

No/DATE: BoDS/111/27.04.2017

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TO: RECIPIENTS

Subject : Amendment of articles of PPC SA Articles of Incorporation.

REFERENCE :

- Resolution of the Board of Directors no 50/27.04.2017.

We inform you that, by the above ref., the Board of Directors:

Decided

1. To recommend to the Extraordinary General Meeting of PPC S.A. Shareholders the amendments to articles (3), (9), (14), (15 ), (16), (18), (18a), (21), and (31) of the applicable Articles of Incorporation of PPC S.A., pursuant to the following, and Codification - Consolidation thereof into a unified text.

1.1 The amendments to sub-item (3), item a), par. 1 of article 3 as follows:

"(3) the supply and sale of electricity as well as of energy products and services, including studies, applications, installations and financing services concerning measures to improve end-use energy efficiency at its customers' facilities."

1.2 The amendments to par. 1 of article 9 as follows:

"1. a) The Board of Directors (or BoD) shall consist of eleven (11) members divided into executive and non-executive members and elected for a three-year term, at least five (5) of which shall be independent non-executive members. In order to ensure continuity in the administration of the affairs and the representation of the company, the term of office of each member may be extended ipso jure until the first Ordinary General Meeting to be held after the expiration of term of each member.

b) 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. Especially, with regard to the members of the Board who are elected according to the procedure of par. 2 item b) herein, a reasoned decision by the Board of Directors, for reasons pertaining to the fulfilment of their duties as members of the Board, is required for their revocation.

c) The participation of independent non-executive members to the Board of Directors shall not exceed three consecutive terms, namely nine (9) years in total.

d) 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 at maximum the number of three (3) out of the total number of its members."

1.3 The amendments to item a), par. 2 of article 9, as follows:

a) Nine (9) members, including the Chief Executive Officer, elected by the General Meeting of the shareholders of the company. The Board of Directors shall elect from among the said members its Chairman and Vice Chairman, pursuant to article 14 hereof.

1.4 The deletion of item c), par. 2 of article 9.

1.5 The amendments to par. 3 of article 9, as follows:

"3. 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)."

1.6 The amendments to item b), par. 4 of article 9 as follows:

"b) In the event of a vacancy in the office of the Chief Executive Officer for any reason whatsoever, the Chairman of the Board of Directors shall temporarily act as Chief Executive Officer; if the posts of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 14 par. 1 hereof, or, if there is no Vice Chairman, a person designated by the Board of Directors among its members who have been elected by the General Meeting in accordance with article 9, par. 2 item a) hereof and by priority among its executives members, shall temporarily act as Chief Executive Officer. In such instances, the Board of Directors shall call a meeting of the General Meeting of shareholders within the shortest possible time for the election of the new Chief Executive Officer.

1.7 The amendments to item c), par. 4 of article 9 as follows:

"c) In the event of a vacancy in the office of the Chairman of the Board of Directors for any reason whatsoever, the Chief Executive Officer of the company shall temporarily act as Chairman or if the posts of Chairman of the Board of Directors and of Chief Executive Officer coincide to the same person, the Vice Chairman of the Board of Directors, appointed pursuant to article 14 par. 1 hereof, shall act as Chairman. In the event of a vacancy in the office of both the Chairman and the Chief Executive Officer, and should no Vice Chairman of the Board of Directors have been elected, the Chairman shall be substituted by the senior member of the Board of Directors, from among the members elected pursuant to par. 2 item a) herein."

1.8 The amendments to item d), par. 4 of article 9, as follows:

"d) In the event that the Chief Executive Officer or the Chairman are absent or temporarily unable to perform their functions, the Vice Chairman and, if there is no Vice Chairman, a person designated by the Board of Directors among its members who have been elected by the General Meeting in accordance with article 9 par. 2 a) of the Articles of Incorporation, and by priority among its executive members, shall substitute for them."

1.9 The addition of a new par. 5 to article 9, as follows:

"5. The nominations for membership on the Board of Directors, along with the curriculum vitae of the nominees, shall be submitted to the company at least three (3) working days prior to the convocation date of the General Meeting called for their election, in order to be examined with regard to any impediments or incompatibilities, as well as to the criteria of their independence (especially in the case of appointment of independent members) by a Committee to be established by the Board of Directors."

1.10 The re-numbering of the applicable par. 5 of article 9 as par. 6.

1.11 The amendments to par. 1 of article 14, as follows:

"1. The Board of Directors, upon completion of the procedure of article 49 A of the Hellenic Parliament Standing Orders, shall elect its Chairman, whose position may coincide with that of the Chief Executive Officer. In the event that the aforesaid positions shall coincide to the same person, the Board shall elect a Vice Chairman too."

1.12 The amendments to par. 1 of article 15, as follows:

"1. The Chief Executive Officer of the company shall be elected by the General Meeting of shareholders, upon completion of the procedure of article 49 A of the Hellenic Parliament Standing Orders, for a three-year term of office."

