities cease to operate, as well as in the restoration of land areas.

For this obligation, the required provisions amounting to € 480.4 million were recognized on December 31, 2023 (31 December 2022: € 477.1 million) for the Group and the Parent Company (Note 34).

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

INVESTMENTS

Metsovitiko Hydroelectric Power Plant (HPP)

Metsovitiko HPP of an installed capacity of 29 MW is expected to enter commercial operation in the first half of 2025. Future contracted capital expenditures as of December 31, 2023 amounts to € 10.1 million (31.12.2022: €11.5 million).

A new Steam Electric Unit 660 MW in Ptolemaida

With the agreement Convention 11 09 5052 of Thermal Projects Engineering – Construction Department, that entered into force on 29.03.2013, the execution of the Project: "SES PTOLEMAIDA - Study, supply, transportation, installation and commissioning of a new Unit V of mixed capacity 660 MW, with powder lignite fuel, and ability to generate thermal power 140 MWth for district heating", was assigned to the company TERNA S.A. for a Contractual Consideration of €1.388 billion. Following the issuance of Supplement No.1, No.2 , No.3 and No 5 (No 3 & No 5 refer to district heating) the Total Contractual Consideration amounts to €1.398 billion. In November 2022, the unit was put into trial operation and as of October 9, 2023, it was transferred from assets under construction to the fixed assets used in operation according to the protocol of commencement of commercial operation signed with the project contractor. Future contracted capital expenditures as of December 31, 2023 amounts to €38.7 million (31.12.2022: €64.3 million) and mainly concerns spare parts of fixed assets while the outstanding balance of Supplements No 3 & No 5 (concerning district heating) on December 31, 2023 amounts to € 2.96 million and € 1.74 million, respectively.

It is noted that, within 2023 by decision of the Board of Directors of the Parent Company the result of the Amicable Settlement process between PPC and the Contractor of the project for the payment to the Contractor of a total amount of € 76.7 million was approved, of which an amount of € 38 million was recorded in Fixed Assets, an amount of € 7.8 million in the financial expenses of the Income Statement as overdue interest, while for the remaining amount of approximately €30 million, the relevant provision included on December 31, 2022 in Accrued and other liabilities was used. (Note 42).

A new natural gas Unit of 840 MW capacity

PPC S.A. purchased on December 20, 2022 the 51% of the shares of the Company "Power Generation Alexandroupolis Sole Shareholder S.A." from the company Damco Energy paying an amount of €3.2 million. The remaining shareholders of the company are DEPA Supply with 29% and Damco Energy with 20%. The new subsidiary company plans the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupolis. The new unit will be directly connected to Gastrade's under construction Floating Natural Gas Storage and Gasification Unit (FSRU). The equipment that will be installed in the unit will be able to burn hydrogen and will be able to operate with mixed gas fuel.
The project has received the Decision of Approval of the Environment'l Conditions (AEPO) and its construction works started at the end of 2022 while it is expected to be completed in 2025. The contract price of the project after revisions at the beginning of 2023 amounts to €357.8 million, while the outstanding balance of the contract on December 31, 2023 amounts to € €217.3 mil.

Research, Development and Exploitation of Geothermal potential

The subsidiary PPC Renewables has leased from the Greek State the geothermal potential Research and Management rights of four public mining sites: a) Milos-Kimolos-Polyaigos, b) Nisyros, c) Lesvos and d) Methana.

PPC Renewables in agreement with the associate company GEOTHERMAL TARGET II S.A., which has undertaken the development of geothermal power plants in these areas, has proceeded with the development plan foreseen for the years 2021, 2022 and 2023. The development plan for the year 2024 includes the commencement of exploratory drillings in Lesvos and Milos sites, as well as the installation of a small-scale geothermal power plant in Lesvos.

Wind Parks

The construction works of the Wind Park at the locations of "Aeras" of the Municipality of Mouzaki and "Afentiko" of the Municipality of Argithea, of 27,6 MW, have been completed. At present, the wind park is in trial (semi-commercial) operation status.

Construction works for the Doukas Wind Park, by the 100% subsidiary of PPC Renewables, "DOUKAS WIND PARK SOLE SHAREHOLDER S.A.", with a capacity of 26MW,of a total budget of €28.5 million, in "DOUKAS" location of St. Anargyroi, Kleisoura and Lehovo locations of the Municipalities of Kastoria and Amyntaio, of the prefectures of Kastoria

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

and Florina in the Region of Western Macedonia, started in September 2022. Construction works are expected to be completed in July 2024.

In Romania, the construction of a wind farm (Prowind project – North Cluster) is underway with a total estimated power of 140.3 MW and with a total budget of € 231.5 million. The project has received the necessary permits and is ready to be constructed. The commencement of its commercial operation is expected in the fourth quarter of 2025.
The South Cluster of Prowind project (85 MW) is in the re-permitting stage, due to technical modifications of the projects. The estimated budget for the South Cluster is €140.3 million, with an estimated commercial operation date in the fourth quarter of 2026.

Photovoltaic Stations

Construction works of “Pteleonas 1”, “Pteleonas 2”, “Charavgi 1” and “Charavgi 5” PV Plants of 94.98122MW capacity, with horizontal single-axis trackers and bifacial PV modules and the extension of the “Charavgy” 150kV substation, of a total budget of € 68.6 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, began in September 2022. It is expected that by May 2024 all construction works will have been completed.

With respect to the 550MW “ORYCHIO PPC PTOLEMAIDA PV Plant, with horizontal single-axis trackers and bifacial PV modules, and the necessary grid connection works, of an indicative total budget of € 353 million, in the Municipalities of Eordea and Kozani, at Kozani Regional Unit, the signing of the contract took place in July 2023. Construction works started in December 2023.

In addition, PPC, based on the implementation of the National Energy and Climate Plan and the utilization of existing infrastructures that are permanently decommissioned, has designed and implemented energy storage projects (at the Kardia Mine) as well as the installation of new means of thermal energy production for covering the thermal needs of the interconnected district heating system (SITHYA). At the same time, the subsidiary PPC Renewables is developing projects of PV Stations and energy storage stations with BESS which are planned to be interconnected in a common substation utilizing the infrastructure of the Gates of Units I & II of the former KARDIA station.

The project is a necessary condition for the operation of the 550MW PV Station ORYCHIO PPC PTOLEMAIDA. The Contract for KARDIA Station was signed in September 2023. The estimated completion and commissioning of the project is placed in 2025 with a total investment budget of €4.4 million for the parent company and €11.5 million for the subsidiary company.

(All amounts in thousands of Euro, unless otherwise stated)

43. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Pumped-storage hydroelectricity - production-storage of electricity

PPC is in the process of research, for the construction of Pumped-Storage Hydroelectricity (PSH) projects in selected locations within the Greek Territory, for which projects it received a license from the RAEWW and are as follows:

1. Pumped-Storage Hydroelectricity project with a maximum injection power of 183 MW and a maximum absorption power of 181 MW in the "Kardia Mine" location of the Dimitriou Ypsilanti's Municipal Unit of the Kozani's Municipality of the Kozani's Regional Unit of the Western Macedonia Region (RAE Decision 122/202/24.10.2023)(AD-05319).
2. Pumped-Storage Hydroelectricity project with a maximum injection power of 183 MW and a maximum absorption power of 181 MW at the "Megalopolis Mine" site of the Megalopolis Municipal Unit of the Megalopolis Municipality of the Arcadia Regional Unit of the Peloponnese Region (RAEWW Decision 1234.2023/24.10.2023)(AD-05319).
3. Pumped-Storage Hydroelectricity project with a maximum injection power of 460 MW and a maximum absorption power of 432 MW at the location "Lake Vegoritida ((location of "81 wells")" of the Municipal Unit of Amyntaio of the Municipality of Amyntaio of the Regional Unit of Florina of the Region of Western Macedonia (RAEWW Decision 1235.2023/24.10.202 3) (AD-05320).
4. Pumped-Storage Hydroelectricity project with a maximum injection power of 467 MW and a maximum absorption power of 441 MW at the location "HP Sfikias (Bravas) reservoir" " of the Veria Municipal Unit of the Municipality of Veria of the Imathia Regional Unit of the Region of Central Macedonia (RAEWW Decision 1236.2023/24.10.2023)(AD-05321).
5. Pumped-Storage Hydroelectricity project with a maximum injection power of 156 MW and a maximum absorption power of 150 MW at the location "Mavropigis Mine" of the Municipal Unit of Ptolemaida of the Municipality of Eordaia of the Regional Unit of Kozani of the Region of Western Macedonia (RAEWW Decision 1237.2023/24.10.2023)(AD-05 322).

Shareholders' agreement to construct, operate, manage, own and sell Capacity through the East Med Corridor System

On July 26, 2022, PPC S.A. signed a Shareholders' Agreement for the creation of a joint venture scheme for constructing, operating, managing, owning and selling capacity through a new submarine cable system and ancillary infrastructure and network (the "East Med Corridor System" or the project EMC"), which will connect Europe with Asia. On January 11, 2024, PPC S.A. acquired from TTSA Cyprus limited the 25% the minority shareholding in the newly established EMC Subsea Cable Company Limited for USD 50 thousand as initial capital. The remaining shareholders of the consortium are the subsidiary Center3 of STC from Saudi Arabia and the TTSA Cyprus limited, Cypriot company.

(All amounts in thousands of Euro, unless otherwise stated)

44. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

During the reporting period there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Group's and the Parent Company's financial instruments that are carried at amortized cost and their fair value:

	Carrying amount		Fair value	
Group	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Financial Assets				
Trade receivables	1,552,674	1,365,605	1,552,674	1,365,605
Restricted cash	177,487	67,847	177,487	67,847
Cash and cash equivalents	2,599,802	3,159,484	2,599,802	3,159,484
Financial Liabilities				
Long-term borrowings	5,600,166	4,414,801	5,600,166	4,414,801
Long- term financial liabilities from the securitization of trade receivables	377,126	350,089	377,126	350,089
Financial liability from NCI Put option	1,431,001	1,420,017	1,431,001	1,420,017
Trade payables	2,095,150	1,146,725	2,095,150	1,146,725
Short- term financial liabilities from the securitization of trade receivables	10,198	8,540	10,198	8,540
Short-term borrowing	240,760	108,333	240,760	108,333

	Carrying amount		Fair value	
Parent Company	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Financial Assets				
Trade receivables	1,207,131	1,200,734	1,207,131	1,200,734
Restricted cash	42,169	40,012	42,169	40,012
Cash and cash equivalents	1,853,051	2,760,552	1,853,051	2,760,552
Financial Liabilities				
Long-term borrowings	3,439,426	2,854,171	3,439,426	2,854,171
Long-term financial liabilities from the securitization of trade receivables	377,126	350,089	377,126	350,089
Trade payables	925,021	735,889	925,021	735,889
Short- term financial liabilities from the securitization of trade receivables	10,198	8,540	10,198	8,540
Short-term borrowing	-	50,000	-	50,000

The fair value of trade receivables and trade payable accounts approximates their carrying amounts.

The fair value of other financial assets and financial liabilities is determined by discounting future cash flows using either directly or indirectly observable inputs and is included in Level 2 of the fair value hierarchy.

As of December 31st, 2023, the Group and the Parent Company held the following financial instruments measured at fair value:

(All amounts in thousands of Euro, unless otherwise stated)

44. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

	Fair Value		Fair value Hierarchy
Financial Assets	31.12.2023	31.12.2022	
Group			
Financial Assets at fair value through Other Comprehensive Income	308	330	Level 1
Derivative Financial Instruments – Non current Assets	14,641	15,482	Level 1, Level 3
Derivative Financial Instruments – Current Assets	1,521	-	Level 1, Level 3
Financial Liabilities			
Derivative Financial Instruments – Current Liabilities	12,163	11,732	Level 1, Level 3
Parent Company			
Financial Assets at fair value through Other Comprehensive Income	295	329	Level 1
Derivative Financial Instruments	7,429	-	Level 1, Level 3
Financial Liabilities			
Derivative Financial Instruments – Current Liabilities	11,945	11,732	Level 1, Level 3

There were no transfers between Level 1 and 2 of the fair value hierarchy and transfers to / from Level 3 for the calculation of the fair value of financial receivables and liabilities for the year ended 31 December 2023.

Financial Risk Management Policies

Fair Value

The amounts reflected in the accompanying balance sheets for cash, current assets and current liabilities approximate their respective fair values due to their short-term maturity.

The fair values of financial Assets at fair value through Other Comprehensive Income that are traded on stock markets are based on their quoted market prices at the balance sheet date.

The carrying values of long-term borrowing approximate their fair value as these loans are in local currency and mainly of floating interest rate.

For derivative financial instruments, their fair values are confirmed either by financial institutions with which the Group has entered into the relevant contracts or on the basis of their stock market prices of the derivative futures market.

Interest rate risk and foreign currency risk

The Group's and the Parent Company's debt obligations consist of bank loans, bonds and overdraft facilities. It is the Group's and the Parent Company's policy to have a balanced distribution of the loan portfolio between fixed and floating interest rates according to the prevailing conditions and to hedge on a case by case basis through derivatives, solely to mitigate risk, against the fluctuation of floating interest rates and/or foreign currency exchange rates affecting their debt portfolio. The Debt is in Euro.

Furthermore, the fluctuation of the Euro against the U.S. dollar exchange rate may adversely impact the prices of the Parent Company's liquid fuel purchases (diesel and heavy fuel oil) and natural gas. As oil prices are expressed in U.S. dollars, the Parent Company is exposed to foreign currency risk in the event of an appreciation of the U.S. dollar against the euro. In order to mitigate the foreign currency risk arising from liquid fuel purchases, the Parent Company examines the possibility of undertaking, on a case by case basis and according to the prevailing market liquidity circumstances, hedging transactions for this risk. It should be noted that any undertaken hedging transactions may not provide full or adequate protection against these risks.

(All amounts in thousands of Euro, unless otherwise stated)

44. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

The following table presents the sensitivity analysis to pre-tax income from reasonable possible interest rate fluctuations with the other variables remaining fixed, through the effect on existing floating rate borrowing (in millions of Euro):

	Increase / Decrease in basis points (%)	Effect on profit before tax (Group)	Effect on profit before tax (Company)
2023			
Euro	*50*	*(13.9)*	*(10.4)*
Euro	*(50)*	*13.9*	*10.4*
2022			
Euro	*50*	*(8.7)*	*(7.4)*
Euro	*(50)*	*8.7*	*7.4*

Liquidity Risk

The Group and the Parent Company face working capital risk, due to the nature of the energy market (price volatility, customer trading behaviour) which may lead to additional liquidity requirements. The Group and the Parent Company may also face, following decisions by the Regulator, increased working capital requirements in relation to their payments to and from other market operators and increased capital expenditure, that could have a significant effect on their liquidity.

The Group and Parent Company are exposed to the risk that counterparties that owe us financial instruments, energy or other commodities as a result of market transactions, will not fulfil their obligations. The Group and Parent Company also face the risk of potential default or delay by their counterparties, which include their partners, contractors, subcontractors and suppliers.

Furthermore, the Parent Company may experience difficulties or delays in collecting outstanding debt from Low, Medium and High Voltage customers. The inability of customers to pay in full and timely amounts billed in relation to their electricity consumption, the increased availability of competitors' offers, or the outcome of negotiations with Medium and High Voltage industrial customers in key economic sectors in Greece on financial and other terms for extending their contracts, may lead to increase liquidity risk and have an adverse effect on the Group and Parent Company's business, financial condition and results of operations.

The contractual maturities of the main financial liabilities (borrowings), not including interest payments are as follows:

(In mil. Euro)	On demand	3 months	3 to 12 months	≥ 1 to 5 years	> 5 years	Total
Overdraft facilities	103.83	-	-	-	-	**103.83**
Short term borrowings	4.50	-	-	-	-	**4.50**
Long term borrowings	-	95.98	435.54	3,348.62	607.40	**4,487.54**
Year ended 31 December 2022 (Group)	**108.33**	**95.98**	**435.54**	**3,348.62**	**607.40**	**4,595.88**
Overdraft facilities	54.63	118.34	57.87	-	-	**230.84**
Short term borrowings	9.86	-	-	-	-	**9.86**
Long term borrowings	-	96.24	1,082.51	3,397.53	1,094.24	**5,670.52**
Year ended 31 December 2023 (Group)	**64.49**	**214.58**	**1,140.38**	**3,397.53**	**1,094.24**	**5,911.22**
Overdraft facilities	50.00	-	-	-	-	**50.00**
Short term borrowings	-	-	-	-	-	**-**
Long term borrowings	-	42.80	334.54	2,520.95	23.33	**2,921.62**
Year ended 31 December 2022 (Company)	**50.00**	**42.80**	**334.54**	**2,520.95**	**23.33**	**2,971.62**
Overdraft facilities	-	-	-	-	-	**-**
Short term borrowings	-	-	-	-	-	**-**
Long term borrowings	-	43.06	819.05	2,618.44	15.83	**3,496.38**
Year ended 31 December 2023 (Company)	**-**	**43.06**	**819.05**	**2,618.44**	**15.83**	**3,496.38**

(All amounts in thousands of Euro, unless otherwise stated)

44. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (CONTINUED)

Future interest payments on loan financial liabilities, excluding accounts receivable are as follows:

	Group (in million €)					
Future interest payments	**On demand**	**3 months**	**3 to 12 months**	**≥1 to 5 years**	**> 5 years**	**Total**
31 December 2022	-	38.77	124.18	333.08	65.07	**561.08**
31 December 2023	-	51.38	179.5	433.31	247.64	**911.83**

	Parent Company (in million €)					
Future interest payments	**On demand**	**3 months**	**3 to 12 months**	**≥1 to 5 Years**	**> 5 years**	**Total**
31 December 2022	-	31.26	103.00	255.46	9.44	**399.16**
31 December 2023	-	45.24	117.05	237.20	0.29	**399.78**

The future interest payments for 2023 and 2022 of the Revolving Bond Loans are based on their balance as of 31.12.2023 and 31.12.2022 respectively.

