



PUBLIC POWER CORPORATION S.A.

Report on the activities of the Company's Audit Committee for the year 2022

## I. Introduction

The Audit Committee (A.C.) submits for the information of the Company's Shareholders the present Report on its activities for the fiscal year 2022 (1.1.2022 - 31.12.2022), outlining its substantial contribution and assistance in the Company's efforts to comply with the laws and regulations governing its operations, in an environment of complex challenges and high uncertainty.

The Company had to cope primarily with the adverse international conditions by demonstrating resilience and adaptability to the new challenges. In this new context, the Audit Committee focused its attention on strengthening the Internal Control System, through its regular activities, actively contributing to the Management's objective to ensure the proper operation of the Company and the decision-making, in an environment where laws and best practices of corporate governance are applied and the risks that the Company is required to manage are identified, all of which are essential for the viability of the Company.

## II. Responsibilities - Scope of the Audit Committee

The present Audit Committee operates within the framework of the provisions of article 10 of Law 4706/2020 "on corporate governance" and taking 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 (HCMC), as they are currently in force (indicatively the circulars/letters 1302/28.4.2017, 1508/17.7.2020, 427/21.2.2022) of the Directorate of Listed Companies of the HCMC and Regulation (EU) no. 537/2014 of the European Parliament and of the Council of 16 April 2014.

Its purpose is to assist the Board of Directors (BoD) in fulfilling its duties and responsibilities towards shareholders, investor community and third parties and particularly by assisting the BoD to ensure integrity, objectivity, adequacy and effectiveness of the following:

1. The drafting and financial reporting processes and in particular the financial information and the statutory audit processes of the separate and consolidated financial statements carried by independent Certified Auditors- Accountants.
2. The Internal Control System including risk management, compliance, and Internal Audit Unit
3. The Company's Procurement function.

The role, the responsibilities and the operational framework of the Audit Committee are detailed in its Rules of Procedure, which have been drafted in accordance with the current institutional framework, have been approved by the Company's Board of Directors and are available at the following hyperlink on the company's website <https://www.dei.gr/en/ppc-group/ppc/corporate-governance/>.

### **III. Type - Structure - Composition of the Audit Committee**

The Audit Committee (hereinafter called A.C.) is an independent "mixed" committee consisting of independent non-executive Members of the Board of Directors and third persons (Non-Members of the Board of Directors) pursuant to article 44 paragraph 1, case (a), subcase (ab) of Law 4449/2017, as applicable, and taking into account article 9 of Law 4643/2019.

The composition of the A.C. during the year ended on 31.12.2022 and the participation of its members in its meetings is summarised in the table below:

<b>Name</b>	<b>Capacity</b>	<b>Term of office</b>	<b>Participation/meeting</b>
<b>Maria Psillaki</b>	Chairman of the A.C. Independent - Non-Executive Board Member	17/12/2021 - 16/12/2024	23/23
<b>Despina Doxaki</b>	Independent - Non-Executive Board Member	27/06/2019 - 26/06/2022 29/06/2022 - 28/06/2025	22/23
<b>Stefanos Kardamakis</b>	Independent - Non-Executive Board Member	22/08/2019 - 21/08/2022 22/08/2022 - 21/08/2025	17/23

<b>Evangelos Aggeletopoulos</b>	Independent Non-Board Member	08/05/2020 - 07/05/2023	23/23
<b>Aimilios Stasinakis</b>	Independent Non-Board Member	08.05.2020 - 07.05.2023 (resigned member as of 5.5.2022)	10/10
<b>Konstantinos Cholevas</b>	Independent Non-Board Member	05/05/2022 - 07/05/2023 (Replaced a resigned member)	13/13
<b>Christos- Stergios Glavanis</b>	Independent Non-Board Member	14/12/2022 - 13/12/2025	1/1

At the Extraordinary General Meeting of the Company's Shareholders dated 5.5.2022, pursuant to article 9 of Law 4643/2019, Mr. Konstantinos Cholevas was elected in replacement and for the remaining term of office of the resigned member Mr. Aimilios Stasinakis, namely until 7.5.2023, in accordance with article 44 of Law 4449/2017, as amended by article 74 of Law 4706/2020 and in force, as Independent non-Member of the Board of Directors and Member of the Audit Committee with term of office from 5.5.2022 to 7.5.2023. The new A.C. was formed into a body at its meeting held on 11.5.2022.