1.13 The amendments to par. 2 of article 15, as follows:

"2. 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 present Articles of Incorporation and the relevant resolutions of the Board of Directors, make the necessary decisions within the framework of the provisions governing the operation of the company, of the approved plans and budgets, of the Strategic Plan (S.P.), of the Business Plan (B.P.) and of the terms of the Management Contract he/she has entered into with the company pursuant to Article 16 hereof. The Chief Executive Officer shall represent the company within the limits of his/her duties on the basis of these Articles of Incorporation or of the resolutions of the Board of Directors and may authorize or empower other persons, such as members of the Board, high-ranking or low-ranking executives of the company, as well as any kind of PPC employees, to represent him/her."

1.14 The amendments to item b), par. 3 of article 15, as follows:

"b) Make decisions on the awarding of contracts of a value to be determined on each occasion by decision of the Board of Directors."

1.15 The abolition of par. 2, the amendments to par. 1 and 3 and the renumbering of par.3 as par. 2 of article 16, as follows:

"1. A Management Contract shall be entered into by and between the company, represented by the Chairman and, in the event that the positions of Chairman of the Board and Chief Executive Officer shall coincide, by a specially authorized member of the Board of Directors designated by decision of the latter, and the Chief Executive Officer. By virtue of the said Management Contract, which shall be signed within six (6) months from the entry into office of the Chief Executive Officer, the goals which the Chief Executive Officer undertakes to achieve during his term of office shall be specified.

2. The Management Contract shall be terminated by the Board of Directors on the grounds stipulated therein, in the event that there is a substantial deviation from the figures or from the deadlines set for the achievement of its goals, that cannot be sufficiently justified, as well as for any other important reason. The Chief Executive Officer shall have

no voting right in the meeting for the adoption by the Board of Directors of the decision authorizing termination of the Management Contract. Upon termination of the Management Contract, the Chief Executive Officer shall be ipso jure removed from office and relieved from his capacity as member of the Board of Directors. As regards his substitution up until the election of a new Chief Executive Officer by the General Meeting, the provisions of article 9, par. 4 b), hereof shall be applicable."

1.16. The amendments to par. 1 of article 18, as follows:

"1. The Chief Officers shall be high-ranking executives of the company at the head of independent sectors of the company's business activities. They shall report to the Chief Executive Officer or/and to the Deputy Executive Officers. In the event that there is a vacancy in the office of a Chief Officer or the latter is temporarily unable to execute his duties or is absent for any reason whatsoever, he shall be temporarily substituted by another Chief Officer or Director of the company upon decision of the Chief Executive Officer".

1.17. The amendments to par. 2 of article 18, as follows:

"The number and duties of the Chief Officers, as well as of the Divisions and Business units shall be determined by the Board of Directors upon recommendation of the Chief Executive Officer. The Chief Officers, who may or may not be employees of the company, shall be selected through open competition, unless otherwise decided by the Board of Directors in special cases. The Chief Officers are appointed for a three up to five-year term of office by the Chief Executive Officer upon the recommendation of the competent Deputy Chief Executive Officer and shall be revoked upon decision of the Board of Directors upon a reasoned recommendation of the Chief Executive Officer".

1.18. The amendments to par. 3 of article 18a, as follows:

"3. The Executive Committee shall operate in conformity with the decisions of the Board of Directors, ensuring the necessary collective handling of administrative and operational issues of the company, as well as the consistency in its operation. Within this framework, the Executive Committee shall be responsible for important matters concerning inter alia the productivity, the performance of the company units, the organization and operation of activities of the company, as well as the budget and the Strategic and the Business Planning.

Moreover, the Executive Committee shall decide on the awarding of contracts concerning supplies, assignment of projects, furnishing of services and generally any kind of financial contract up to an amount fixed as per case by the Board of Directors."

1.18.1. The addition of par. 5 and 6 to article 18a, as follows:

"5. The absence or temporary inability to attend or vacancy in the office of up to two (2) members of the Executive Committee, without being represented, shall not impede the constitution, meeting and functioning of the EC, without the aforementioned members, with the exception of the Chief Executive Officer.

6. Each of the members of the EC may, upon written order, lawfully represent only one other member. The representation to the EC may not be assigned to any person who is not member of the EC."

1.19. The amendments to par. 2 of article 21, as follows:

"2. The General Meeting shall be convened at least twenty (20) days prior to the date set for the meeting, inclusive of days legally excluded (holidays). The invitation shall be posted on the company's website twenty (20) days prior to the date of the General Meeting and at the same time the company shall announce to the GECR (G.E.MI) its relevant posting on the website, according to law. In the event of repeat General Meetings, the time limits set forth herein shall be reduced by one half".

1.20. The amendments to item (b'), par. 2 of article 31, as follows:

"b) The amount distributed to the shareholders as dividend cannot be less than 35% of the net profits of the company. By resolution of the General Meeting taken in accordance with the provisions of articles 29, par. 3 and 4, and article 31, par. 2 of Codified Law 2190/1920, the balance of net profits after deduction for the creation of a regular reserve fund and distribution of a first dividend, may be appropriated, in whole or in part, for the increase of the share capital through issuing of new shares furnished to the shareholders free of charge, instead of an additional dividend. In this case, the provisions of paragraph 3, article 3a of Codified Law 2190/1920, as in force, shall be applicable."

K. D. TSOKANAS  
Secretary of the Board of Directors

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