Market risk

The Group and the Parent Company participate in the Greek wholesale energy market both as a producer and supplier of electricity, which exposes them to market price risk arising from fluctuations in the prices of natural gas, oil and CO_2 emission allowances, which are traded in the international markets of energy goods, as well as fluctuations in the price of electricity. Significant fluctuations in the prices or quantities of electricity, natural gas, fuel and CO_2 emission allowances affect, directly or indirectly through the effect on the price of the wholesale EU market, the financial position, results and cash flows of Group and the Parent Company as well as their business activities and prospects.

In order to limit exposure to market risk, the Group and the Parent Company have adopted price risk management policies in accordance with the limits and targets set by Management. Hedging activities usually involve the use of derivative instruments with the objective of reducing risk. However, the exposure to these risks has not been fully eliminated and the volatility of energy commodity prices and prices in the wholesale electricity market may not be adequately hedged, whether due to low liquidity in the Electricity Futures Market or other reasons. In addition, the execution of hedging activities through participation in organized commodity exchanges creates new needs for funding and settlement with cash, as well as to cover minimum insurance margins with cash to cover adverse price changes or loss mitigation procedures, which will could lead to significant liquidity needs.

Progression of net debt ratio

The Group's net debt/equity ratio is as follows:

	2023	**2022**
Long-term borrowing	4,419,795	3,822,907
Current portion of long-term borrowing	1,180,371	591,894
Short-term borrowing	240,760	108,333
Cash	(2,599,802)	(3,159,484)
Pledged deposits	(154,446)	(50,843)
Financial assets measured at fair value through other comprehensive income	(308)	(330)
Unamortized portion of loans' issuance fees	81,454	75,666
TOTAL	**3,167,824**	**1,388,143**
Shareholders' equity	**5,357,966**	**4,679,870**
Net debt/equity ratio	**59%**	**30%**

It is noted that the deducted amounts of the pledged deposits in the above table refer only to pledged deposits related to loan agreements.

(All amounts in thousands of Euro, unless otherwise stated)

45. LEASES

Leases: the Group and the Parent Company as Lessee

The Group and the Parent company have signed contracts for the lease of property, transportation assets, other equipment, software and vessels that they use for their activity.

Part of the leases of transportation assets and other equipment fall under the recognition exemption as they concern either short-term leases or low-value leases. Property leases concern leases with a remaining lease term on 31.12.2023 from 1 to 12 years,except for the property of the former military camp “Plessas Michael" which has a remaining lease term on 31.12.2023 of 48 years (assuming that the right to extend the lease by 10 years will be considered) where PPC’s central services will be housed. The time charters of watercraft concern ship leases with a duration of 6 to within the next 12 months.

The leases of the subsidiaries in Romania mainly concern land leases with a remaining lease term on 31.12.2023 from 1 to 70 years, building leases with a remaining lease term on 31.12.2023 from 1 to 32 years and transportation leases with a remaining lease term on 31.12.2023 from 1 to 4 years. In addition, approximately half of the lease agreements of the subsidiaries in Romania are paid in euros and the rest in ron.

The following table contains the recognition amount of the rights of use of assets and the value of the financial liabilities, as well as their movement during the year ended 31 December 2023 and 31 December 2022:

(All amounts in thousands of Euro, unless otherwise stated)

45.LEASES (CONTINUED)

			Group			
ASSETS	**PROPERTY**	**OTHER EQUIPMENT**	**TRANSPORTATION MEANS**	**VESSELS**	**SOFTWARE**	**TOTAL**
31.12.2021	**117,257**	**1,312**	**11,444**	**3,321**	**1,236**	**134,570**
Right of Use Asset from aquisition of subsidiaries	357	-	-	-	-	**357**
Additions	16,181	36,818	4,879	17,243	55	**75,176**
Reductions	(1,190)	-	(18)	-	-	**(1,208)**
Depreciation expense	(12,353)	(9,241)	(3,776)	(7,208)	(847)	**(33,426)**
31.12.2022	**120,252**	**28,889**	**12,529**	**13,356**	**444**	**175,470**
Right of Use Asset from new acquisitions (Note 3)	29,988	1,146	1,408	-	-	**32,542**
Additions	34,009	200	8,444	1,989	5,545	**50,187**
Reductions	(2,291)	-	(7)	-	-	**(2,298)**
Depreciation expense	(15,959)	(16,804)	(5,053)	(8,892)	(1,297)	**(48,006)**
Exchange Differences	(94)	(3)	(4)	-	-	**(100)**
31.12.2023	**165,905**	**13,428**	**17,317**	**6,453**	**4,692**	**207,795**
LIABILITIES						
31.12.2021	**120,060**	**772**	**11,618**	**3,424**	**1,259**	**137,133**
Lease liability from acquisitions of subsidiaries	365	-	-	-	-	**365**
Additions	16,181	36,818	4,865	17,243	55	**75,163**
Early termination	(1,282)	-	(6)	-	-	**(1,288)**
Finance cost	5,142	657	527	352	40	**6,719**
Payments	(14,386)	(12,119)	(4,168)	(7,545)	(904)	**(39,122)**
31.12.2022	**126,081**	**26,129**	**12,836**	**13,474**	**450**	**178,970**
Lease liability from new acquisitions (Note 3)	29,693	1,146	1,408	-	-	**32,247**
Additions	34,009	200	8,444	1,989	5,545	**50,187**
Early termination	(1,494)	-	(1)	-	-	**(1,495)**
Finance cost	6,544	861	587	324	65	**8,381**
Payments	(18,285)	(13,192)	(5,548)	(9,230)	(3,360)	**(49,615)**
Exchange Differences	(93)	(4)	(4)	-	-	**(101)**
31.12.2023	**176,455**	**15,140**	**17,722**	**6,557**	**2,700**	**218,572**
LIABILITIES 31.12.2022						
Current	10,684	12,199	4,071	8,727	450	**36,131**
Non-Current	115,397	13,930	8,764	4,748	-	**142,839**
LIABILITIES 31.12.2023						
Current	14,326	14,469	6,833	6,557	1,051	**43,232**
Non-Current	162,130	672	10,889	-	1,649	**175,340**

The increase in the Group's Rights of Use Assets and Lease Liabilities on December 31, 2023 compared to December 2022 is mainly due to the funds recognized during the acquisition of the subsidiaries in 2023.

In the following table, the contractual maturities of the Group's lease liabilities are presented as of December 31st, 2023 and as of December 31st, 2022:

(All amounts in thousands of Euro, unless otherwise stated)

45.LEASES (CONTINUED)

31.12.2022	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION MEANS	VESSELS	SOFTWARE	TOTAL
Up to 12 months	14,148	13,060	4,530	9,126	456	**41,321**
1 to 5 years	44,910	14,220	9,244	4,820	-	**73,193**
More than 5 years	213,722	-	-	-	-	**213,722**

31.12.2023	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION MEANS	VESSELS	SOFTWARE	TOTAL
Up to 12 months	18,562	14,776	7,317	6,664	1,138	**48,456**
1 to 5 years	69,256	657	11,255	-	1,695	**82,863**
More than 5 years	235,776	15	17	-	-	**235,809**

PARENT COMPANY

ASSETS	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION MEANS	VESSELS	TOTAL
31.12.2021	**98,174**	**141**	**1,133**	**3,321**	**102,768**
Additions	16,048	36,818	690	17,243	**70,799**
Early termination	(807)	-	-	-	**(807)**
Depreciation expense	(8,662)	(8,460)	(708)	(7,208)	**(25,038)**
31.12.2022	**104,753**	**28,499**	**1,115**	**13,356**	**147,723**
Additions	25,027	200	1,683	1,989	**28,899**
Early termination	(2,123)	-	-	-	**(2,123)**
Depreciation expense	(11,057)	(16,329)	(748)	(8,892)	**(37,026)**
31.12.2023	**116,600**	**12,370**	**2,050**	**6,453**	**137,473**
LIABILITIES					
31.12.2021	**100,686**	**145**	**1,143**	**3,425**	**105,398**
Additions	16,048	36,818	690	17,243	**70,799**
Early termination	(888)	-	-	-	**(888)**
Finance cost	4,341	638	54	352	**5,385**
Payments	(9,828)	(11,687)	(750)	(7,545)	**(29,810)**
31.12.2022	**110,359**	**25,914**	**1,137**	**13,475**	**150,885**
Additions	25,027	200	1,683	1,989	**28,899**
Early termination	(1,326)	-	-	-	**(1,326)**
Finance cost	5,298	845	58	324	**6,525**
Payments	(12,610)	(12,884)	(797)	(9,230)	**(35,522)**
31.12.2023	**126,748**	**14,075**	**2,081**	**6,556**	**149,461**
LIABILITIES 31.12.2022					
Current	6,995	11,985	575	8,727	**28,282**
Non-Current	103,364	13,929	562	4,748	**122,603**
LIABILITIES 31.12.2023					
Current	8,609	14,045	1,018	6,556	**30,228**
Non-Current	118,139	30	1,064	-	**119,233**

In the following table, the contractual maturities of the Parent Company's lease liabilities are presented as of December 31st, 2023 and as of December 31st, 2022:

(All amounts in thousands of Euro, unless otherwise stated)

45.LEASES (CONTINUED)

31.12.2022	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION MEANS	VESSELS	TOTAL
Up to 12 months	9,965	12,844	611	9,126	**32,546**
1 to 5 years	36,089	14,220	577	4,820	**55,706**
More than 5 years	206,633	-	-	-	**206,633**

31.12.2023	PROPERTY	OTHER EQUIPMENT	TRANSPORTATION MEANS	VESSELS	TOTAL
Up to 12 months	12,132	14,352	1,091	6,664	**34,239**
1 to 5 years	43,227	30	1,108	-	**44,365**
More than 5 years	212,384	-	-	-	**212,384**

The amounts recorded in the Statement of Income are as follows:

Group	31.12.2023	31.12.2022
Rights in use assets depreciation expense (Note 10)	48,006	33,426
Finance cost (Note 12)	8,381	6,719
Short term lease expenses	22,790	16,418
Low value lease expenses	365	325
Total	**79,542**	**56,888**

PARENT COMPANY	31.12.2023	31.12.2022
Rights in use assets depreciation expense (Note 10)	37,026	25,038
Finance cost (Note 12)	6,525	5,385
Short term lease expenses	21,785	16,285
Low value lease expenses	365	325
Total	**65,701**	**47,033**

The Group and the Parent company paid for leases in 2023 a total amount of €72,770 (31.12.2022: €55,865) and €57,672 (31.12.2022: €46,420) respectively.

Lease obligations are secured by the landlord's title deeds. There are contracts that include a term of extension or early termination of the lease and a term of increase of rents based on the consumer price index (variable rents).

The Group and the Parent Company have the right for some leases, to extend the duration of the lease or the option to terminate the contract. The Group and the Parent Company assess whether there is reasonable certainty that the relevant right will be exercised, taking into account all the factors that create financial incentive, to exercise the right of renewal or termination.

The Group and the Parent Company on December 31, 2023 from the evaluation they made, concluded that for all lease agreements that give the right of extension they will exercise this right except for all lease agreements for houses and some specific lease agreements for properties that related to central services, while for all contracts that have the option to terminate the contract, they will not exercise this option.

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS

46.1. Hedging Transactions

Commodities hedging transactions (energy, natural gas)

In the ordinary course of business, as a vertically integrated electricity company, the Group and the Parent Company participate in the Greek energy wholesale market both as producer and as supplier of electricity, which exposes them to market price risk stemming from commodity price fluctuations. Their generation business is exposed to the fluctuations of natural gas, oil, the selling price of electricity in the wholesale market and CO_2 emission rights prices which are traded in international commodity markets.

The exposure of the Group and the Parent company to the fluctuation of the purchase prices of CO_2 emission allowances is partially covered by futures market positions on the European Energy Exchange. These positions are taken for compliance purposes, with the exception of IFRS 9 (exception due to own use) and are included in intangible assets (Note 17).

The exposure of the Group and the Parent Company to the risk of the wholesale electricity market is determined by its net exposure, ie the amount of energy required to be purchased from (or sold to) the wholesale market to meet the supply needs (or production respectively) that can not be covered by its own portfolio of production units (or customers respectively). Any change in both the commercial portfolio and the production portfolio of the Group and the Parent Company, leads to fluctuations of the net exposure either to a position of "buy" or to a position of "sell" of electricity. For either two positions, the variable wholesale electricity prices may have a material adverse effect on the Group's and Parent Company's operating results and financial position.

Due to the application from 08.07.2022 of the Temporary Mechanism for Returning Part of Next Day and Intraday Electricity Market (the ”Mechanism”), the Group and the Parent Company had no exposure to the risk of price fluctuations due to their participation in the Greek wholesale electricity market and the risk of fluctuating natural gas prices for the period when the mechanism was in force, i.e. from 08.07.2022 until 31.12.2023 (the Mechanism was gradually implemented throughout the year 2023).

The accumulated amounts in the reserve from cash flow hedges until the time of the discontinuation of hedging positions as Producer affected the Group’s and the Parent Company’s results at the time the hedged item (energy, natural gas) affected the results of the Group and the Parent company.

The Group and the Parent Company in order to hedge the risk of future fluctuations in natural gas prices has entered until December 31, 2023 into futures contracts on the European Energy Exchange with settlement dates within 2024 (hedge for the year 2024). The open positions on December 31, 2022 related to the period 01.06.2023 to 31.12.2023 (since the Mechanism was initially valid until 01.06.2023) and are analyzed as follows:

Hedging Instruments- future contracts	Position	Nominal quantity (MW/h)	Position’s Nominal value (in thousand euro)	Short - Term Asset (in thousand euro)
Futures Gas Commodity as of **31.12.2023**	Buy	4,403,605	194,545	(63,550)
Futures Gas Commodity as of **31.12.2022**	Buy	719,180	32,586	26,025*

*On 31.12.2022 there were gains of €50,944 in the reserve from cash flow hedgesfrom positions for which hedge accounting was discontinued and were recognized in the results of 2023 at the time when the hedged item affected the results of the Group and the Parent company.

The Group and the Parent Company, in order to hedge the risk of future fluctuations in energy prices, entered until December 31, 2023 and December 31, 2022 in futures contracts on the Hellenic Energy Exchange (Henex) and the European Energy Exchange (EEX) with maturity dates within 2024 (hedging for 2024) and from the period 01.06.2023 to 31.12.2023 (since the Mechanism was initially valid until 01.06.2023) respectively, which are analyzed as below:

Hedging Instruments- future contracts	Position	Nominal quantity (MW/h)	Position’s Nominal value (in thousand euro)	Short - Term Asset (in thousand euro)
Futures Energy commodity as of **31.12.2023**	Sell	(4,504,582)	(618,989)	172,094
Futures Energy commodity as of **31.12.2022**	Sell	(693,745)	(125,651)	(33,727)*

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

* On 31.12.2022 there were losses of €68,321 in the reserve from cash flow hedgingesfrom positions where hedge accounting was discontinued and were recognized in the results of 2023, at the time the hedged item affected the results of the Group and the Parent Company.

As futures contracts are valued and settled on a daily basis through the Energy Exchanges, the valuation of open positions on 31.12.2023 has directly affected the cash and cash equivalence of the Group and the Parent Company.

In order to hedge the risk of future fluctuations in natural gas prices, the Group and the Parent Company had entered into, until December 31, 2023, over the counter gas swap agreements with financial institutions with settlement dates within 2024, which are analyzed as below:

Hedging Instruments- swap contracts	Position	Nominal quantity (MW/h)	Position's Nominal value (in thousand euro)	Short Term Asset/ Derivative financial instruments (in thousand euro)
Swap Gas Commodity as of **31.12.2023**	Buy	394,500	21,306	(7,774)
Swap Gas Commodity as of **31.12.2022**	-	-	-	-

The hedged items for the natural gas follow the Title Transfer Facility (TTF) index, as well as the hedged instruments and as a result the hedged ratio is 1:1. Hedging items for electricity follow the Day Ahead Market (DAM) of Greece and the European Energy Exchanges. As the characteristics of the hedged instrument and the hedged item are highly correlated, the hedged ratio is 1:1.