Subsequently, by decision of the Extraordinary General Meeting of Shareholders dated 14 December 2022, a new additional member namely Mr. Christos-Stergios Glavanis was elected as the 6th (6) member of the A.C., with a three-year term of office. Based on the above decision, the Audit Committee of PPC S.A. shall consist of at least six (6) members, appointed by the General Meeting of Shareholders (GMS), of whom:

- At least four (4) members shall be members or non-members of the Board of Directors. In general, any combination may be determined, as long as there is at least one member of the Board of Directors and the majority of the members are independent of the Company, within the meaning of article 9 par. 1 and 2 of Law 4706/2020. The members of the A.C. must have sufficient knowledge of the scope of the auditee, while at least one (1) member, independent of the Company within the meaning of the provisions of Law 4706/2020, must have sufficient proven knowledge and experience in auditing or accounting.

- Two (2) Members in accordance with article 9 of Law 4643/2019, shall be elected from a list of persons with proven experience in the field of works, supplies and service contracts, and shall be independent of the Company, within the meaning of the provisions of Law 4706/2020.

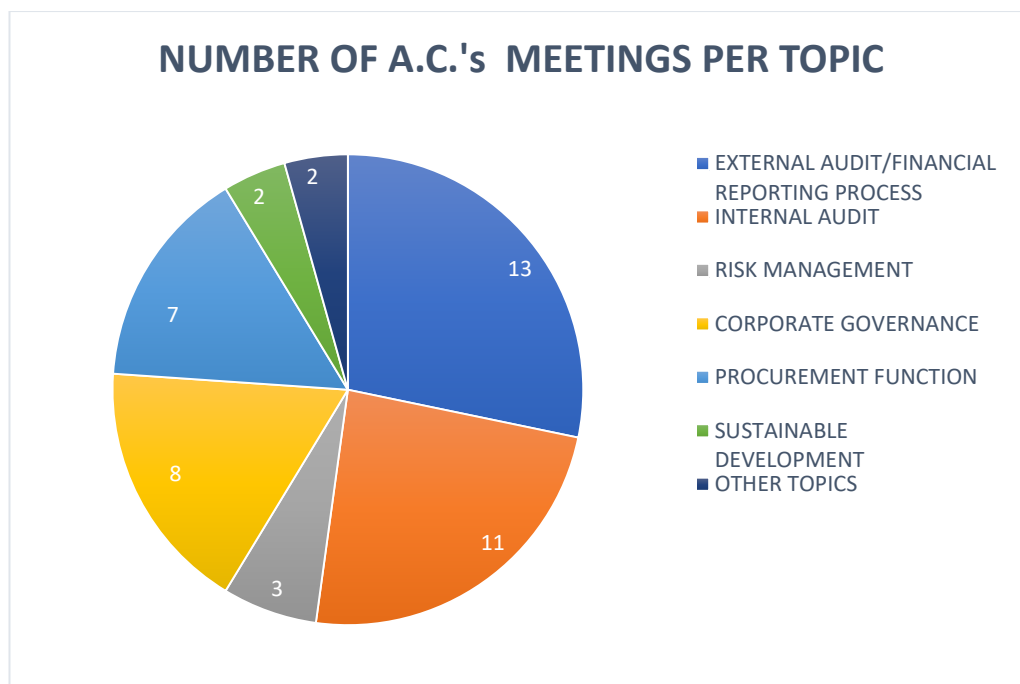
Following the above, the current Audit Committee was formed into a body at its meeting held on 21 December 2022.

Two (2) of the aforementioned members, namely Maria Psillaki and Christos-Stergios Glavanis, in accordance with article 44 of Law 4449/2017, as amended by article 74 of Law 4706/2020 and in force, have sufficient proven knowledge and experience in auditing or accounting.

## **VI. Meetings of the Audit Committee**

In accordance with the possibility provided for in article 5 of the A.C.'s Rules of Procedure "Attendance of Third Parties at Meetings" during the year 2022, the Chief Legal Affairs and Corporate Governance Officer and the Director of the Internal Audit Department were invited and participated in the meetings of the A.C. In addition, the A.C. held meetings with the participation of executives of the Company, such as the Chief Support Operations Officer, the Chief Financial Officer and the Directors of the Compliance, Risk Management, Sustainability, Energy Transaction Compliance, Accounting, Procurement System Transformation, Regulatory Affairs, and Renewables Procurement Departments, the Internal Auditor of PPC Renewables S.A., and the Chief Information Security Officer, among others. The external auditor of the financial statements of 2022, namely EY, had been invited and participated in the meetings, as required. Finally, the Secretary of the A.C. attended all the meetings of the A.C.