On June 30, 2022, gains from hedging transactions against the risk of price fluctuation of natural gas amounting to €37.7 million were transferred to "other (income)/ expenses" as future natural gas contracts were terminated due to the reduction of future needs for the purchase of natural gas (hedged item) for the period August 2022 to December 2022, as a result of the energy efficiency measures implemented in Greece.

All cash flow hedging transactions for both year 2023 and 2022 (excluding the above for 2022) are considered to be effective in the future and the hedged items are highly probable future transactions.

The valuation of the swap contracts and futures contracts was carried out based on prices provided by financial institutions with which the Group has concluded the relevant contracts, or based on their prices in the derivative futures market.

From the hedging transactions of the fluctuation of the price of electricity and natural gas products within 2023, reclassified from the Statement of Comprehensive Income to the Statement of Income of the Group and the Parent Company for Energy losses before tax of € 22.6 million (2022: losses €423.8 million), in Natural Gas gains before tax €46.9 million (2022: gains €623.4 million) i.e. total gains €24.3 million. All those gains concern positions for which hedge accounting was discontinued due to the implementation from 08.07.2022 of the Temporary Mechanism for Returning Part of Next-Day and Intraday Market Revenues, which was in effect gradually until 31.12.2023.

Interest rate swap agreements-Group

To hedge the interest rate risk arising from floating interest rate loan contracts, the Group has entered into over the counter derivative interest rate swap agreements with banks and follows cash flow hedge accounting.
As of December 31, 2023, the nominal value of those contracts amounted to € 177.8 million while the fair value of the contracts amounted to €6.5 million. The amount of €1.7 million is included in non-current derivative financial instruments in Total Assets and the amount of €8.2 million is included in non-current derivative financial instruments in Total Liabilities. The Group's cash flow hedging reserve decreased by €8.9 million (valuation losses less deferred tax). The nominal value of these contracts changes to follow the capital repayments/gradual disbursement plan of each loan contract that expires from 2023 onwards.

The valuation of the interest rate swap contracts was carried out based on prices provided by financial institutions with which the Group has concluded the relevant contracts. For 2023, no ineffective portion of cash flow hedge has arisen.

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

An analysis of the above open positions in derivative financial instruments for cash flow hedging as of 31.12.2023 based on their maturity date is presented:

Group	31/12/2023	Up to 12 months	>1 έως 5 years	> 5 years	Total	Fair value	Statement of financial position
Gas commodity future contracts	Nominal Quantity (MW/h)	4,403,605	-	-	**4,403,605**		**Cash / other reserves (debit)/credit**
	Position's Nominal price in thousand €	194,545	-	-	**194,545**	**(63,550)**	
Energy commodity future contracts	Nominal Quantity (MW/h)	(4,504,582)	-	-	**(4,504,582)**		**Cash / other reserves (debit)/credit**
	Position's Nominal price in thousand €	(618,989)	-	-	**(618,989)**	**172,094**	
Interest rate swap agreements	Position's Nominal price in thousand €	4,315	42,143	131,428	**177,886**	**(6,463)**	**Financial instruments / other reserves (debit)/credit**
Gas commodity swaps	Nominal Quantity (MW/h)	394,500	-	-	**394,500**	**-**	**Financial instruments / other reserves (debit)/credit**
	Position's Nominal price in thousand €	21,306	-	-	**21,306**	**(7,774)**	

Company	31/12/2023	Up to 12 months	>1 έως 5 years	> 5 years	Total	Fair value	Statement of financial position
Gas commodity future contracts	Nominal Quantity (MW/h)	4,403,605	-	-	**4,403,605**		**Cash / other reserves (debit)/credit**
	Position's Nominal price in thousand €	194,545	-	-	**194,545**	**(63,550)**	
Energy commodity future contracts	Nominal Quantity (MW/h)	(4,504,582)	-	-	**(4,504,582)**	**-**	**Cash / other reserves (debit)/credit**
	Position's Nominal price in thousand €	(618,989)	-	-	**(618,989)**	**172,094**	
Gas commodity swaps	Nominal Quantity (MW/h)	394,500	-	-	**394,500**	**-**	**Financial instruments / other reserves (debit)/credit**
	Position's Nominal price in thousand €	21,306	-	-	**21,306**	**(7,774)**	

An analysis of the above open positions in derivative financial instruments for hedging cash flows as of 31.12.2022 based on their maturity date is presented:

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Group	31.12.2022	up to 12 months	>1 to 5 Years	> 5 years	Total	Fair Value	Statement of financial position
Gas commodity futures	Nominal Quantity (MW/h)	719,180	-	-	**719,180**	**-**	**Cash / other reserves**
	Position's Nominal price in thousand €	32,586	-	-	**32,586**	**26,025**	
Energy commodity futures	Nominal Quantity (MW/h)	(693,745)	-	-	**(693,745)**	**-**	**Cash / other reserves**
	Position's Nominal price in thousand €	(125,651)	-		**(125,651)**	**(33,727)**	
Interest rate swaps	Position's Nominal price in thousand €	-	-	26,698	**26,698**	**3,875**	**Financial instruments / other reserves**

Company	31.12.2022	up to 12 months	>1 to 5 Years	> 5 years	Total	Fair Value	Statement of financial position
Gas commodity futures	Nominal Quantity (MW/h)	719,180	-	-	**719,180**	**-**	**Cash / other reserves**
	Position's Nominal price in thousand €	32,586	-	-	**32,586**	**26,025**	
Energy commodity futures	Nominal Quantity (MW/h)	(693,745)	-	-	**(693,745)**	**-**	**Cash / other reserves**
	Position's Nominal price in thousand €	(125,651)	-	-	**(125,651)**	**(33,727)**	

Additionally, in the reserve from cash flow hedging transactions there were gains of €50,944 (hedged item natural gas) and losses of €68,321 (hedged item electricity) from positions for which hedge accounting was discontinued due to the application of the Temporary Mechanism from 08.07.2022 Return of Part of the Next Day and Intraday Markets Revenue and which were recognized in the results of 2023 at the time the hedged item affected the results of the Group and the Parent Company.

46.2. Transactions for speculative purposes

The Parent Company, in the context of its business activity has carried out transactions for trading porpuses. From these transactions, the Group and the Parent Company recorded gains of € 5.2 million. (31.12.2022: losses € 2.2 mil.) and are included in the Income Statement in "Other Income " (Note 14).

Additionally, on 31.12.2023 gains of €16.2 million are included in the Statement of Income under "Other income" (Note 14) related to the result of buy positions of natural gas and sell positions of energy contracts that arose from the date of discontinuance of the cash flow hedging relationship due to the gradual extension of the Mechanism throughout the year 2023 (initially the Mechanism was valid for the period 01.01.2023-01.06.2023).

Respectively, on 31.12.2022 losses of € 290.1 million included in the Statement of Income under "other expenses" (Note 14) related to the result of buy positions of natural gas and sell positions of energy contracts that arose from the date of discontinuance of the cash flow hedging relationship, i.e. from 08.07.2022 when the Mechanism was put into effect until 31.12.2022.

Finally, on June 30, 2022, for the Group and the Parent company, gains from natural gas price hedging transactions that amounted to €37.7 million were transferred to "other income " (Note 14) as they natural gas purchase contracts were terminated due to the reduction of future needs for the purchase of natural gas (hedged item) for the period August 2022 - December 2022 as a as a result of the energy efficiency measures implemented in Greece in 2022.

As of 31 December 2023 and 31 December 2022, the open positions for the Group and the Parent Company in commodities derivative financial instruments for speculative purposes, that mature in the next year were as follows:

Financial Instrument	Position	Nominal quantity (MW/h)	Position's Nominal value in thousands' €	Short Term Asset
Energy commodity futures **31.12.2023**	Buy	33,963	6,906	(169)
Natural Gas Commodity Swaps **31.12.2023**	Buy	64,520	3,292	(1,205)
Energy commodity futures **31.12.2022**	Sell	(84,115)	(21,188)	2,304

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Financial Instrument	Position	Nominal quantity (MW/h)	Position's Nominal value in thousands' €	Short Term Asset
Natural Gas Commodity Swaps **31.12.2023**	Buy	218,300	6,891	(3,993)
Energy Commodity Swaps **31.12.2023**	Sell	(93,600)	(12,460)	861
Energy commodity Swaps **31.12.2022**	Buy	89,635	29,799	(11,732)

On December 31, 2022, the open positions for the Group and the Parent company in commodity derivative financial instruments which, due to the application of the Mechanism, were considered speculative positions as they expired until 31.05.2023, were as follows:

Financial Instrument	Position	Nominal quantity (MW/h)	Position's Nominal value in thousands' €	Short Term Asset
Energy commodity futures **31.12.2022**	Sell	(122,632)	(40,206)	(6,348)
Gas commodity futures **31.12.2022**	Buy	473,810	59,237	(22,295)

As futures contracts are valued and settled on a daily basis through the Energy Exchanges, the valuation of open positions on 31.12.2023 and 31.12.2022 has directly affected the cash and cash equivalence of the Group and the Parent Company.

The valuation of the swap contracts and futures contracts was carried out based on prices provided by financial institutions with which the Group has concluded the relevant contracts, or based on their prices in the derivative futures market.

Interest rate swap agreements-Group

In order to hedge the interest rate risk arising from the two floating rate loan agreements (Note 32), the Group entered into 2022 over the counter derivative interest rate Cap contracts with each bank. Hedge accounting is not followed for these contracts. As of December 31, 2023, the nominal value of those contracts amounted to € 311.5 million (expire on 31/12/2024) and € 19.5 million (expire on 31/12/2036) and their fair value to €6.8 million (31.12.2022: €11.6 million) and they are presented in the amount of €7 million in the long-term receivables and the amount of €0.2 million in the short-term liabilities. The change in the fair value from their valuation of €4.8 million (2022: €11.7 million profit) is included in the financial expenses of the Group (Note 12). The nominal value of these contracts changes, in order to follow the capital repayments/ scheduled disbursement plan of each loan agreement.

The valuation of the swap contracts was carried out based on prices provided by financial institutions with which the Group has concluded the relevant contracts.

46.3. Derivatives for antitrust compliance purposes

Since September 1, 2021, PPC due to its exclusive access to lignite power generation assumed the obligation (Article 44 of N4348/2021) to create a Seller's Net Position in quarterly futures contracts corresponding to 50% of the electricity production from lignite of the corresponding calendar quarter of the previous calendar year and up to the third quarter of the year 2022 and to 40% of the electricity production from lignite of the corresponding calendar quarter of the previous calendar year, during the following quarters, until 31 December 2024 at the latest.

In this context, PPC from the positions that it hastaken within 2023 to comply with the anti-trust rules, it has recorded gains reflected in the "Energy Purchases" of the Income Statement amounting to €5.2 million (2022: loss of €12.2 million) including changes in the fair value of the opposite market positions (long), it took in energy futures contracts and energy swap contracts to cover its exposure to this specific obligation. The swap contract value amounted to a gain of €660 as of December 31, 2023.

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

46.4. Energy Purchase Agreements

Within 2023 the Group and the Parent company concluded for the first time into long-term bilateral power purchase agreements ("PPAs") with final energy consumers (sell positions), with subsidiaries (buy positions) and with associated companies (buy positions).

These contracts are designed to exchange the price of energy between the Producer and the final consumer so that the final consumer ensures stable energy charges over the time. Also, for those contracts concerning "green" energy,the final consumer achieves a reduction of the carbon footprint. For its part, the Producer (subsidiaries and associates) ensures stable cash flows/income in the future from the operation of the Photovoltaic Parks Units thatoperate without operating subsidies (merchant assets) and financing for their construction.

All PPA's signed by the Parent company are for speculative purpose as the exposure to price risk exists only at the Group level as a producer. For one of the PPA's, the Group as a Producer has taken an energy sell position to hedge the risk of future Electricity price fluctuations (cash flow hedge).

On December 31, 2023, the positions in PPAs with financial settlement without physical delivery for the Parent Company were as follows:

Derivative Financial Instruments	Position	Nominal quantity (MW/h)	Derivative Financial Instrument Assets / (Liabilities)	Long - Term (Asset)	Long - Term (Liability)	Short - Term (Asset)	Short - Term (Liability)
Energy Contract for differences **31.12.2023**	Sell	(3,253,208)	(455)	1,442	(1,718)	-	(178)
Energy Contract for differences **31.12.2023**	Buy	28,658,448	25,689	23,307	(3,525)	5,908	-
		25,405,240	**25,234**	**24,748**	**(5,244)**	**5,908**	**(178)**

Buy positions

The energy buy positions concern PPA of the Parent company with the subsidiary companies ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A., ARCADIAN SUN ONE S.M.S.A., SOLARLAB S.M.S. A. and the associate companies Amyntaio Solar Park 4 S.M.S.A., Amyntaio Solar Park 7 S.M.S.A., Amyntaio Solar Park 8 S.M.S.A., Amyntaio Solar Park 9 S.M.S.A. Some contracts have fixed price and some others variable price throughout the duration of the PPA.

The price exchange period of the PPAs is for a period of 10 to 15 years and starts only when certain conditions are fulfilled. Also, the majority of these agreements concern quantities of energy with the term "pay as produced", i.e. based on the energy produced by the asset/ Park (either 100% or a percentage of the energy produced).

All of the agreements concern specific assets/Photovoltaic Parks, which are either in the financing stage or under construction, or in operation stage. The nominal quantity in MWh based on which the fair value of the contract for differences was determined for the PPA agreements with the term "pay as produced" was derived based on simulation results from the Park's technical specifications and weather scenarios.

The expected Settlement Price was derived based on estimates from available market data. To discount the future cash flows, a discount rate was used that was determined based on the zero-risk monthly Euribor (curve based on the duration of the PPAs) and counterparty risk.

Finally, all the contracts, except for one, also contain the delivery of certificates of green energy (they met the criteria of own use –exception of IFRS 9) and were considered to represent embedded derivatives, and as a result the initial valuation of the derivatives (contract for differences) was recalibrated so that it equals to zero.

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Sell positions

The energy sell positions concern PPAs of the Parent company with the final consumers of electricity. All contracts are of fixed price throughout the duration of the PPAs and the price exchange period is for a period of 8 to 10 years, starting when certain conditions are met. Also, the majority of these agreements concern quantities of electricity with the term "pay as produced", i.e. based on the energy produced by the asset/Park (at 100% of the energy produced).

Some agreements concern specific assets/Photovoltaic Parks, which are in the process of obtaining connection terms or have received connection terms, while others refer to the sale of energy from the Group's portfolio of Renewable Renewable Sources.The nominal quantity in MWh based on which the fair value of the contract for differences was determined for the PPA agreements with the term "pay as produced", was derived based on simulation results from the Park's technical specifications and weather scenarios. On the contrary, for specific Photovoltaic Parks that have not received connection terms until today and have been included in B category based on YA YPEN/GDE/84014/7123 (OG 4333/B΄/12.08.2022), the significant uncertainty over their construction, was taken into account and the "pay as produced" quantity was determined to be zero for valuation purposes.The expected Settlement Price derived based on estimates from available market data. To discount the future cash flows, a discount rate determined based on the zero-risk Euribor (curve based on the duration of the PPAs) and counterparty risk was used.

Also, all the contracts include the delivery of certificates of green energy (they met the criteria of own use –exception of IFRS 9) and were considered to represent embedded derivatives, and as a result the initial valuation of the derivatives (contract for differences) was recalibrated to be equal to zero.

Finally, some of the PPA sell positions include 2 periods. In period A, a physical delivery of energy produced by the Units of the existing production portfolio of the Parent Company takes place to the final consumer, with a settlement of the price difference, which was evaluated as own use (IFRS 9 exception). While period B, it was assessed as a swap contract with financial settlement without physical delivery of electricity.

On December 31, 2023, the Group's positions in PPA swap contracts with financial settlement without physical delivery were as follows:

Derivative Financial Instruments	Position	Nominal quantity (MW/h)	Derivative Financial Instrument Assets / (Liabilities)	Long - Term (Asset)	Long - Term (Liability)	Short - Term (Asset)	Short - Term (Liability)
Energy Contract for differences **31.12.2023**	Sell	(13,131,333)	(10,226)	1,442	(11,490)	-	(178)
Energy Contract for differences **31.12.2023**	Buy	7,504,772	4,372	4,383	(11)	-	-
		(5,626,561)	**(5,854)**	**5,824**	**(11,501)**	**-**	**(178)**

The energy buy positions concern the Group's PPA with the accosiate companies Amyntaio Solar Park 4 S.M.S.A., Amyntaio Solar. Park 7 S.M.S.A., Amyntaio Solar. Park 8 S.M.S.A., Amyntaio Solar Park 9 S.M.S.A. and are described as above (Parent company buy positions).