During 2022, the A.C. held twenty-three (23) meetings. The supporting material for its meetings had been distributed to all its members through the corporate communication portal (PPC Portal). Minutes were kept for all Audit Committee meetings held in 2022. The meetings of the A.C. dealt per category with the issues presented in the figure below and are broken down as follows:



#### A. External Audit / Financial Reporting Process

##### **Selection of external Independent Certified Auditor - Accountant**

The Audit Committee is entrusted with the selection process of the certified auditors-accountants and proposes the certified auditors-accountants or auditing firms to be appointed in accordance with article 16 of the Regulation (EU) No 537/2014, except where par. 8 of article 16 of the Regulation (EU) No. 537/2014 applies.

Given that the Ordinary General Meeting of the Company held on June 24th, 2020 approved the assignment of the statutory audit of the separate and consolidated financial statements of the Company for the fiscal years 2020, 2021 and 2022 to the Certified Auditors-Accountants of ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS - ACCOUNTANTS S.A. (hereinafter called EY) providing that that an annual contract will be concluded giving the Company the right to renew it each time for one (1) more year and for a total of three (3) years (2020-2022), the A.C. reassessed the independence of the abovementioned Firm of Certified Auditors - Accountants as well as the absence of conflict of interest in accordance with the international practice, in view of the reassignment of the abovementioned Services for the fiscal year 2022. Subsequently, the A.C. proposed to the Board of Directors of the Company to assign the external Audit

to the Certified Auditors'- Accountants' Firm ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS - ACCOUNTANTS S.A., for the fiscal year 2022.

**Ensuring the independence and objectivity and maintaining the effectiveness of the Company's certified auditors - accountants.**

The Audit Committee has the obligation to ensure the independence and objectivity of the external Auditor, as well as to check the effectiveness and the conduct of the regular audit. In addition, as a matter of policy and pursuant to article 5 of the Regulation (EU) No. 537/2014 and its Rules of Procedure, the A.C. pre-approves all audit and permitted non-audit services provided to the Company by the certified auditors - accountants or auditing firms that undertake the statutory audit of the Company's financial statements.

During the year 2022, additional projects were assigned to the firm of Certified Accountants - Accountants ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS - ACCOUNTANTS S.A., which were not related to the regular audit of the fiscal year 2022. The Audit Committee gave its consent to the said assignments after having duly assessed the compliance with the relevant institutional framework and the safeguarding of the objectivity and independence of the certified auditors by examining for each project, for which an assignment was made in accordance with Article 22b of Directive 2006/43/EC, the following:

- i) the total amount of fees for ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS - ACCOUNTANTS S.A.
- ii) the type and nature of non-audit services permitted,
- iii) the adequacy of any required safeguards, as well as
- iv) the reasons for choosing them (confidentiality, efficiency) over other providers.

The Audit Committee ascertained that in any case these projects fall within the permitted non-audit services and that no independence issues arise in accordance with those provided for in Law 4449/2017 and Article 5 of the Regulation (EU) no 537/2014.

**Financial Statements**

In the context of monitoring the financial reporting process and the progress of the statutory audit of the Company's separate and consolidated financial statements for the fiscal year 2021, the A.C. proceeded to the following actions:

1. It was briefed by the certified auditor-accountant on the annual statutory audit plan prior to its implementation. To this end, a schedule and a list of the audits/works to be performed, as well as a list of the most significant risks and audit issues that, in the opinion of the Certified Auditor-Accountant, may need to be addressed, were submitted by the latter. The A.C. proceeded to the evaluation of the documents submitted and finally approved the entire annual statutory audit plan.
2. It held meetings with the Certified Auditor - Accountant and the involved Units of the Company to assess the progress of the annual audit of the separate and consolidated financial statements for the fiscal year 2021, as well as the way to address the significant audit issues that were to be included in the Audit Report.
3. It was informed in detail about a) the going concern assumption adopted for the preparation of the financial statements, b) the significant judgments, assumptions and estimates of the Management in preparing the separate and consolidated financial statements for the fiscal year 2021, c) the adequacy of the disclosures on the significant risks faced by the Company and the Group that may adversely affect their financial position or profitability, combined with the impact of measures to mitigate the Covid-19 pandemic on the financial activity, and d) the important transactions of the Company with related parties.
4. It was also informed on all pending litigations that were to be included in the separate and consolidated financial statements for the 2021 fiscal year, with particular reference to the cases that may result in a significant outflow of financial resources for the Company and the Group, as well as on the content of the Corporate Governance Statement, included in the Report on the activities of the Board of Directors for the 2021 fiscal year.
5. It reviewed the financial reports prior to their approval by the Board of Directors in order to assess the completeness and consistency of the information provided with regard both to the detailed material brought



to its attention and the accounting principles applied by the Company and the Group.

6. It was briefed about the Audit Report and the Additional Audit Report of the Certified Auditor Accountant for the fiscal year 2021.
7. It was informed about the amount of the guarantee letters that had been issued and remained in force in the first and second half of 2021.

In the context of monitoring the financial reporting process and the progress of the statutory audit of the Company's separate and consolidated financial statements for the fiscal year 2022, the A.C. proceeded to the following actions:

- It held meetings with the Certified Auditor - Accountant and the Company's responsible internal Units involved in the preparation, review and publication of the separate and consolidated financial statements of the Company for the first half of 2022.
- It took note of the Review Report of the Certified Auditor - Accountant for the first half of 2022.
- It monitored the process of the internally prepared separate and consolidated financial statements of the Company for the first quarter of 2022 and the nine months of 2022, as well as of the key operating and financial figures of the Company, which were published for the respective periods with particular reference to the conditions created by both the Covid-19 pandemic and the new conditions that prevailed in the global Energy Markets due to the Ukraine-Russia conflict.

It is to be noted that during the fiscal year 2022 the Audit Committee met five (5) times with the external auditors in order to supervise the process of the relevant audit/review of the financial statements during the year 2022.

## **B. Internal Control System / Risk Management Department, Compliance Department, Energy Transaction Compliance Director, Internal Audit Department**

### **I. Risk Management Department (RMD)**

During 2022, the A.C. was informed by the Director of the Risk Management Department on the activities of the RMD and the risk management function in the Company. In particular:

- the basic principles of the planning and the operation of the Enterprise Risk Management Framework so far were presented and the Committee was informed about the identification and quantification of the main corporate risks, which were carried out with the assistance of an external consultant.
- the methodology adopted and the results of the identification and quantification of corporate risks were presented, and the Committee was informed on the corporate risk register.
- the most significant risks identified through the main corporate risks' assessment and quantification process and the controls aimed at managing such risks were analysed to the A.C. with the assistance of the external consultant.

## **II. Compliance Department (CD)**

The A.C. was briefed by the Compliance Director, as well as by the Energy Transaction Compliance Director on the action plan and on the objectives implemented during 2022.

The tasks of the Compliance Department as specifically presented to the A.C. included the following:

- Completion of the project "Ethics & Compliance program" with the main milestones being the revision and approval of the Code of Conduct, the drafting and approval of the Anti-Corruption and Bribery Policy, the Policy against Violence and Harassment at Work, pursuant to Law 4808/2021, and the Enforcement Policy & Reports/Complaints Handling Procedure.
- DUE Diligence Third Parties (phase A' - Design). Elaboration of a plan with pre-requisites for a thorough audit of Suppliers - Partners.
- Implementation of an action to update and properly implement the Policies in the Business Operations.
- Collaboration with external bodies and professional associations.

- Organizational Changes (implementation of the new Organisational Structure of the CD)
- Ongoing training of Compliance executives (Webinars, ASCO Greece, National Fund of Greece, DPO Network).
- Recording of the key, special regulatory obligations of the Energy Management & Trading Business Unit in relation to the energy exchange.
- Elaboration of guidelines to prevent market manipulation and abuse of inside information.
- Implementation of the corporate policy against money laundering in the context of the transactions of the Energy Management & Trading Business Unit.