The Group's energy sell positions include, in addition to the parent company's sell positions (as above - sell positions) with final consumers, and the PPA that PPC's subsidiary has signed with a minority shareholder.This agreement is of variable price throughout its duration, based on the variable cost of the Unit, and the price exchange period is for a period of 15 years, which begins when certain conditions are met.

On December 31, 2023, from the valuation of the PPA contracts, the Group and the Parent Company recognized in "Other Expenses" losses of €7.1 million and in “Other Income” gains of €25.2 million (Note 14) respectively, while the Group recognized in reserves from hedging transactions a gain of €0.9 million (after deferred tax) for a PPA contract with the purpose of cash flow hedging against future fluctuations in energy prices.

(All amounts in thousands of Euro, unless otherwise stated)

46. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Below is an analysis of the above open positions as of 31.12.2023 based on the exchange dates of the future cash flows.

		Nominal quantity (MW/h)			
Company	**Position**	**up to 12 months**	**>1 to 5 Years**	**> 5 years**	**Total**
Energy Contract for differences **31.12.2023**	Sell	(15,456)	(1,444,578)	(1,793,174)	(3,253,208)
Energy Contract for differences **31.12.2023**	Buy	253,519	6,867,427	21,537,502	28,658,448
TOTAL		**238,063**	**5,422,849**	**19,744,328**	**25,405,240**

		Nominal quantity (MW/h)			
Group	**Position**	**up to 12 months**	**>1 to 5 Years**	**> 5 years**	**Total**
Energy Contract for differences **31.12.2023**	Sell	(15,456)	(3,393,015)	(9,722,861)	(13,131,333)
Energy Contract for differences **31.12.2023**	Buy	-	2,114,091	5,390,680	7,504,772
TOTAL		**(15,456)**	**(1,278,924)**	**(4,332,181)**	**(5,626,561)**

An analysis of certain assumptions as of 31.12.2023 follows below:

	up to 12 months	**>1 to 5 Years**	**> 5 years**
Expected DAM prices(€/MWh)	125	115	108
Average risk free interest rate	3.17%	1.99%	2.55%

(All amounts in thousands of Euro, unless otherwise stated)

47. SECURITIZATION OF TRADE RECEIVABLES FROM ELECTRICITY SALES

Securitization of receivables from electricity sales bills overdue more than 90 days

The Parent Company on April 9, 2021 signed the securitization contracts with a delay of more than 90 days and proceeded until June 30, 2021 to raise funds of € 325,020 maturing in 2026 with an interest rate of 6.8% for an amount of securitized receivables of nominal value 1.645 billion and received bonds of reduced security amounting to € 145.4 million with an interest rate of 8%. The investors are Carval Investors and Deutsche Bank AG and under management of PIMCO. The issuer of the transaction is PPC Zeus DAC and the administrator (Servicer) in the transaction is PPC SA, while Qualco SA. acts as a Sub-Servicer.

This Program is covered by a portfolio of claims from active or non-active low voltage customer contracts, with one or more claims overdue by more than 90 days. The program includes a period that it operates as a revolving period and a period during which the capital will be repaid from the proceeds of the above claims.

On July 27, 2023, PPC agreed to amend the terms of the securitization under the fulfillment of certain conditions, namely: i) the extension of the revolving period from July 2023 to July 2024 (with the possibility of extending it for additional 12 months), ii) the extension of the maturity date until July 2028 or until July 2029, in case the revolving period is extended for an additional 12 months, iiI) the modification of the initial interest rate for the high-yield bonds (senior notes) from 6.8% to EURIBOR + 4.5% margin.

The Parent Company has recognized a financial liability to PPC Zeus DAC, which undertook the issuance of bonds of €325.0 million against the above-mentioned securitized trade receivables. As at December 31, 2023, the financial liability (capital received by PPC minus the cash equivalents received by the issuer from PPC and the unamortized part of the issuance costs) to PPC Zeus DAC amounts to €260.7 million (31.12 .2022: €190.9 million) and is included in long-term liabilities. On 31 December 2023, the receivables that have been included in the securitization continue to appear in the Statement of Financial Position as the derecognition criteria of IFRS 9 are not met and amount to € 1.555 billion (31.12.2022: € 1.635 billion) nominal value and € 117.8 million value after the provision for expected credit loss (31.12.2022: €148.0 million). Finally, the IFRS requirements for the consolidation of the PPC special purpose company Zeus DAC are not met.

Securitization of trade receivables from electricity sales for current bills and bills overdue up to 60 days

On August 6, 2020, the Parent Company signed a securitization agreement from electricity sales for current bills and bills with a delay of up to 60 days and on November 24, 2020 proceeded with the initial withdrawal of € 150.0 million with interest rate 3.5% for an amount of securitized receivables with a nominal value of € 206.8 million with investor JP Morgan Chase Bank and issuer PPC Energy Finance DAC and received Bonds of reduced security amounting to € 55.7 million.

On June 30, 2021, the Parent Company raised the remaining amount of € 50 million from the securitization contract for up to 60 days, resulting in the total financial liability amounting to € 200.0 million.

Servicer in the transaction is the Parent Company that has assigned specific services for the management of securitized trade receivables to Qualco SA. (Sub-Servicer). This line of finance is revolving, allowing the Parent Company to make future disbursements and has a duration of 3 years.
On June 29, 2022, the Parent Company came to an agreement with JP Morgan and certain other parties of the transaction to amend the terms of the transaction in connection with, among other things, (i) an increase in the available commitment amount from €200 million to €300 million and on June 30, 2022, it drew down an amount of €30 million (ii) the reduction of the interest rate on drawn capital to 3% and (iii) the extension of the expiration date of the transaction from August 2023 to June 2025.

47.SECURITIZATION OF TRADE RECEIVABLES FROM ELECTRICITY SALES (CONTINUED)

As at December 31, 2023, the financial liabilities (capital received by PPC minus the cash equivalents received by the issuer from PPC and the unamortized part of the issuance costs) from the securitization of trade receivables amount to € 126.5 million from of which €10.2 million (31.12.2022: €8.5 million) are included in short-term liabilities and €116.3 million (31.12.2022: €159.1 million) in long-term liabilities, for securitized nominal values of €189.9 million (31.12.2022: €279.9 million), while the subordinated bonds are of zero value (31.12.2022: €48.5 million). Finally, receivables from Low Voltage customers for current electricity bills and electricity bills in delay for up to 60 days (after provisions for expected credit loss) amount to €231.9 million on 31 December 2023 (31.12.2022: €299.8 million).

Finally, there are two (2) pledge agreements on the Parent's accounts, held by National Bank of Greece, ALPHA BANK, ATTICA BANK, Piraeus Bank and EUROBANK in favor of CITIBANK NA, LONDON BRANCH and JP Morgan Chase Bank, as part of the above securitizations.

48. SUBSEQUENT EVENTS

In addition to those presented in other notes, the following events occurred from December 31st, 2023 until the date of approval of the Financial Statements:

Issuance - Repayment of loans

During the period 1.1.2024 - 9.4.2024, the Group and the Parent Company proceeded to debt repayments of €396.7 million and €343.1 million respectively, out of which €300million concern repurchases.

Within the period 1.1.2024 – 9.4.2024, the Parent Company disbursed an amount of € 1.8 million from a Bond Loan with a total line amounting to € 680.0 million to finance part of the construction cost of the new Lignite unit “Ptolemaida V” with a joint venture of foreign banks supported by the German Export Credit Insurance Organization "Euler Hermes".

Domestic Strategic Partnership for the development of a RES Portfolio

On December 20, 2023, subsidiaryPPC Renewables and Intrakat Group signed a binding Framework Agreement for the joint development of an RES portfolio with a total maximum capacity of 2.7 GW and on March 1, 2024, the final purchase and sale agreement and the final shareholders agreement were signed between the subsidiary PPC Renewables and Intrakat group, after the fulfillment of certain conditions, usual in such transactions.

Within the framework of this agreement, the Group acquired 7 subsidiary companies, of which 6 companies have RES projects in operation and under development, with a total capacity of approximately 164 MW.

At the same time, the subsidiary company PPC Renewables entered as a shareholder with a 49% holding participation, in various holding companies of Intrakat Group which own a portfolio of RES projects under development, with a total installed capacity of 1.6 GW approximately,while under certain conditions the agreement may also expand with additional energy storage projects.

E. APPENDIX I -UNBUNDLED FINANCIAL STATEMENTS

Under the provisions of L.4001/2011
and the approved methodology of
the Regulatory Authority for Energy

PUBLIC POWER CORPORATION S.A. AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2023

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
SYSTEM INTEGRATION UNBUNDLED BALANCE SHEETS
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	ADMINISTRATION		MINES		GENERATION		ELECTRICITY SUPPLY		NATURAL GAS SUPPLY		OTHER		ELIMINATIONS		TOTAL PPC	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
ASSETS																
NON-CURRENT ASSETS																
Tangible Assets	167.0	159.3	152.9	211.1	4.736.3	4.816.7	20.1	16.0			43.6	19.0	(7.6)	(11.6)	5.112.2	5.210.4
Intangible assets, net	20.5	6.4	0.8	0.4	795.7	510.1	7.8	1.1			6.8		(0.0)		831.5	518.1
Right of use assets			9.6	9.1	118.5	129.4	9.3	9.3					(0.0)		137.5	147.7
Investments in subsidiaries	2.151.3	511.7	40.1	39.9	476.6	476.3	(7.8)	(7.9)					(9.9)	(0.6)	2.650.3	1.019.5
Investments in associates													9.9	0.5	9.9	0.5
Financial assets measured at fair value through other comprehensive income	0.3	0.3											(0.0)	0.1	0.3	0.3
Deferred tax asset	67.3	67.3	42.5	42.5	67.7	67.7	602.8	602.8					(85.6)	(19.6)	694.8	760.9
Derivative Financial instruments - Non-Current Asset													24.7		24.7	
Other non–current assets	10.7	(17.4)	1.4	1.3	103.1	102.5	(2.7)	(2.5)					26.7	(72.1)	139.1	11.8
Administration non-current assets	(2.417.1)	(727.7)	144.2	78.7	2.237.4	639.3	42.9	19.9			2.0		(9.4)	(10.2)		
TOTAL NON-CURRENT ASSETS	**0.0**	**(0.0)**	**391.6**	**383.0**	**8.535.3**	**6.742.1**	**672.4**	**638.8**	**0.0**	**0.0**	**52.3**	**19.0**	**(51.2)**	**(113.5)**	**9.600.4**	**7.669.3**
CURRENT ASSETS																
Inventories	8.9	7.9	25.6	28.6	537.1	578.1	0.1				22.4	1.9	6.9	0.1	601.0	616.7
Trade receivables	990.2	(1.302.5)	106.3	43.5	(210.5)	133.4	1.550.4	4.562.9	11.4	1.1	1.2	4.2	(1.241.8)	(2.241.9)	1.207.1	1.200.7
Contract assets	(0.0)						554.5	870.0	1.6				(0.3)	(1.3)	555.8	868.7
Other receivables	121.2	62.4	(18.5)	7.9	132.7	116.7	826.8	1.123.5	1.6	1.5	0.0		491.2	(44.0)	1.555.1	1.268.0
Loan claims from foreign subsidiaries													523.4		523.4	
Derivative Financial instruments-Current Asset		(76.9)						76.9			26.9		(19.5)		7.4	
Cash and cash equivalents			14.9	36.3	680.1	465.5	1.621.4	2.825.5					(421.2)	(526.7)	1.895.2	2.800.6
Assets held for sale					0.0									20.6	0.0	20.6
Administration current assets	(1.120.2)	1.309.0	13.3	(12.8)	(169.7)	(586.5)	1.262.3	(876.9)			1.3	(1.1)	13.1	168.2		
TOTAL CURRENT ASSETS	**0.0**	**0.0**	**141.6**	**103.4**	**969.7**	**707.3**	**5.815.5**	**8.581.9**	**14.6**	**2.5**	**51.8**	**5.1**	**(648.2)**	**(2.625.0)**	**6.345.0**	**6.775.3**
TOTAL ASSETS	**0.0**	**(0.0)**	**533.1**	**486.4**	**9.505.0**	**7.449.4**	**6.487.9**	**9.220.7**	**14.6**	**2.5**	**104.1**	**24.1**	**(699.3)**	**(2.738.5)**	**15.945.5**	**14.444.6**
EQUITY AND LIABILITIES																
EQUITY																
Share Capital	553.2	553.2	76.7	76.7	296.2	296.2	21.2	21.2					0.0		947.4	947.4
Share Pemium	946.8	946.8	14.7	14.7	56.8	56.8	0.4	0.4					0.0		1.018.7	1.018.7
Legal reserve	55.9	22.7	4.8	18.7	107.4	86.3	(2.7)	0.6	(0.0)		(0.1)		(8.6)	(8.3)	173.8	136.6
Statutory revaluation surplus	0.0		(171.2)	(171.2)	(770.8)	(770.8)	(5.3)	(5.3)					(0.0)		(947.3)	(947.3)
Revaluation surplus	156.5	158.3	390.9	405.9	2.440.8	2.432.4	28.6	28.9			0.0		(36.2)	(39.2)	3.053.0	3.064.6
Other Reserves	17.7	9.0	22.9	25.6	152.0	29.9	6.1	5.0					14.0	30.2	184.7	39.2
Treasury shares	(143.9)	(40.7)	0.0		(0.0)		0.0						0.0		(143.9)	(40.7)
Retained earnings	2.320.4	2.354.9	(2.097.2)	(2.065.1)	(1.877.1)	(1.766.7)	2.229.1	1.818.3	(5.3)	(11.7)	(7.9)	(7.1)	614.4	689.0	1.176.3	1.011.6
Administration equity	(3.906.6)	(4.004.3)	388.0	402.1	3.478.5	3.561.6	30.4	31.1					9.6	9.4		
TOTAL EQUITY	**(0.0)**	**(0.0)**	**(1.370.4)**	**(1.292.6)**	**3.883.8**	**3.925.7**	**2.307.8**	**1.900.2**	**(5.4)**	**(11.7)**	**(8.0)**	**(7.1)**	**654.9**	**715.7**	**5.462.8**	**5.230.1**
NON-CURRENT LIABILITIES																
Long-term borrowings			90.0	127.8	2.543.4	2.413.9	7.2	9.1			2.7		(44.7)	(54.3)	2.598.7	2.496.5
Post retirement benefits	84.1	84.1	(8.4)	(7.7)	(5.0)	(3.9)	3.3	3.5					5.5		79.6	76.0
Provisions	148.4	143.4	345.7	343.9	245.2	243.7	151.1	151.1					(91.2)	(80.1)	799.1	802.0
Deferred tax liability	(100.0)	(100.0)	112.0	112.0	734.9	734.9	10.8	10.8			(0.0)		(757.8)	(757.8)		
Financial lease liability													119.2	122.6	119.2	122.6
Deferred customers' contributions and subsidies	0.1	0.1	(0.1)	(0.1)	87.8	94.1	(0.1)	(0.1)					420.8	430.8	508.6	524.9
Long term financial liability from the securitization of receivables													377.1	350.1	377.1	350.1
Financial liability from NCI Put option																
Derivative Financial instruments-Non Current Liability													5.2		5.2	
Other non-current liabilities	82.6	82.5	1.9	2.0	24.8	28.2	2.794.3	4.413.7	0.4	0.4	0.1		(2.881.6)	(4.526.3)	22.5	0.5
Administration non-current liabilities	(215.3)	(210.1)	(82.5)	(81.9)	332.3	341.4	(34.5)	(49.4)			0.0		0.0			
TOTAL NON-CURRENT LIABILITIES	**(0.0)**	**(0.0)**	**458.6**	**496.0**	**3.963.5**	**3.852.4**	**2.932.2**	**4.538.8**	**0.4**	**0.4**	**2.8**	**(0.0)**	**(2.847.5)**	**(4.515.0)**	**4.510.1**	**4.372.6**
CURRENT LIABILITIES																
Trade and other payables	(314.4)	(318.3)	202.1	189.7	514.1	431.3	919.6	865.0			16.8	10.1	(403.1)	(433.4)	935.2	744.4
Short – term borrowings				5.4	0.0	44.3		0.4					(0.0)			50.0
Current portion of interest bearing loans and borrowings			30.9	14.5	858.0	390.1	2.5	1.1			0.9		(21.4)	(19.7)	871.0	385.9
Dividends payable																
Income taxes payable	(50.9)	(42.3)	21.5	21.5	30.5	30.5	5.5	5.5					(0.0)		6.6	15.2
Accrued and other current liabilities	367.6	308.7	23.7	6.4	1.305.4	1.545.7	458.5	194.8			7.8		(164.7)	(58.0)	1.998.2	1.997.7
Derivative Financial instruments-Current Liability					7.1		3.1	11.7			1.7		(0.0)		11.9	11.7
Current portion of the provision of decommissioning and removal of Power Plants', Mines' and Wind Parks' facilities and mines' land restoration areas													75.1	82.0	75.1	82.0
Current portion of post-retirement benefits			16.0	16.0	44.7	44.7	4.1	4.1					(5.5)		59.3	64.8
Short-term contract liabilities													2.015.3	1.490.1	2.015.3	1.490.1
Total Current Liabilities from discontinued operations																
Administration current liabilities	(2.3)	51.9	0.3	(2.0)	21.7	14.1	(17.5)	(63.6)			0.1	(0.2)	(2.4)	(0.2)		
TOTAL CURRENT LIABILITIES	**(0.0)**	**(0.0)**	**294.5**	**251.5**	**2.781.5**	**2.500.6**	**1.375.9**	**1.018.9**	**(0.0)**	**(0.0)**	**27.3**	**9.9**	**1.493.3**	**1.060.8**	**5.972.6**	**4.841.8**
Other movements between activities	(0.0)		1.150.4	1.031.5	(1.123.8)	(2.829.3)	(128.0)	1.762.8	19.6	13.8	82.0	21.2	(0.1)			
TOTAL LIABILITIES AND EQUITY	**(0.0)**	**(0.0)**	**533.1**	**486.4**	**9.505.0**	**7.449.4**	**6.487.9**	**9.220.7**	**14.6**	**2.5**	**104.1**	**24.1**	**(699.3)**	**(2.738.5)**	**15.945.5**	**14.444.6**