### **III. Energy Transaction Compliance Director (ETCD)**

The tasks of the ETCD as specifically presented to the A.C. included the following:

- A training program for the competent executives of the Energy Management & Trading Business Unit aiming at raising their awareness and familiarization with the current legislative and regulatory framework on anti-money laundering and counter-terrorist financing.
- Elaboration of implementation guidelines for the Energy Management & Trading Business Unit, in order to ensure the smooth and effective implementation of the Policy.
- Conclusion of a contract between the Energy Management & Trading Business Unit and the provider of business information, Dun & Bradstreet (ICAP representative), to gain access to evaluation data related to compliance with the anti-money laundering and counter-terrorist financing framework.

### **IV. Internal Audit Department (IAD)**

With regard to the planning of the IAD audit activity, the A.C. received and assessed the annual Plan and the resources required for its completion. The IAD annual audit plan was prepared on the basis of the relevant legislative framework regarding the IAD's obligations, as well as based on risk assessment. Specifically, it includes audits regarding:

- the implementation of the Rules of Operation and the Internal Control System, in particular with regard to the adequacy and accuracy of financial reporting, regulatory compliance and the corporate governance code adopted by the Company,
- quality assurance mechanisms,
- corporate governance mechanisms,
- compliance with the commitments contained in the Company's newsletters and business plans,
- the Company's procurement system and in particular the implementation of the Regulation on Works, Supplies and Services.

The A.C. submitted to the Board of Directors the IAD's recommendation on the annual audit plan and the need to provide the IAD with the required audit resources. Moreover, it assessed and adopted the recommendations of the IAD to the Board on the required changes in the annual audit plan throughout the year.

Regarding the monitoring of the internal audit activity and the results of the internal audits, the A.C. took note of the detailed reports addressed to the audited units. In addition, it monitored IAD's work through quarterly reports and was thoroughly informed about the most important audit issues and the results of the follow up process regarding the implementation of mitigation measures agreed by the audited units following the IAD's recommendations for improvement. Based on the above, the A.C. submitted to the Board of Directors the quarterly reports, as recommended by the IAD.

Within 2022, the performance of the Director of the IAD for 2021 was evaluated based on the personnel evaluation procedure applied by the Human Resources & Organisation Division.

The A.C. monitored the independence and the adequate access of the IAD to the Company's units and information for performing its duties during the year.

**V. Results of the assessment process of the Internal Control System pursuant to Article 14, par. 3, case (j) and par. 4 of Law 4706/2020 and the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission.**

The Board of Directors of the Company, following the proposal of the Audit Committee, approved the scope of the audit for assessing the adequacy and effectiveness of the Internal Control System of Public Power Corporation S.A. and its significant subsidiaries, PPC Renewables Single Member S.A. and Hellenic Electricity Distribution Network Operator S.A. (HEDNO S.A.), with reference date 31 December 2022, in accordance with the provisions of par. 3 case (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 in force (the "Legislative Framework") and ratified the outcome of the Call for the award of the project "Assessment of the Internal Control System" to "KPMG S.A.".

Based on the work performed by the assessor regarding the assessment of the adequacy and effectiveness of the Internal Control System of the Company and its significant subsidiaries, we report that no material weaknesses were identified.

**C. Procurement Function**

Based on the provisions of the legal and regulatory framework, governing the Audit Committee (AC), AC takes the following actions, regarding monitoring the Company's Procurement Function for the year 2022:

- Carried out sample Auditsto confirm the correct application of the existing regulatory framework, governing the company's procurement function. (Procurement Manual, Procurement Bylaws, etc.)
- Monitored the Performance of the Procurement Operations, based on Key Performance Indicators (KPIs)
- Submitted proposals for the improvement of the Company's Procurement Operations.

**1. Procurement Function Audit.**

The following audits were planned / carried out to monitor the correct application of the existing procurement bylaws.

### **1.1. Completion of PPC S.A. Procurement Sample Audit for the year 2021**

The sample audit for the year 2021 was completed.

The results of the above mentioned sample audit in summary are the following:

- The application of the procurement bylaws was consistent.
- Further improvements, regarding the compliance of those involved in the reporting process where a conflict-of-interest situation exists, are needed.
- Further improvements of the procedures regarding the early and correct identification and planning of needs are needed, and the same applies to the procedures for monitoring the suppliers' pre-contractual obligations.