*Any differences are due to decimal roundings

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
INTERCONNECTED SYSTEM UNBUNDLED BALANCE SHEET
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	MINES		GENERATION		ELECTRICITY SUPPLY		NATURAL GAS SUPPLY		OTHER		TOTAL	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
ASSETS												
NON-CURRENT ASSETS												
Tangible Assets	152.9	211.1	4.082.9	3.619.2	18.2	14.4			43.6	19.0	4.297.6	3.863.6
Intangible Assets	0.8	0.4	798.6	505.7	6.2	0.1			6.8		812.5	506.2
Right of use assets	9.6	9.1	104.4	95.4	8.9	8.8					122.9	113.2
Investments in subsidiaries	40.1	39.9	388.0	387.8	(7.0)	(7.1)					421.1	420.6
Investments in associates												
Available for sale financial assets	0.0		0.0								0.0	
Deferred tax assets	42.5	42.5	57.0	57.0	516.9	516.9					616.4	616.4
Other non-current assets	1.4	1.3	102.4	102.0	(2.5)	(2.3)					101.3	101.0
Administration non-current assets	144.2	78.7	1.674.7	473.9	36.5	16.0			2.0		1.857.4	568.6
TOTAL NON-CURRENT ASSETS	**391.6**	**383.0**	**7.208.0**	**5.240.9**	**577.3**	**546.9**	**0.0**	**0.0**	**52.3**	**19.0**	**8.229.2**	**6.189.8**
CURRENT ASSETS												
Materials. spare parts and supplies. net	25.6	28.6	254.3	103.8	(0.1)	(0.1)			22.4	1.9	302.1	134.3
Trade receivables. net	106.3	43.5	(182.1)	136.9	1.646.2	4.367.4	11.4	1.1	1.2	3.0	1.583.1	4.551.9
Contract assets					459.9	771.3	1.6				461.5	771.3
Other receivables. net	(18.5)	7.9	115.6	132.6	580.6	1.011.2	1.6	1.5	0.0	0.0	679.3	1.153.1
Derivative Financial instruments						76.9			26.9		26.9	76.9
Cash and cash equivalents	14.9	36.3	482.7	226.6	1.425.9	2.530.7					1.923.5	2.793.6
Administration current assets	13.3	(12.8)	(205.4)	(380.4)	1.147.5	(743.8)			1.3	0.0	956.6	(1.137.1)
TOTAL CURRENT ASSETS	**141.6**	**103.4**	**465.0**	**219.4**	**5.259.9**	**8.013.7**	**14.6**	**2.5**	**51.8**	**4.9**	**5.932.9**	**8.344.0**
TOTAL ASSETS	**533.1**	**486.4**	**7.673.0**	**5.460.3**	**5.837.2**	**8.560.6**	**14.6**	**2.5**	**104.1**	**23.9**	**14.162.1**	**14.533.7**
EQUITY AND LIABILITIES												
EQUITY												
Share Capital	76.7	76.7	228.6	228.6	18.5	18.5					323.8	323.8
Share Pemium	14.7	14.7	43.8	43.8	0.4	0.4					58.9	58.9
Legal reserve	4.8	18.7	68.0	65.1	(5.6)	0.5	(0.0)		(0.1)		66.9	84.3
Fixed assets' statutory revaluation surplus included in share capital	(171.2)	(171.2)	(581.6)	(581.6)	(5.0)	(5.0)					(757.7)	(757.7)
Revaluation surplus	390.9	405.9	1.767.2	1.757.6	26.3	26.6			0.0		2.184.4	2.190.1
Other Reserves	22.9	25.6	138.6	15.3	5.7	4.5					167.2	45.3
Treasury shares	0.0	(0.0)	(0.0)		0.0						(0.0)	(0.0)
Retained earnings	(2.097.2)	(2.065.1)	(2.452.9)	(1.688.0)	1.762.9	1.189.5	(5.3)	(11.7)	(7.9)	(6.9)	(2.800.5)	(2.582.2)
Administration equity	388.0	402.1	2.525.1	2.585.4	28.2	28.8					2.941.3	3.016.4
TOTAL EQUITY	**(1.370.4)**	**(1.292.6)**	**1.736.8**	**2.426.4**	**1.831.3**	**1.263.8**	**(5.4)**	**(11.7)**	**(8.0)**	**(6.9)**	**2.184.3**	**2.379.0**
NON-CURRENT LIABILITIES												
Interest bearing loans and borrowings	90.0	127.8	1.942.8	1.964.7	6.6	8.5			2.7		2.042.1	2.101.1
Post retirement benefits	(8.4)	(7.7)	10.3	11.0	1.3	1.5					3.2	4.8
Provisions	345.7	343.9	207.9	204.7	142.3	142.3					695.9	690.9
Deferred tax liability	112.0	112.0	560.9	560.9	9.9	9.9			(0.0)		682.8	682.8
Financial lease liability												
Deferred customers' contributions and subsidies	(0.1)	(0.1)	87.9	94.1	(0.1)	(0.1)					87.7	94.0
Long term financial liability from the securitization of receivables												
Other non-current liabilities	1.9	2.0	111.4	101.0	2.351.7	3.890.7	0.4	0.4	0.1		2.465.5	3.994.1
Administration non-current liabilities	(82.5)	(81.9)	197.7	206.3	(25.1)	(38.3)			0.0		90.1	86.1
TOTAL NON-CURRENT LIABILITIES	**458.6**	**496.0**	**3.118.9**	**3.142.7**	**2.486.6**	**4.014.7**	**0.4**	**0.4**	**2.8**	**(0.0)**	**6.067.4**	**7.653.8**
CURRENT LIABILITIES												
Trade and other payables	202.1	189.7	436.8	369.0	567.4	546.1	0.0		16.8	9.6	1.223.2	1.114.4
Short – term borrowings		5.4	0.0	33.0		0.3					0.0	38.7
Current portion of interest bearing loans and borrowings	30.9	14.5	662.8	332.5	2.3	1.0			0.9		696.9	348.0
Dividends payable		(0.0)			0.0						0.0	0.0
Income taxes payable	21.5	21.5	23.9	23.9	29.7	29.7					75.1	75.1
Accrued and other current liabilities	23.7	6.4	1.195.1	1.416.2	366.4	154.3			7.8		1.592.9	1.576.9
Short term part of forecasting the dismantling and removal o facilities / equipment of Production Units. Mines and Wind Parks and rehabilitation of Mining areas												
Current portion of post-retirement benefits	16.0	16.0	32.5	32.5	3.8	3.8					52.4	52.4
Derivative Financial instruments			7.1		3.1	11.7			1.7		11.9	11.7
Administration current liabilities	0.3	(2.0)	14.6	7.6	(46.0)	(85.9)			0.1		(31.0)	(80.2)
TOTAL CURRENT LIABILITIES	**294.5**	**251.5**	**2.372.8**	**2.214.7**	**926.8**	**661.2**	**0.0**	**(0.0)**	**27.3**	**9.6**	**3.621.5**	**3.137.0**
Other movements between activities	1.150.4	1.031.5	444.5	(2.323.4)	592.4	2.621.0	19.6	13.8	82.0	21.1	2.288.9	1.364.0
TOTAL LIABILITIES AND EQUITY	**533.1**	**486.4**	**7.673.0**	**5.460.3**	**5.837.2**	**8.560.6**	**14.6**	**2.5**	**104.1**	**23.9**	**14.162.1**	**14.533.7**

*Any differences are due to decimal roundings

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
CRETE UNBUNDLED BALANCE SHEET
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	GENERATION		ELECTRICITY SUPPLY		TOTAL	
	2023	2022	2023	2022	2023	2022
ASSETS						
NON-CURRENT ASSETS						
Tangible Assets	246.8	472.1	0.3	0.3	247.2	472.4
Intangible Assets	(8.4)	(4.8)	0.5	0.5	(7.8)	(4.3)
Right of use assets	14.8	16.8	0.2	0.2	15.1	17.0
Investments in subsidiaries	46.7	46.6	(0.4)	(0.4)	46.2	46.2
Investments in associates						
Available for sale financial assets	(0.0)		0.0		(0.0)	
Deferred tax assets	5.4	5.4	35.5	35.5	40.9	40.9
Other non-current assets	0.2	0.2	(0.0)		0.2	0.2
Administration non-current assets	227.8	71.0	2.9	1.7	230.7	72.7
TOTAL NON-CURRENT ASSETS	**533.3**	**607.2**	**39.1**	**37.7**	**572.4**	**644.9**
CURRENT ASSETS						
Materials. spare parts and supplies. net	116.4	255.5	0.2	0.0	116.6	255.5
Trade receivables. net	(22.7)	14.7	(219.3)	12.3	(242.0)	27.0
Contract assets	0.0		52.2	53.7	52.2	53.7
Other receivables. net	49.0	33.8	120.4	69.8	169.4	103.6
Derivative Financial instruments						
Cash and cash equivalents	103.9	117.2	107.6	162.5	211.5	279.6
Administration current assets	(0.8)	(104.9)	72.7	(80.6)	71.9	(185.4)
TOTAL CURRENT ASSETS	**245.8**	**316.3**	**133.8**	**217.8**	**379.6**	**534.1**
TOTAL ASSETS	**779.2**	**923.5**	**172.8**	**255.5**	**952.0**	**1.179.0**
EQUITY AND LIABILITIES						
EQUITY						
Share Capital	26.0	26.0	1.3	1.3	27.4	27.4
Share Pemium	5.0	5.0	0.0		5.0	5.0
Legal reserve	18.1	9.3	2.1		20.1	9.3
Fixed assets' statutory revaluation surplus included in share capital	(82.8)	(82.8)	(0.1)	(0.1)	(82.9)	(82.9)
Revaluation surplus	348.1	348.5	1.3	1.3	349.4	349.8
Other Reserves	4.6	5.3	0.3	0.3	4.9	5.7
Treasury shares	(0.0)		(0.0)			
Retained earnings	98.9	(138.5)	(205.6)	(3.6)	(106.7)	(142.1)
Administration equity	485.7	497.5	1.4	1.4	487.1	498.9
TOTAL EQUITY	**903.5**	**670.3**	**(199.3)**	**0.7**	**704.2**	**671.0**
NON-CURRENT LIABILITIES						
Interest bearing loans and borrowings	236.8	196.7	0.1	(0.1)	236.9	196.6
Post retirement benefits	(7.4)	(7.2)	0.9	0.9	(6.4)	(6.2)
Provisions	16.4	17.3	5.0	5.0	21.4	22.3
Deferred tax liability	89.2	89.2	0.6	0.6	89.8	89.8
Financial lease liability						
Deferred customers' contributions and subsidies	0.0	0.0	(0.0)	(0.0)	0.0	
Long term financial liability from the securitization of receivables						
Other non-current liabilities	(41.1)	(40.9)	256.6	310.7	215.5	269.9
Administration non-current liabilities	55.9	56.2	(0.6)	(1.7)	55.3	54.5
TOTAL NON-CURRENT LIABILITIES	**349.9**	**311.4**	**262.6**	**315.4**	**612.5**	**626.8**
CURRENT LIABILITIES						
Trade and other payables	13.2	10.0	207.1	186.5	220.3	196.6
Short – term borrowings	(0.0)	5.6	(0.0)		(0.0)	5.6
Current portion of interest bearing loans and borrowings	77.0	24.7	0.0		77.0	24.7
Dividends payable	(0.0)		(0.0)		(0.0)	
Income taxes payable	2.2	2.2	(7.8)	(7.8)	(5.6)	(5.6)
Accrued and other current liabilities	65.6	73.6	33.6	1.5	99.2	75.1
Current portion of post-retirement benefits	6.6	6.6	0.2	0.2	6.8	6.8
Short term part of forecasting the dismantling and removal o facilities / equipment of Production Units. Mines and Wind Parks and rehabilitation of Mining areas						
Contract Liabilities						
Derivative Financial instruments						
Administration current liabilities	3.7	3.6	4.8	1.4	8.5	5.0
TOTAL CURRENT LIABILITIES	**168.3**	**126.2**	**238.0**	**181.9**	**406.3**	**308.1**
Other movements between activities	(642.5)	(184.4)	(128.4)	(242.5)	(770.9)	(426.9)
TOTAL LIABILITIES AND EQUITY	**779.2**	**923.5**	**172.8**	**255.5**	**952.0**	**1.179.0**

*Any differences are due to decimal roundings

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
OTHER NON INTERCONNECTED ISLANDS
UNBUNDLED BALANCE SHEET (INCL. RHODES)
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	GENERATION		ELECTRICITY SUPPLY		TOTAL	
	2023	2022	2023	2022	2023	2022
ASSETS						
NON-CURRENT ASSETS						
Tangible Assets	406,5	725,4	1,5	1,3	408,1	726,7
Intangible Assets	5,4	9,2	1,0	0,5	6,4	9,8
Right of use assets	(0,7)	17,3	0,2	0,2	(0,5)	17,5
Investments in subsidiaries	42,0	42,0	(0,4)	(0,4)	41,6	41,6
Investments in associates						
Available for sale financial assets						
Deferred tax assets	5,4	5,4	50,4	50,4	55,8	55,8
Other non-current assets	0,4	0,4	(0,2)	(0,2)	0,3	0,2
Administration non-current assets	334,9	94,4	3,5	2,2	338,4	96,6
TOTAL NON-CURRENT ASSETS	793,9	894,0	56,1	54,2	850,0	948,1
CURRENT ASSETS						
Materials, spare parts and supplies, net	166,4	218,9	0,1		166,5	218,9
Trade receivables, net	(5,7)	(18,2)	123,4	183,2	117,7	165,0
Contract assets			42,4	44,9	42,4	44,9
Other receivables, net	(31,8)	(49,6)	125,9	42,5	94,0	(7,2)
Derivative Financial instruments						
Cash and cash equivalents	93,5	121,7	87,8	132,3	181,4	254,1
Administration current assets	36,4	(101,2)	42,1	(52,5)	78,6	(153,7)
TOTAL CURRENT ASSETS	258,8	171,6	421,8	350,5	680,6	522,0
TOTAL ASSETS	1.052,8	1.065,6	477,9	404,7	1.530,6	1.470,2
EQUITY AND LIABILITIES						
EQUITY						
Share Capital	41,6	41,6	1,4	1,4	42,9	42,9
Share Pemium	8,0	8,0	0,0		8,0	8,0
Legal reserve	21,4	11,9	0,8	0,0	22,2	12,0
Fixed assets' statutory revaluation surplus included in share capital	(106,4)	(106,4)	(0,3)	(0,3)	(106,7)	(106,7)
Revaluation surplus	325,6	326,2	1,0	1,0	326,6	327,2
Other Reserves	8,7	9,3	0,1	0,2	8,8	9,5
Treasury shares	0,0		0,0			
Retained earnings	477,0	59,7	671,8	632,5	1.148,8	692,2
Administration equity	467,8	478,8	0,9	0,9	468,6	479,6
TOTAL EQUITY	1.243,5	829,0	675,7	635,7	1.919,3	1.464,6
NON-CURRENT LIABILITIES						
Interest bearing loans and borrowings	363,8	252,5	0,6	0,6	364,4	253,2
Post retirement benefits	(7,9)	(7,8)	1,1	1,1	(6,9)	(6,7)
Provisions	20,9	21,7	3,8	3,8	24,7	25,5
Deferred tax liability	84,8	84,8	0,3	0,3	85,1	85,1
Financial lease liability						
Deferred customers' contributions and subsidies	(0,0)	(0,0)	(0,0)		(0,0)	(0,0)
Long term financial liability from the securitization of receivables						
Other non-current liabilities	(45,6)	(31,9)	186,1	212,3	140,5	180,4
Administration non-current liabilities	78,7	79,0	(8,8)	(9,4)	69,9	69,5
TOTAL NON-CURRENT LIABILITIES	494,7	398,3	183,0	208,7	677,7	607,0
CURRENT LIABILITIES						
Trade and other payables	64,0	52,3	145,1	132,4	209,1	184,7
Short – term borrowings		5,7		0,0		5,8
Current portion of interest bearing loans and borrowings	118,3	32,9	0,2	0,1	118,5	33,0
Dividends payable			(0,0)		(0,0)	
Income taxes payable	4,4	4,4	(16,5)	(16,5)	(12,1)	(12,1)
Accrued and other current liabilities	44,7	56,0	58,6	39,0	103,2	95,0
Current portion of post-retirement benefits	5,6	5,6	0,1	0,1	5,7	5,7
Short term part of forecasting the dismantling and removal facilities / equipment of Production Units, Mines and Wind Parks and rehabilitation of Mining areas						
Contract Liabilities						
Administration current liabilities	3,4	2,8	23,7	20,9	27,1	23,7
TOTAL CURRENT LIABILITIES	240,4	159,7	211,2	175,9	451,6	335,6
Other movements between activities	(925,8)	(321,5)	(592,0)	(615,7)	(1.517,9)	(937,1)
TOTAL LIABILITIES AND EQUITY	1.052,8	1.065,6	477,9	404,6	1.530,6	1.470,1

*Any differences are due to decimal roundings

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
SYSTEM INTEGRATION UNBUNDLED INCOME STATEMENT
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	MINES		GENERATION		ELECTRICITY SUPPLY		NATURAL GAS SUPPLY		OTHER		ELIMINATIONS		TOTAL PPC	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
REVENUES														
Revenues from 3rd Parties														
Energy sales to customers					5.616.0	10.317.8					312.3	377.0	5.928.3	10.694.9
Natural gas sales to customers							20.8	4.9			(0.0)		20.8	4.9
PSO's revenues from customers					310.1	335.9					(310.1)	(335.9)		
Energy exports					5.5	41.2					(5.5)	(41.2)		
Energy sales to wholesale market			3.450.5	5.348.0	86.7	62.4					(3.537.3)	(5.410.4)		
Transitional Flexibility Assurance Mechanism			(0.1)								0.1			
Sales from Lignite	0.0	2.4									(0.0)	(2.4)		
Customer's contribution			0.2	0.2							(0.2)	(0.2)		
ETMEAR's revenues					348.3	361.2					(348.3)	(361.2)		
PSO's revenues from Administrators					550.8	202.9					(550.8)	(202.9)		
Other Sales	0.1	0.3	5.1	7.5	24.4	24.2		0.0	3.0	0.3	625.1	115.0	657.7	147.3
Allocated Administration Revenues	1.6	7.5	2.0	15.1	0.9	7.0			0.0		(4.6)	(29.7)		
Interdepartmental Revenues														
Lignite yard & ash revenue	6.2	13.7									(6.2)	(13.7)		
Energy					110.2	211.0					(110.2)	(211.0)		
Lignite	148.5	224.3									(148.5)	(224.3)		
REVENUES	**156.4**	**248.2**	**3.457.8**	**5.370.9**	**7.052.7**	**11.563.6**	**20.8**	**5.0**	**3.0**	**0.3**	**(4.084.0)**	**(6.340.9)**	**6.606.8**	**10.847.1**
Expenses (3rd Parties)														
Payroll Cost	122.7	125.8	206.9	232.5	47.1	48.1			4.3	2.1	111.8	72.2	492.8	480.8
Own production lignite	(6.8)		149.7	159.8							(137.2)	(145.1)	5.8	14.7
Third party lignite - Hard coal			10.3	14.0							(10.3)	(14.0)		
Natural Gas			700.6	1.742.8			14.4	15.3			0.0		715.0	1.758.2
Liquid fuel			724.1	850.1							0.0		724.1	850.1
Materials & Consumables	11.4	21.5	51.6	70.2	0.1	0.1			1.2		0.2	0.3	64.4	92.2
Depreciations	23.8	50.0	260.2	243.7	2.2	2.7			1.5	0.5	10.9	9.3	298.6	306.1
Energy Purchases from third party			17.5	12.1	709.4	501.7					(726.9)	(513.8)		
Energy imports					(8.4)	2.4					8.4	(2.4)		
Energy Purchases to wholesale market			179.2	665.3	3.909.3	8.876.6					(2.436.9)	(4.658.1)	1.651.7	4.883.8
Return of receivable ETMEAR to Administrators					350.5	363.1					(350.5)	(363.1)		
Return of receivable PSO to Administrators					320.0	341.8					(320.0)	(341.8)		
Transmission Network Fees					169.3	143.3					0.0		169.3	143.3
Distribution Network Fees					580.7	429.6					0.0		580.7	429.6
Utilities & Maintenance	62.2	51.1	45.2	47.2	23.7	19.3			1.7	0.4	21.6	17.9	154.5	135.9
Third party fees	4.3	1.5	20.7	12.6	52.8	52.6			13.6	1.8	74.4	47.6	165.7	116.2
Taxes and duties	0.3	0.3	11.5	10.7	3.1	2.9			0.0		(14.8)	(13.8)		
CO2 emissions rights			826.2	963.8							0.1	0.0	826.2	963.9
Provisions	2.2	(2.8)	7.7	(34.6)	177.2	199.6					(14.9)	6.5	172.2	168.6
Financial expenses	33.1	25.1	160.7	140.2	135.4	118.6			0.0		(0.0)		329.2	283.9
Financial income	(5.1)	(2.1)	(85.9)	(42.4)	(86.4)	(41.6)	(0.0)				(0.0)		(177.4)	(86.0)
Other (income)/ expense, net	10.4	(1.8)	3.6	218.1	(11.2)	(1.4)	0.1		(20.4)	(0.3)	81.8	85.7	64.3	300.3
Devaluation of fixed assets _lignite														
Devaluation of fixed assets	4.4	2.9	28.2	(178.7)							(0.0)	(24.1)	32.6	(200.0)
Extraordinary contribution on electricity generators/suppliers				245.3	200.0						(0.0)		200.0	245.3
(Gains) from the sale of a Subsidiary/ spin-off of post-lignite branch	(124.3)										0.0		(124.3)	
Gain from partial sale of a subsidiary/ the spin off of distribution network		(32.7)		(754.1)		(3.2)								(790.0)
Impairment loss of marketable securities	0.0		0.0		0.0						0.0		0.0	
Foreign currency gains/ (losses), net	0.0	0.1	(2.4)	7.3	0.0				(0.0)		0.0		(2.4)	7.3
Allocated Administration Expenses	37.4	31.6	153.8	133.8	70.8	46.2			2.2	0.0	(264.2)	(211.7)		
Interdepartmental Expenses														
Lignite yard & ash expenses			6.2	13.7							(6.2)	(13.7)		
Change in stock	7.9	36.9									(7.9)	(36.9)		
Energy	35.8	79.6	74.3	131.4							(110.2)	(211.0)		
PROFIT (LOSS) BEFORE TAX	**(63.1)**	**(138.9)**	**(92.2)**	**466.0**	**407.2**	**461.3**	**6.3**	**(10.4)**	**(1.1)**	**(4.3)**	**6.8**	**(30.9)**	**263.9**	**742.9**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
INTERCONNECTED SYSTEM UNBUNDLED INCOME STATEMENT
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	MINES		GENERATION		ELECTRICITY SUPPLY		NATURAL GAS SUPPLY		OTHER		TOTAL	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
REVENUES												
Revenues from 3rd Parties												
Energy sales to customers					5.107.1	9.493.6					5.107.1	9.493.6
Natural gas sales to customers							20.8	4.9			20.8	4.9
PSO's revenues from customers					263.4	286.4					263.4	286.4
Energy exports					5.5	41.2					5.5	41.2
Energy sales to wholesale market			2.224.9	4.059.2	86.7	62.4					2.311.7	4.121.6
Transitional Flexibility Assurance Mechanism			(0.1)								(0.1)	
Sales from Lignite	0.0	2.4									0.0	2.4
Customer's contribution			0.2	0.2	(0.0)						0.2	0.2
ETMEAR's revenues					301.8	314.3					301.8	314.3
PSO's revenues from Administrators					65.0	71.3					65.0	71.3
Other Sales	0.1	0.3	4.9	7.1	21.2	20.1		0.0	3.0	0.3	29.1	27.8
Allocated Administration Revenues	1.6	7.5	1.3	10.0	0.8	6.3			0.0		3.7	23.8
Interdepartmental Revenues												
Lignite yard & ash revenue	6.2	13.7									6.2	13.7
Energy					104.7	205.6					104.7	205.6
Lignite	148.5	224.3									148.5	224.3
REVENUES	**156.4**	**248.2**	**2.231.2**	**4.076.5**	**5.956.1**	**10.501.1**	**20.8**	**5.0**	**3.0**	**0.3**	**8.367.5**	**14.831.1**
Expenses (3rd Parties)												
Payroll Cost	122.7	125.8	140.2	154.9	41.4	43.2			4.3	2.1	308.6	326.1
Own production lignite	(6.8)		149.7	159.8							143.0	159.8
Third party lignite - Hard coal			10.3	14.0							10.3	14.0
Natural Gas			700.6	1.742.8			14.4	15.3			715.0	1.758.2
Liquid fuel			58.1	86.0							58.1	86.0
Materials & Consumables	11.4	21.5	23.6	37.9	0.1	0.1			1.2		36.3	59.5
Depreciations	23.8	50.0	160.4	154.2	2.1	2.5			1.5	0.5	187.7	207.2
Energy Purchases from third party						2.6					0.0	2.6
Energy imports					(8.4)	2.4					(8.4)	2.4
Energy Purchases to wholesale market			179.2	665.3	3.354.7	7.712.8					3.533.9	8.378.1
Return of receivable ETMEAR to Administrators					328.8	338.0					328.8	338.0
Return of receivable PSO to Administrators					270.7	292.3					270.7	292.3
Transmission Network Fees					169.3	143.3					169.3	143.3
Distribution Network Fees					543.8	401.4					543.8	401.4
Utilities & Maintenance	62.2	51.1	26.6	23.9	20.2	17.2			1.7	0.4	110.8	92.7
Third party fees	4.3	1.5	13.6	8.4	43.0	46.3			13.6	1.8	74.5	58.1
Taxes and duties	0.3	0.3	10.5	9.2	2.8	2.6			0.0		13.6	12.1
CO2 emissions rights			584.3	761.6							584.3	761.6
Provisions	2.2	(2.8)	5.3	(14.6)	164.5	185.5					172.0	168.1
Financial expenses	33.1	25.1	131.0	106.4	126.2	110.1			0.0		290.3	241.7
Financial income	(5.1)	(2.1)	(70.3)	(31.2)	(76.7)	(36.5)	(0.0)				(152.1)	(69.7)
Other (income)/ expense, net	10.4	(1.8)	(6.5)	223.2	174.5	440.8	0.1		(20.4)	(0.3)	158.0	661.9
Devaluation of fixed assets _lignite												
Devaluation of fixed assets	4.4	2.9	28.2	(115.8)							32.6	(112.9)
Extraordinary contribution on electricity generators/suppliers				245.3	172.2						172.2	245.3
(Gains) from the sale of a Subsidiary/ spin-off of post-lignite branch	(124.3)										(124.3)	
Gain from partial sale of a subsidiary/ the spin off of distribution network		(32.7)		(578.6)		(3.0)						(614.3)
Impairment loss of marketable securities	0.0		0.0		0.0						0.0	
Foreign currency gains/ (losses), net	0.0	0.1	(1.2)	1.4	0.0				(0.0)		(1.2)	1.5
Allocated Administration Expenses	37.4	31.6	96.3	86.0	59.6	41.1			2.2	0.0	195.5	158.6
Interdepartmental Expenses												
Lignite yard & ash expenses			6.2	13.7							6.2	13.7
Change in stock	7.9	36.9									7.9	36.9
Energy	35.8	79.6	68.9	126.0							104.7	205.6
PROFIT (LOSS) BEFORE TAX	**(63.1)**	**(138.9)**	**(83.9)**	**196.5**	**567.4**	**758.3**	**6.3**	**(10.4)**	**(1.1)**	**(4.3)**	**425.6**	**801.3**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
CRETE UNBUNDLED INCOME STATEMENT
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	GENERATION		ELECTRICITY SUPPLY		TOTAL	
	2023	2022	2023	2022	2023	2022
REVENUES						
Revenues from 3rd Parties						
Energy sales to customers			275.2	462.7	275.2	462.7
PSO's revenues from customers			24.7	26.2	24.7	26.2
Energy sales to wholesale market	543.0	630.8			543.0	630.8
Other Services to wholesale market						
Customer's contribution			0.0		0.0	
ETMEAR's revenues			25.4	25.8	25.4	25.8
PSO's revenues from Administrators			206.6	45.7	206.6	45.7
Other Sales	0.1	0.1	1.8	2.4	1.9	2.5
Allocated Administration Revenues	0.3	1.4	0.1	0.5	0.4	1.9
Interdepartmental Revenues						
Lignite yard & ash revenue						
Energy			3.1	3.3	3.1	3.3
Lignite						
REVENUES	**543.4**	**632.4**	**537.0**	**566.6**	**1.080.3**	**1.198.9**
Expenses (3rd Parties)						
Payroll Cost	27.0	32.6	3.1	3.1	30.1	35.8
Own production lignite						
Third party lignite - Hard coal						
Natural Gas						
Liquid fuel	312.6	417.9			312.6	417.9
Materials & Consumables	7.4	9.2	0.0		7.4	9.2
Depreciations	41.0	44.8	0.1	0.1	41.0	44.9
Energy Purchases from third party	4.9	2.7	225.2	20.0	230.1	22.7
Energy imports						
Energy Purchases to wholesale market			554.7	1.163.8	554.7	1.163.8
Return of receivable ETMEAR to Administrators			0.0	1.3	0.0	1.3
Return of receivable PSO to Administrators			25.2	23.1	25.2	23.1
Transmission Network Fees						
Distribution Network Fees			0.0	0.3	0.0	0.3
Utilities & Maintenance	5.4	1.7	2.0	1.2	7.4	2.9
Third party fees	1.4	0.9	5.6	3.7	6.9	4.6
Taxes and duties	0.3	0.7	0.2	0.1	0.5	0.8
CO2 emissions rights	115.2	106.1			115.2	106.1
Provisions	1.0	(8.7)	6.4	7.8	7.4	(0.9)
Financial expenses	12.1	13.3	0.0		12.1	13.3
Financial income	(6.8)	(4.7)	(5.5)	(2.9)	(12.3)	(7.7)
Other (income)/ expense, net	4.7	(4.4)	(101.0)	(246.2)	(96.3)	(250.7)
Devaluation of fixed assets _lignite						
Devaluation of fixed assets		(19.5)				(19.5)
Extraordinary contribution on electricity generators/suppliers			15.0		15.0	
Impairment loss of marketable securities						
Gain from partial sale of a subsidiary/ the spin off of distribution network		(74.2)				(74.2)
Foreign currency gains/ (losses), net	0.6				0.6	0.0
Allocated Administration Expenses	20.6	15.4	6.3	3.2	26.9	18.6
Interdepartmental Expenses						
Lignite yard & ash expenses						
Change in stock						
Energy	3.1	3.3			3.1	3.3
PROFIT (LOSS) BEFORE TAX	**(7.1)**	**95.3**	**(200.2)**	**(412.1)**	**(207.2)**	**(316.8)**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
OTHER NON INTERCONNECTED ISLANDS
UNBUNDLED INCOME STATEMENT (INCL. RHODES)
DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	GENERATION		ELECTRICITY SUPPLY		TOTAL	
	2023	2022	2023	2022	2023	2022
REVENUES						
Revenues from 3rd Parties						
Energy sales to customers			233.6	361.6	233.6	361.6
PSO's revenues from customers			21.9	23.2	21.9	23.2
Energy sales to wholesale market	682.6	658.0			682.6	658.0
Customer's contribution			0.0		0.0	
ETMEAR's revenues			21.1	21.2	21.1	21.2
PSO's revenues from Administrators			279.2	85.9	279.2	85.9
Other Sales	0.2	0.3	1.4	1.7	1.5	2.0
Allocated Administration Revenues	0.5	3.7	0.1	0.3	0.5	4.0
Interdepartmental Revenues						
Lignite yard & ash revenue						
Energy			2.4	2.1	2.4	2.1
Lignite						
REVENUES	**683.2**	**662.0**	**559.7**	**495.9**	**1.242.9**	**1.157.9**
Expenses (3rd Parties)						
Payroll Cost	39.7	44.9	2.6	1.8	42.4	46.7
Own production lignite						
Third party lignite - Hard coal						
Natural Gas						
Liquid fuel	353.4	346.2			353.4	346.2
Materials & Consumables	20.5	23.1	0.0	0.0	20.5	23.2
Depreciations	58.8	44.6	0.1	0.1	58.9	44.7
Energy Purchases from third party	12.6	9.4	484.2	479.1	496.8	488.5
Energy imports						
Energy Purchases to wholesale market			0.0		0.0	
Return of receivable ETMEAR to Administrators			21.6	23.8	21.6	23.8
Return of receivable PSO to Administrators			24.1	26.3	24.1	26.3
Transmission Network Fees						
Distribution Network Fees			36.8	27.9	36.8	27.9
Utilities & Maintenance	13.2	21.6	1.5	0.9	14.7	22.5
Third party fees	5.8	3.3	4.2	2.6	10.0	5.8
Taxes and duties	0.6	0.8	0.1	0.1	0.8	0.9
CO2 emissions rights	126.6	96.1			126.6	96.1
Provisions	1.4	(11.3)	6.4	6.2	7.8	(5.1)
Financial expenses	17.6	20.4	9.2	8.5	26.8	28.9
Financial income	(8.7)	(6.5)	(4.2)	(2.2)	(13.0)	(8.7)
Other (income)/ expense, net	5.4	(0.7)	(84.7)	(196.0)	(79.3)	(196.6)
Devaluation of fixed assets _lignite						
Devaluation of fixed assets		(43.4)				(43.4)
Extraordinary contribution on electricity generators/suppliers			12.8		12.8	
Impairment loss of marketable securities	0.0		0.0		0.0	
Gain from partial sale of a subsidiary/ the spin off of distribution network		(101.3)	0.0	(0.2)		(101.5)
Foreign currency gains/ (losses), net	(1.8)	5.8	0.0		(1.8)	5.8
Allocated Administration Expenses	36.8	32.4	4.9	2.0	41.8	34.5
Interdepartmental Expenses						
Lignite yard & ash expenses						
Change in stock						
Energy	2.4	2.1			2.4	2.1
PROFIT (LOSS) BEFORE TAX	**(1.2)**	**174.2**	**39.9**	**115.1**	**38.7**	**289.3**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE BALANCE SHEET AS OF DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	COMPANY		HEDNO		OTHER COMPANIES		ELIMINATIONS		GROUP	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
ASSETS										
Non – Current Assets										
Tangible assets	5.112,2	5.210,4	5.065,1	4.889,0	3.133,4	497,6	(4,9)	(46,2)	13.305,8	10.550,8
Intangible assets, net	831,5	518,1	13,0	3,6	238,9	86,0	42,6	6,2	1.126,0	613,9
Right of use assets	137,5	147,7	40,0	-	91,0	-	(60,6)	27,7	207,8	175,5
Investments in subsidiaries	2.650,3	1.019,5	-	-	-	-	(2.650,3)	(1.019,5)	-	-
Investments in associates	9,9	0,5	-	-	55,3	59,6	-	-	65,2	60,1
Available for sale financial assets	0,3	0,3	-	-	-	-	-	-	0,3	0,3
Deferred tax assets	694,8	760,9	(291,1)	(304,7)	(100,4)	(22,5)	(11,5)	(7,2)	291,8	426,4
Derivative Financial instruments	24,7	-	7,0	-	5,3	-	(22,4)	15,5	14,6	15,5
Other non- current assets	139,1	11,8	0,2	11,6	39,1	18,1	(37,7)	(17,4)	140,7	24,2
Total non-current assets	**9.600,4**	**7.669,3**	**4.834,2**	**4.599,5**	**3.462,6**	**638,8**	**(2.745,0)**	**(1.040,9)**	**15.152,3**	**11.866,7**
Current Assets										
Materials, spare parts and supplies, net	601,0	616,7	335,7	239,9	127,0	0,7	(17,2)	(17,2)	1.046,5	840,2
Trade receivables, net	1.207,1	1.200,7	215,9	181,4	584,1	24,7	(454,5)	(41,2)	1.552,7	1.365,6
Contract assets	555,8	868,7	-	-	-	-	337,5	-	893,3	868,7
Other receivables, net	1.555,1	1.268,0	391,9	9,9	681,8	39,1	(240,1)	13,7	2.388,8	1.330,7
Loan claims from foreign subsidiaries	523,4	-	-	-	-	-	(523,4)	-	-	-
Derivative Financial instruments	7,4	-	-	-	-	-	(5,9)	-	1,5	-
Income tax receivable	-	-	-	-	11,6	0,1	27,1	7,4	38,7	7,4
Other current assets	-	-	-	226,1	-	10,4	-	(236,6)	-	-
Cash and cash equivalents	1.853,1	2.760,6	196,1	187,4	550,7	211,5	-	-	2.599,8	3.159,5
Restricted Cash	42,2	40,0	-	-	135,3	-	-	27,8	177,5	67,8
Assets held for sale	-	20,6	-	-	-	-	-	-	-	20,6
Total Current Assets	**6.345,0**	**6.775,3**	**1.139,7**	**844,8**	**2.090,6**	**286,5**	**(876,4)**	**(246,0)**	**8.698,8**	**7.660,5**
Total Assets	**15.945,4**	**14.444,6**	**5.973,9**	**5.444,3**	**5.553,2**	**925,3**	**(3.621,4)**	**(1.286,9)**	**23.851,1**	**19.527,2**
EQUITY AND LIABILITIES										
Equity										
Share capital	947,4	947,4	991,2	991,2	1.434,2	406,0	(2.425,4)	(1.397,2)	947,4	947,4
Share premium	1.018,7	1.018,7	-	-	56,4	53,4	(56,4)	(53,4)	1.018,7	1.018,7
Legal reserve	173,8	136,6	7,4	6,5	87,3	4,6	(94,7)	(11,2)	173,8	136,6
Fixed assets' statutory revaluation surplus included in share capital	(947,3)	(947,3)	-	-	-	-	-	-	(947,3)	(947,3)
Revaluation surplus	3.053,0	3.064,6	33,4	36,9	27,8	27,1	2.020,4	2.021,8	5.134,6	5.150,3
Other Reserves	184,7	39,2	104,6	125,1	(83,1)	9,6	(1.396,9)	(1.495,7)	(1.190,6)	(1.321,8)
Treasury shares	(143,9)	(40,7)	-	-	-	-	-	-	(143,9)	(40,7)
Retained earnings	1.176,3	1.011,6	154,8	79,6	1.058,4	113,4	(2.840,7)	(2.073,9)	(451,1)	(869,3)
Total Equity attributable to owners of the Parent	**5.462,8**	**5.230,1**	**1.291,5**	**1.239,4**	**2.580,9**	**614,1**	**(4.793,6)**	**(3.009,7)**	**4.541,6**	**4.073,9**
NON-CONTROLLING INTEREST	-	-	-	-	-	-	816,4	606,0	816,4	606,0
Total Equity	**5.462,8**	**5.230,1**	**1.291,5**	**1.239,4**	**2.580,9**	**614,1**	**(3.977,2)**	**(2.403,7)**	**5.358,0**	**4.679,9**
Non-Current Liabilities										
Interest bearing loans and borrowings	2.598,7	2.496,5	1.345,8	1.259,3	514,3	67,1	(39,0)	-	4.419,8	3.822,9
Post retirement benefits	79,6	76,0	58,1	61,4	21,5	-	-	-	159,2	137,4
Provisions	799,1	802,0	33,9	40,4	56,0	6,2	(89,2)	(44,5)	799,9	804,0
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-
Financial lease liability	119,2	122,6	-	-	35,8	-	20,3	20,2	175,3	142,8
Contract liabilities	425,5	435,7	1.934,4	1.948,9	557,9	-	-	-	2.917,8	2.384,7
Subsidies	83,1	89,2	95,0	91,0	29,2	2,7	-	-	207,3	183,0
Long-term financial liability from the securitization of receivables	377,1	350,1	-	-	-	-	-	-	377,1	350,1
Financial liability from NCI Put option	-	-	-	-	-	-	1.431,0	1.420,0	1.431,0	1.420,0
Derivative Financial instruments-Non Current Liability	5,2	-	-	-	8,2	-	6,3	-	19,7	-
Other non-current liabilities	22,5	0,5	52,6	56,8	91,7	15,1	(106,5)	(36,9)	60,3	35,5
Total Non-Current Liabilities	**4.510,1**	**4.372,6**	**3.519,8**	**3.457,8**	**1.314,7**	**91,2**	**1.222,9**	**1.358,8**	**10.567,4**	**9.280,4**
Current Liabilities										
Trade and other payables	925,0	735,9	622,4	414,7	680,9	103,1	(133,2)	(107,0)	2.095,2	1.146,7
Short term financial liability from the securitization of receivables	10,2	8,5	-	-	-	-	-	-	10,2	8,5
Short-term borrowings	-	50,0	-	45,0	756,4	13,7	(515,7)	(0,3)	240,8	108,3
Current portion of long-term borrowings	840,7	357,7	291,3	-	49,7	-	(1,4)	234,2	1.180,4	591,9
Short-term financial lease liability	30,2	28,3	-	140,9	2,4	94,1	10,6	(227,1)	43,2	36,1
Dividends payable	-	-	-	-	-	-	-	-	-	-
Income tax payable	6,6	15,2	42,0	26,4	3,2	1,5	27,1	(0,1)	78,9	43,0
Accrued and other current liabilities	1.998,2	1.997,7	206,7	120,1	158,3	7,7	(251,7)	(141,8)	2.111,6	1.983,8
Derivative Financial instruments	11,9	11,7	-	-	5,9	-	(5,7)	-	12,2	11,7
Short term part of forecasting the dismantling and removal of facilities / equipment of Production Units, Mines and Wind Parks and rehabilitation of Mining areas	75,1	82,0	-	-	-	-	-	-	75,1	82,0
Current portion of post-retirement benefits	59,3	64,8	-	-	0,8	-	2,9	-	63,0	64,8
Short-term contract liabilities	2.015,3	1.490,1	0,2	-	-	-	(0,2)	-	2.015,3	1.490,1
Liabilities held for sale	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**5.972,6**	**4.841,8**	**1.162,6**	**747,1**	**1.657,6**	**220,1**	**(867,1)**	**(242,1)**	**7.925,7**	**5.566,9**
Total Liabilities and Equity	**15.945,5**	**14.444,5**	**5.973,9**	**5.444,3**	**5.553,2**	**925,4**	**(3.621,4)**	**(1.287,0)**	**23.851,1**	**19.527,2**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