### **1.2. PPC S.A. Procurements' Sample Audit for the year 2022**

A representative sample of the 2022 contracts population was selected, based on the following criteria:

- Business Units with the highest value and number of contracts per category of expenditures.
- Suppliers with the highest value and number of contracts per spending category.
- Contracts with changes in target value.
- Contracts with value just below the approval thresholds.

The audit is in progress.

### **1.3. PPC Renewables S.A Procurements' Sample Audit for the year 2022**

A representative sample of the population of the company's contracts was also selected with the same as above criteria.

The audit is also in progress.

### **1.4. Diagnostic Study and Analysis of PPC S.A. Past Years (1998 – 2019) Open Contracts**

A diagnostic study and analysis was carried out to identify the reasons and causes, due to which, a significant number of contracts remain open for long

periods of time. From this study and review the following results were emerged:

- Approximately 20% of these contracts rightly continue to remain open, because they concern projects or the provision of services that have not yet been completed.
- Approximately 10% of these contracts concern projects for which the reasons for remaining open are under examination. In the next few months, it is estimated, the examination will be over, and the necessary actions will be taken.

#### **1.5. Diagnostic Study and Analysis of PPC SA Contracts for Procurements Based on a Single Supplier Invitation (for the Year 2021).**

Due to the sensitivity of the subject, a relevant diagnostic study and analysis was carried out. From this study they were determined:

- The important suppliers that are selected with this process from different requesting business units.
- The categories of expenditures, for which many procurements exist.

Additionally, it was observed that business units follow a different contracting process when they request for proposal from a single organization with a similar object including similar procurement requirements (type of supply, contract value, etc.)

#### **1.6. Diagnostic Study and Analysis of PPC Renewables S.A. Past Years (2017 - 2021) Active Contracts.**

Thirteen (13) contracts under the above category were identified and recorded.

All these contracts rightly continue to remain open, because they concern projects or the provision of services that have not yet been completed.

## **2. Measuring the performance of the Procurement Operation (indicators KPIs).**

Based on the AC recommendations AC, via the projects "Creating a Procurement Excellence Structure" and the drafting of the "Procurement Manual", which were completed by the business consulting firm McKinsey & Company in the year 2021, the Performance of the Procurement Operation and the progress of the Procurement System Transformation began to be

monitored by the following first seven (7) Performance Measurement Indicators (Key Performance Indicators KPIs):

- KPI 1: Average lead time per process (type) - (number of days)
- KPI 2: Share of tenders run on procurement platform
- KPI 3: Share of spend from procedures without call for competition
- KPI 4: Number of L3 Categories with High Concentration of A-suppliers.
- KPI 5: Share of spend under Procurement visibility
- KPI 6: Share of procedures with call for one supplier
- KPI 7: Share of spend from procedures with call for one supplier

The evaluation of the above indicators led to the following main conclusions:

- The year 2022 was the first year that the various management levels of the company have a measurement for the performance of the procurement function.
- The performance of the procurement operation in the year 2022 is higher compared to the average of the years 2020 and 2021 and the trend is positive.

### **3. Proposals for Improving the Procurement Operation**

The members of the A.C. had active participation in the project "Creating a Procurement Excellence Structure" and in the drafting of the "Procurement Manual", and submitted a series of proposals for the improvement of the Procurement Operation, which fall under the following thematic areas:

- "Organizational, Functional and Operational Transformation" where the new operating model had as a target the abandonment of the public procurement, the training of employees in new roles (category managers, category teams, applicants - buyer users), the implementation of the "Procurement Manual", the "Planning the Monitoring of the "Annual Procurement Plan", the creation of a Procurement Committee, etc.



- "Digital Transformation", which involved the functional specifications of the digital system, the use of the Orpheus "tool", etc.
- Development of "Key Performance Indicators of the Procurement Operation - KPIs" (analysed in a subsequent section)
- Implementation and continuous updating/amendment of the "Procurement Manual", the Permanent Guidelines, the Financial Jurisdictions Systems etc., aiming at redefining the new framework of the "Procurement Operation".

All the above are presented and analysed in detail in the "Annual Reports of the Audit Committee on Procurement Operation issues to the Board of Directors of "PPC S.A. and PPC Renewables Single Member S.A.".