PUBLIC POWER CORPORATION S.A.
CONSOLIDATED AND SEPARATE STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 2023

AMOUNTS IN MILLIONS OF EURO

	COMPANY		HEDNO		OTHER COMPANIES		ELIMINATIONS		GROUP	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022	31/12/2023	31/12/2022
REVENUES										
Revenue from energy sales	5.928.3	10.694.9	1.118.1	854.1	548.2	317.6	(1.185.4)	(1.153.9)	6.409.2	10.712.7
Revenue from natural gas	20.8	4.9	-	-	37.8	-	(0.0)	(0.0)	58.6	4.9
Other sales	657.7	147.3	1.691.3	1.457.7	62.8	0.5	(1.192.7)	(1.070.0)	1.219.0	535.5
	6.606.8	**10.847.1**	**2.809.4**	**2.311.8**	**648.8**	**318.1**	**(2.378.2)**	**(2.223.9)**	**7.686.8**	**11.253.1**
EXPENSES										
Payroll cost	492.8	480.8	262.5	263.2	31.5	26.9	(4.6)	(2.3)	782.2	768.6
Lignite	5.8	14.7	-	-	-	1.6	-	0.0	5.8	16.2
Liquid Fuel	724.1	850.1	-	-	0.5	3.1	0.0	(0.0)	724.5	853.2
Natural Gas	715.0	1.758.2	-	-	25.0	-	(0.0)	-	739.9	1.758.2
Depreciation and Amortization	298.6	306.1	323.7	313.8	52.9	23.8	(3.1)	(3.4)	672.1	640.4
Energy purchases	1.651.7	4.883.8	1.666.7	1.425.8	357.8	126.1	(1.732.0)	(1.715.4)	1.944.2	4.720.2
Materials and consumables	64.4	92.2	33.2	26.5	7.2	2.9	(0.0)	(0.0)	104.8	121.5
Transmission system usage	169.3	143.3	-	-	0.2	-	(0.0)	-	169.5	143.3
Distribution system usage	580.7	429.6	-	-	49.3	0.0	(580.7)	(429.6)	49.3	-
Utilities and maintenance	154.5	135.9	149.2	129.9	19.8	15.1	(59.4)	(69.9)	264.1	210.9
Third party fees	165.7	116.2	90.4	70.5	17.4	8.0	35.0	(10.3)	308.5	184.4
CO2 emission rights	826.2	963.9	-	-	-	73.7	-	0.0	826.2	1.037.5
Provision for Land restoration	-	-	-	-	1.0	-	(1.0)	-	-	-
Provision for risks	(12.9)	5.8	(6.4)	(7.5)	0.2	-	(44.8)	(15.0)	(63.9)	(16.7)
Provision for slow – moving materials	7.9	1.2	0.7	(8.2)	1.2	0.2	0.0	0.0	9.7	(6.8)
Allowance for doubtful balances	177.2	161.7	(0.1)	(0.6)	9.1	0.2	(0.0)	46.3	186.3	207.5
Financial expenses	329.2	283.9	63.1	47.1	28.7	5.5	1.6	7.9	422.6	344.5
Financial income	(177.4)	(86.0)	(8.6)	(12.3)	(6.3)	(1.1)	52.1	43.9	(140.2)	(55.5)
(Gains) from the sale of a Subsidiary/ spin-off of post-lignite branch	(124.3)	-	-	-	-	-	-	-	(124.3)	-
Devaluation of fixed assets	32.6	(200.0)	-	-	0.1	2.3	1.0	0.0	33.7	(197.7)
Bargain gains from Romanian Subsidiaries aquisition	-	-	-	-	-	-	(233.9)	-	(233.9)	-
Extraordinary contribution on electricity generators	200.0	245.3	-	-	-	-	-	-	200.0	245.3
Other income	(80.7)	(26.0)	(5.2)	(4.3)	(3.0)	(1.0)	34.5	(45.4)	(54.5)	(23.4)
Other expenses	145.0	326.3	56.7	42.4	51.5	10.9	(18.2)	55.4	235.1	381.7
Loss / (Gain) of associates and joint ventures net	0.0	-	-	-	5.0	(61.7)	(0.0)	0.0	5.1	(61.7)
Gain from partial sale of a subsidiary/ the spin off of distribution network	-	(790.0)	-	-	-	-	-	790.0	-	-
Foreign currency (gain)/loss, net	(2.4)	7.3	-	-	0.1	(0.1)	0.0	0.0	(2.3)	7.3
	6.342.9	**10.104.2**	**2.625.7**	**2.286.3**	**649.2**	**236.3**	**(2.553.3)**	**(1.347.7)**	**7.064.5**	**11.279.1**
PROFIT / (LOSS) BEFORE TAX	**263.9**	**742.9**	**183.7**	**25.5**	**(0.5)**	**81.8**	**175.1**	**(876.2)**	**622.2**	**(26.0)**

* Any differences are due to decimal roundings.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

NOTES TO THE UNBUNDLED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

According to the provisions of European Directive 2009/72/EC, as well as the provisions of Law 4001/2011, which integrates the aforementioned European Directive into the national legislation, unbundling is the separation of financial statements (balance sheet and income statement) of an integrated electric utility into different financial statements for each one of its activities.
The unbundled financial statements will reflect each activity's financial position, assets and liabilities, as if such activities prepared financial statements had they been separate (independent) legal entities.

PPC, as a vertically organized integrated electric utility, keeps in its internal accounting, separate accounts for its activities and prepares separate balance sheets and statements of income for each one of its activities (balance sheet and statement of income before tax – hereinafter referred to as "unbundled financial statements"), as if these activities were carried out by different entities, in order to avoid discriminations, cross subsidization and distortion of competition.

Further to the above, PPC should keep separate accounts for its activities carried out in the non-interconnected islands.

The accounting principles applied for the preparation of the unbundled financial statements are those applied for the preparation of the Company's separate and consolidated financial statements. The unbundling methodology applied by the Company for the preparation of the accompanied unbundled financial statements was approved by the 266/2014 and 162/2019 Decisions of the Regulatory Authority for Energy. Additionally, in the Non – Interconnected System the transactions of energy between PPC's Generation and Supply and HEDNO, are carried out according to RAE's Decision 641/2013.