#### **D. Sustainability Policy**

In the context of shaping and implementing the Group's Sustainable Development strategy, which is based on the principle of creating shared value between the company, society and the environment, the Sustainability Policy was presented to the Audit Committee and revised (Board of Directors' decision No. 88/12.7.2022) in order to be gradually aligned with the business model, in the context of the transformation of PPC and the Group as a whole.

The Group's Sustainability Policy constitutes the basic framework of its commitment to continuously striving to improve the environmental, social and economic value it creates for its stakeholders and the society.

PPC S.A. links its business decisions with the environmental sustainability, social responsibility and good corporate governance by integrating ESG criteria into its strategy and operation, thus adopting a more transparent and people-oriented business model.

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 the context of implementation of the Policy, PPC is harmonised with the international frameworks of commitments, disclosures and assessments (SBTi/CDP), aligned with international standards, principles and guidelines (UN Global Compact, SDGs, OECD Guidelines, ISO 26000, GRI Standards, TCFD) and complies with the applicable national and international legislative and regulatory framework.

In 2022, actions and initiatives, inter alia, were undertaken and coordinated by the Sustainable Development 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 enhance the corporate transition which is carried out based on sustainable development and ESG criteria, such as:

- PPC Group's integration into the international "Science Based Targets initiative" (SBTi) aiming at developing, submitting and validating on a scientific basis, short and long-term targets for the reduction of greenhouse gas (GHG) emissions in line with the revised strategic plan, as well as at designing a reliable roadmap for their fulfilment.
- The response to the international initiative of the "[Task Force on Climate Related Financial Disclosures](#)" (TCFD). Based on the TCFD recommendations, a guide to action has already been drawn up, divided into the four main thematic units of the framework of recommendations (Governance, Climate Strategy, Risks - Opportunities and Disclosures). The Sustainable Development Department (SDD) -in cooperation with the Investor Relations Department- coordinated the integration of the action plan into the one adopted by the Company within the framework of its cooperation with the EBRD, and contributes to the implementation of the integrated framework of actions resulting from the project. The SDD, in collaboration with the Strategy Department, which is responsible for the identification and assessment of risks and opportunities related to the climate crisis and their impact on the Group's strategic planning, coordinates the presentation of climate scenarios and analyses both internally and externally (investors, lenders, etc.).

- The Group's commitment to the ten general principles of the UN Global Compact, the largest voluntary corporate sustainability initiative in areas related to human rights, working conditions, environmental protection and anti-corruption. PPC S.A. is called upon to respond and gradually integrate into its strategy, culture and operations the fundamental principles in the above areas, while it is preparing to submit the relevant annual "Communication on Progress Report" for the first time in June 2023.
- Participation in CDP's global initiative on climate change (CDP Climate Change), reporting and publishing extensive data regarding the actions undertaken by the Group to address the climate crisis, in collaboration with the Environment Department.
- The Company's participation as signatory (one of 330 companies worldwide) in Business For Nature's "Make it Mandatory" campaign, which aims to establish the mandatory assessment and disclosure of data for the protection of the nature and biodiversity by 2030, in order to pave the way for the Company to undertake relevant actions.
- The Group's participation in the "Women's Empowerment Principles" initiative, an action by the United Nations for the empowerment of women under the motto "Equality Means Business". Executives of the Company's follow a nine-month international programme, with a view to setting relevant goals and developing an action plan for their achievement within 2023.
- The implementation of significant corporate responsibility actions in collaboration with the Corporate Affairs and Communications Department, based on the philosophy of Creating Shared Value (CSV) between the Company, society and the environment, in the context of the "PPC I Act" actions for the Environment, Society, Culture and Sports.

The Audit Committee was also kept informed of the preparation and publication of the 2020 and 2021 Sustainable Development Reports of PPC Group. In the 2021 report, for the first time, 20 performance indicators were consolidated for all three major Group companies (PPC, HEDNO, PPC Renewables), while there was a significant increase in both the number of indicators covered (from 156 in 2020 to 352 in 2021) and the number of

indicators that obtained external assurance (from 21 in 2020 to 91 in 2021) in order to enhance the reliability and transparency of the Report. Moreover, the contribution of the Group's companies to the achievement of the Sustainable Development Goals (SDGs) of the UN, through the implementation of specific actions based on the impact created by the activity of the Group's major companies, was also presented.

Maria Psillaki

Member of the Board Directors and

Chairman of the Audit Committee