2. ACCOUNTING UNBUNDLING METHODOLOGY

The methodology applied for the preparation of the unbundled financial statements consists of the following phases:

- Determination of activities into which the integrated electric utility should be unbundled
- Preparation of unbundled trial balances
- Preparation of unbundled balance sheets
- Preparation of the unbundled statements of income
- Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system

Determination of activities into which the integrated electric utility should be unbundled

The activities for unbundled financial statements are prepared, on a first level, are Mines, Generation, Supply of Electricity, Supply of Natural Gas, Other (Electromobility, Telecommunications, Power Purchase agreements without physical delivery with net settlement and other) and Corporate.

On a second level, these activities are presented as follows:

- **Interconnected System**
  - Mines
  - Generation
  - Supply of Electricity
  - Supply of Natural Gas
  - Other

- **System of Crete**
  - Generation
  - Supply of Electricity

- **System of other Non-Interconnected Islands**
  - Generation
  - Supply of Electricity

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

Mines
Mines include the lignite extraction activity carried out in the Lignite Center of West Macedonia and Megalopolis.

Generation
Generation includes the electricity generation activities in the Interconnected System, the System of Crete and the System of Non-Interconnected Islands.

Supply of Electricity
Supply reflects the Company's activity which monitors relationships with final customers of electricity in the Interconnected System, the System of Crete and the System of Non-Interconnected Islands.

Supply of Natural Gas
Supply reflects the Company's activity which monitors relationships with final customers of natural gas in the Interconnected System.

Other
Other include the Electromobility, Telecommunications, Power Purchase agreements without physical delivery with net settlement and other in the Interconnected System.

Corporate
The Corporate is the adninistrative departments of the Parent Company, which provide support to PPC's activities. The Balance Sheet and Statement of Income of the Corporate is further allocated based on certain allocation rules, which are described in detail in the following pages.

Related parties are reflected as a separate activity in the group unbundled financial statements.

Preparation of unbundled trial balances

In the Company's accounting system, each the cost center and the profit center represent an organizational entity, in which the assets and liabilities are recorded. In order for these trial balances to be generated, the following tasks are performed, which are applied per account and cost / profit center for the minimum account degree in General Accounting:

- Cost / profit centers are recorded in order to identify the boundaries of activities and then all cost / profit centers to be assigned to activities with which they are related to.

- The sum totals of the cost / profit centers and accounts are reconciled with the comprehensive trial balance of the Company.

- The trial balance accounts are codified and grouped into sections of the balance sheet and of the income statement based on Company's consolidated Financial Statements.

Preparation of unbundled balance sheets

At the end of each financial year, balance sheets are prepared for each of the four activities, Mines, Generation, Supply of Electricity and Supply of Natural Gas in the Interconnected System as well as balance sheet for Other Activities. In the Crete System and in the Non – Interconnected Islands System the balance sheet includes only the activities of Generation and Supply of Electricity.

The balance sheet for each activity is prepared under the principle of independent accounting.

The accounts of each balance sheet are as follows:

- Direct, which include the direct charges and credits of the accounts of the relevant profit centers of the corresponding level of activity,

- Indirect of the administration departments, which derive from the administration departments of each activity and include its allocated balance sheet accounts.

- Indirect of the Corporate, which include the allocated balance sheet accounts, which are presented in a separate line on each activity's balance sheet.

Additionally, the Balance Sheets of PPC's subsidiaries are depicted separately.
Preparation of the unbundled statements of income

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

For each accounting period income statements are prepared for each of the four activities Mines, Generation, Supply of Electricity, Supply of Natural Gas as well as income statement for Other Activities.

Income statements are prepared separately for the Interconnected System, Crete System and Non – Interconnected Islands System. Additionally, the Income Statements of PPC's subsidiaries are depicted separately. Mines, Supply of Natural Gas and Other activities are included only in the Interconnected System.

Income statement accounts of financial nature are allocated to activities based on the loans of each activity.

Then, income statement account balances that have remained in Corporate are allocated in the activities.
For the allocation of revenues and expenses to Activities the criterion is based on direct expenses of every Activity.

Upon completion of the above allocations, the Statements of income for each Activity are prepared. The Corporate expenses and revenues allocated to the activities are presented separately in a line item in each activity.

Quantification of inter-segment revenues and expenses among activities through the application of an internal pricing system

Within the framework of an integrated utility products and services are exchanged among its activities, which would be recorded if these activities would operate as independent entities.

In order for these products and services to be quantified and recorded, an internal pricing system is applied if necessary (where there is no external determination of internal exchanges). The most important services and products internally exchanged in PPC among its Activities, that are presented in the Unbundled Financial Statements are the following:

	Activity which	
Product/ Service	**Renders**	**Receives**
Interconnected system		
Lignite	Mines	Generation
Other Services	Mines	Generation
Self-consumption energy	Supply	Mines, Generation
System of Crete		
Self-consumption Energy	Supply	Generation
System of other non-interconnected islands		
Self-consumption Energy	Supply	Generation

Each activity's revenues from product sales or services to another activity are quantified, through the internal pricing system. Also, the activity that receives the product/ service records the related cost.

The internal revenues – expenses for each activity are defined as follows:

In the interconnected system:

- The internal energy sales for self-consumption are calculated based on each Activity's metered consumption of energy with the average marginal price including the Return of receivable Public Service Obligations, Transmission System Tariffs and IPTO uplift charge.
- The Mines internal revenue is calculated in accordance of the agreement for the lignite supply between Mines and Generation. The lignite supply contract determines the internal lignite market, i.e the lignite sales of the activity of the Lignite General Division to the activity of the Generation General Division. The contract covers the consumption of the lignite stations on a continuous basis, as well as with the necessary stock for the specific period. The calculation of the relative amounts takes place on the monthly basis, taking into account the monthly consumption and the calorific value of the lignite delivered.

In the Non-Interconnected system:

- The internal energy sales are calculated based on each activity's metered consumption of energy priced by the average revenue of PPC's tariffs for the sale of electricity to Medium Voltage for Industrial Use customers.

APPENDIX I- UNBUNDLED FINANCIAL STATEMENTS

ANALYSIS OF REVENUES – EXPENSES FROM GENERATION AND SUPPLY

	GENERATION		SUPPLY	
	2023	2022	2023	2022
	in millions of €	in millions of €	in millions of €	in millions of €
INCOME				
Energy sales			**6.270.8**	**11.014.5**
Competative charges			5.140.8	7.227.5
Revenue from low voltage sales			*3.996.6*	*4.768.0*
Revenue from medium voltage sales			*791.8*	*1.803.4*
Revenue from high voltage sales			*352.4*	*656.0*
Transmission system usage			171.0	150.7
Revenue from low voltage sales			*140.9*	*116.2*
Revenue from medium voltage sales			*23.5*	*19.4*
*Revenue from high voltage sales**			*6.6*	*15.2*
Distribution system usage			561.1	429.6
Revenue from low voltage sales			*523.7*	*403.1*
Revenue from medium voltage sales			*37.4*	*26.5*
Revenue from other charges			0.0	1.1
Revenue from low voltage sales			*0.0*	*0.9*
Revenue from medium voltage sales			*(0.0)*	*0.2*
Unbilled revenue and discounts *			(260.4)	2.508.5
Revenue from PSO			310.1	335.9
Revenue from low voltage sales			*236.7*	*267.8*
Revenue from medium voltage sales			*66.8*	*56.7*
Revenue from high voltage sales			*6.6*	*11.4*
Revenue from the special fee for the reduction of CO2 emissions			348.3	361.2
Revenue from low voltage sales			*301.7*	*321.2*
Revenue from medium voltage sales			*32.4*	*38.7*
Revenue from high voltage sales			*5.0*	*1.5*
Provisions			*9.1*	*(0.1)*
Exports of Energy			***5.5***	***41.2***
Wholesale energy sales	**3.450.4**	**5.348.0**	***86.7***	***62.4***
Sales of energy to wholesale market	*2.403.7*	*4.662.7*		
Sales of energy to HEDNO	*1.046.8*	*685.3*		
Transitional Flexibility Assurance Mechanism	*(0.1)*	*0.0*		
Lignite sales	*0.0*	*0.0*		
Customer's contribution	*(0.2)*	*0.0*		
GREENPASS sales			***1.7***	***0.4***
FIXIT sales			***1.8***	***0.1***
Gas sales			***20.8***	***4.9***
Other sales			**24.2**	**24.2**
Revenue from reconnection fees			1.9	1.7
Other income from consummers			1.1	1.1
Commission from Municipal Levy and tax			21.3	21.4
Other income			(0.0)	
EXPENSES			**4.960.8**	**9.743.8**
Purchases of energy- Interconnected System			**3.909.3**	**8.876.6**
Purchases of energy by wholesale market			*3.856.1*	*8.902.4*
Transitional Flexibility Assurance Mechanism			*(0.1)*	*0.0*
Coverage of the generation variable cost recovery			*(0.1)*	*0.0*
Charge according to the thermal units' variable cost			*1.2*	*0.0*
Settlement of losses - clearances			*(0.2)*	*0.0*
Non-compliance charges			*0.3*	*0.0*
Fees to EXE			*6.2*	*6.6*
Administrative expenses			*39.1*	*0.0*
Hedging			*0.0*	*0.4*
Hedging other expenses			*0.9*	*0.6*
Other expenses			*6.0*	*(33.4)*
Energy imports			**(8.4)**	**2.4**
Energy purchases from non interconnected islands			**664.1**	**452.8**
Energy purchases from RES			**45.3**	**48.9**
Special fee for the reduction of CO2 emissions			**350.5**	**363.1**
Revenue from the special fee for the reduction of CO2 emissions from interconnected system			*328.8*	*338.0*
Revenue from the special fee for the reduction of CO2 emissions from non interconnected islands			*21.6*	*25.1*

* For the revenue resulting from unbilled and discounts of low voltage, there is no breakdonwn in competative - monopoly charges to customers

F. REPORT ON THE USE OF PROCEEDS

Report on the Use of the Funds raised from the Share Capital Increase for the period 16.11.2021 – 31.12.2023

Pursuant to the provisions of par.4.1.2 of the Athens Stock Exchange Regulation, the 25/17.7.2008 and the 6.12.2017 decisions of the BOD of the Athens Stock Exchange and the Decision 8/754/14.4.2016 of the Capital Market Commission's BOD, it is disclosed that from the share capital increase of "Public Power Corporation S.A." (the Company) by payment in cash, according to the 19.10.2021 decision of the Extraordinary Shareholders Meeting and with the decision no. 1/934/01.11.2021 of the Board of Directors of the Hellenic Capital Markets Commission regarding the approval of the content of the Prospectus, the total amount of €1,350,000,000 was raised. Issuance costs amounted to €65,926 thousand and decreased the total funds raised. From the Share Capital Increase 150,000,000 new common registered shares were issued with a subscription price of €9.00 each and of a nominal value of €2.48 each, which were listed for trading in the main market of the Athens Stock Exchange on 16.11.2021. The Board of Directors held a meeting on 11.11.2021 and certified the timely and full receipt of the funds raised from the Share Capital Increase.

As of 31.12.2023, the funds raised were allocated according to the use of proceeds as descripted in the Prospectus as follows:

	TABLE OF ALLOCATION OF FUNDS RAISED FROM THE SHARE CAPITAL INCREASE (Amounts in '000€)						
A/A	**Allocation of Raised funds Based on the Purposes of the Prospectus (Section 16.2. Reasons for the Share Capital Increase and use of proceeds of the Prospectus)**	**Raised Funds according to the Prospectus**	**Allocated funds for the period**				
			16.11.2021 and up to 31.12.2021	**01.01.2022 and up to 31.12.2022**	**01.01.2023 and up to 31.12.2023**	**Total allocated funds up to 31.12.2023**	**Unallocated funds as of 31.12.2023**
1	Allocation of up to €1,284,000 of approximately €3,200,000 that the Company has budgeted for capital expenditures on renewable energy projects through 2024, including hydroelectric power generation and projects in adjacent markets, aiming to reach an installed RES capacity of 7.2 GW by 2024.	-	-	85,356	684,501	769,857	-
2	Allocation of up to €1,284,000 of approximately €1,700,000 the Company has budgeted for capital expenditures through 2024 on conventional power generation, supply business unit, the construction of a waste-to-energy plant, digitalization, telecommunications, electric vehicle charge-points.	-	-	158,467	109,604	268,071	-
3	Allocation for other general corporate and other investment purposes of amounts that are not material for the Group's financial conditions and to the extent reasonably necessary.	-	-	-	-	-	-
	Total	**1,284,074**	**-**	**243,823**	**794,105**	**1,037,928**	**246,145**
	Plus: Issuance costs	65,926	65,926	-	-	65,926	-
	Grand Total	**1,350,000**	**65,926**	**243,823**	**794,105**	**1,103,855**	**246,145**

According to the provisions of the decision no. 25 of the Management Committee of the Athens Exchange, the funds used by the Company during the period 16.11.2022 – 30.06.2023 per investment category with Serial Number: 1-3 as depicted in the above table, correspond to cash outflows and not expense accounting entries.

Regarding the investment No 1 of the table, it is noted that the Company increased the share capital of its 100% subsidiary "PPC RENEWABLES S.M.S.A." in the amount of €300 million within 2022 and 2023. The expenses of the share capital increase amounted to €1.8 million. "PPC RENEWABLES S.M.S.A." manages the portfolio of Renewable Energy Sources of the PPC Group (excluding the large hydroelectric power plants). Furthermore, within 2022 the Group acquired 55% of the shares of "Volterra K-R S.A." and "Volterra LYKOVOUNI S.A.", in which it was already a 45% shareholder in each company since 2019. "Volterra K-R S.A." and "Volterra LYKOVOUNI S.A." have in operation wind parks with a total capacity of 69.7 MW in Aitoloakarnania and Boeotia. Also, the Group acquired 100% of "HELIOFANEIA S.M. TECHNIKI EMPORIKI KAI VIOMICHANIKI ETAIREIA ANANEOSIMON PIGON ENERGEIAS ", which owns a 2.7 MW photovoltaic park in operation in Viotia, as well as the companies "Volterra DOUKAS S.A." and "Volterra KOUKOULI S.A.", the which are in possession of permits to install wind parks with a total capacity of 39.5 MW. The total price paid for the acquisition of the above five companies amounted to €59.7 million. Within 2023, the Group acquired 100% of the shares of AIOLIKI MPELECHERI ANONYMI KAI VIOMICHANIKI ENERGEIAKI ETAIREIA which owns two Wind Parks, with a total installed capacity of 43.8MW in the locations "LEFKES" and "BELECHERI" of the Municipality of Evrotas Lakonia, Region of Peloponnese and 100% of KPM ENERGY COMPANY OF ELECTRICITY PRODUCTION S.M.S.A., which has a license to operate a 1.99 MWp Photovoltaic Power Station at the "Vlachopigado" location of the Municipality of Estaiotida, P.E. Trikala. Also, within 2023, PPC SA acquired 19 subsidiary companies in Romania, which have as subject the developing of RES projects, by paying the amount of €611.5 million. Finally, the Group, for this period, made investments for renewable energy projects amounting up to € 38.3 million.

Regarding the investment No 2 of the table, it is noted that the Company made investments related to: a) the lignite production of electricity ("H/E") (mainly the new Ptolemaida V Unit) amounting to €138.6 million b) the conventional electricity generation in the Non-Interconnected Islands amounting to €34.3 million , c) improvements to existing electricity generation units with natural gas amounting to €23.8 million, d) commercial activity and electrification amounting to €20.7 million, e) digitalization amounting to 3.8 million, g) telecommunications in the amount of €20.9 million and h) other improvements in building infrastructure in the amount of €1.5 million. Also, PPC proceeded within 2022 in acquisitions of subsidiaries by paying the amount of € 3.8 million , specifically of " ALEXANDROUPOLIS ELECTRICITY PRODUCTION SINGLE MEMBER S.A." and "NVISIONIST S.A". The new subsidiary ALEXANDROUPOLIS ELECTRICITY PRODUCTION S.A. is proceeding with the construction and operation of a new natural gas-fired power plant, with a nominal capacity of 840 MW, in Alexandroupoli, while NVISIONIST S.A. specializes in software systems serving RES companies. Within 2023, PPC paid € 6.5 million for the establishment of the new related company "Hellenic Hydrogen S.A." and acquired 49% of it. The new company will aim to develop green Hydrogen production and storage projects in the country, thus facilitating Greece's energy transition to a Net Zero CO_2 emissions environment. Also, within 2023, PPC paid €14 million for the acquisition of 3 new subsidiaries in Romania with the purpose of electricity trading and e-mobility.

It is clarified that the temporarily unused funds are kept at bank accounts in the name of the Company and its subsidiary companies.

Athens, April 9, 2024

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	**VICE CHAIRMAN**	**CHIEF FINANCIAL OFFICER**	**ACCOUNTING DEPARTMENT DIRECTOR**
GEORGIOS I. STASSIS	**PYRROS D. PAPADIMITRIOU**	**KONSTANTINOS A. ALEXANDRIDIS**	**STERGIOS A. TSIFOTOUDIS**