

GEK TERNA

GROUP OF COMPANIES

AUDIT COMMITTEE CHARTER

Amendment Date: 16/07/2021

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I. Purpose of the Committee

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for (i) the financial reporting process, (ii) the internal control system, (iii) internal audit (iv) the external audit process, and (v) the GEK TERNA Group's process for monitoring compliance with laws, regulations and the code of conduct and (vi) the Corporate Governance System. The Audit Committee has been established and operates in accordance with all applicable laws and regulations.

II. Authority

The Audit Committee has the authority to conduct or authorize investigations into any matters falling within its scope of responsibility. It is empowered to:

1. Appoint, determine the remuneration and supervise the work of any audit firm employed by the organization.
2. Facilitate communication in order to resolve any disagreements between management and the external auditor regarding financial reporting.
3. Pre-approve all audit and non - audit services.
4. Appoint independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation.
5. Seek all required information from employees - all of whom cooperate directly with the Committee's requests - or external parties.
6. Meet with company officers or officers of its subsidiaries, external auditors, or outside counsels, if deemed necessary.

III. Composition of the Committee

1. The Audit Committee consists of at least three (3) members. The Audit Committee consists: aa) Committee of the Board of Directors of the company, which consists of non-executive members of the Board of Directors, or ab) Independent Committee, which consists of non-executive members of the Board of Directors and third parties, or ac) Independent Committee, which consists only of third parties.
2. The Audit Committee members are appointed by the Board of Directors when it is a Board of Directors Committee or appointed by the General Meeting of shareholders when it is an Independent Committee.
3. The Audit Committee members as a whole shall have competence relevant to the sector in which the Company is operating.
4. The majority of the members of the Audit Committee shall be independent of the Company and shall meet the independence criteria whether they are independent non-executive members of the Board of Directors or third parties.
5. The Chairman of the Audit Committee is appointed by its members and shall be independent of the Company.

6. At least one member of the Audit Committee, who is independent from the entity, with sufficient knowledge and experience in auditing or accounting, must attend the meetings of the Audit Committee concerning the approval of the financial statements.

IV. Operating of the Committee - Meetings - Reporting

1. The Audit Committee meets at least four times a year, with the authority to convene additional meetings, as circumstances require.
2. The Secretary of the Audit Committee, after contacting the Chairman and the other members of the Committee, the chief audit executive and other officers or third parties, if necessary, sends to the members of the committee, the items on the meeting of the daily agenda and relevant invitations through e-mail to those expected to attend or an e-invitation via a video-conference platform if the meeting is teleconferenced.
3. All Committee members are expected to attend each meeting, in person or via tele- or video-conference.
4. Decisions are taken by majority of the attending members.
5. The Committee can invite members of management, executives of the Company or of its subsidiaries, or such other person (employee, associate, etc.) to attend meetings and provide pertinent information, when deemed necessary.
6. Arranges meetings with external auditors (see below) and executives' sessions.
7. If required, joint meetings may be held with the Audit Committees of the Group's subsidiaries.
8. Meeting daily agendas are prepared and provided in advance to the members, along with appropriate briefing materials.
9. Minutes are kept.
10. Every six (6) months or more frequently if deemed necessary, the Committee prepares and submits to the Board of Directors reports on its activities regarding significant issues and, once a year, a summary report of its activities (including an assessment of its workings and a description of the Sustainability Development Policy implemented by the Company) addressed to the annual General Meeting of shareholders.
11. The Audit Committee is periodically evaluated every 3 years.

V. Responsibilities

To carry out its tasks the Committee shall undertake the following duties and responsibilities:

A. Financial Statements

1. Monitor the financial reporting process and submit to the Board of Directors recommendations or proposals to ensure its integrity. More specifically, the Audit Committee monitors, examines and assesses the mechanisms and the production procedure, the flow and the dissemination of financial information which is produced by each involved organizational unit of the entity. In the aforementioned actions of the Audit Committee, all published information in any way (stock exchange announcements, press releases) related to financial reporting is included.

2. Monitor the effectiveness of the internal control, quality assurance and risk management systems of the entity and, where applicable, its internal audit activity, regarding the financial reporting of the entity, without breaching its independence.
3. Monitor the statutory audit of the annual and consolidated financial statements and in particular its performance, taking into account any findings and conclusions by the competent authority pursuant to Article 26 (6) of Regulation (EU) No 537/2014.
4. Is kept informed by the management regarding the procedures and the schedule of the financial reporting preparation. Moreover, it meets with executives/managers during the financial reporting preparation period
5. The Committee shall review the financial statements before the submission to the Board of Directors for approval, and express its view thereon, paying particular attention to:
 - a) Assessment of the use of the going concern assumption,
 - b) Significant management judgements, assumptions and estimates during the preparation of financial statements,
 - c) Valuation of fixed assets in fair value,
 - d) Asset recoverability assessment,
 - e) Accounting treatment of acquisitions,
 - f) Adequacy of disclosure about the significant risks that Company - Group faces,
 - g) Significant related party transactions,
 - h) Significant unusual transactions.
6. Review the significant issues of accounting and presentation of financial statements, including complex or unusual transactions and issues that require a high degree of professional judgment, and recent professional and regulatory announcements, and understands their impact on financial statements.
7. Review with management and the external auditors the results of the audit, including any difficulties encountered.
8. Review the annual financial statements, and consider whether they are complete and consistent with information known to Committee members, and whether appropriate accounting principles are applied.
9. Review other sections of the annual report and other reports which are sent to regulatory authorities, before release and consider the accuracy and completeness of the information.
10. Review with management and the external auditors all matters required to be communicated to the Audit Committee under generally accepted auditing standards.
11. Evaluate how management prepares interim financial reports, and the nature and extent of internal and external auditor involvement in the procedure.
12. Review interim financial reports with management and the external auditors before publishing to regulatory authorities and consider whether they are complete and consistent with the information known to Audit Committee members.

B. Corporate Governance System

1. Supervise the implementation of the Corporate Governance System, as it has been adopted/ determined by the Board of Directors.
2. Monitor and evaluate periodically, every three (3) financial years, its implementation and effectiveness, submitting proposals to the Board of Directors in order to address any deficiencies.

C. Internal Control and Risk Management System

1. Evaluate the effectiveness of the GEK TERNA Group's internal control system, in particular in terms of adequacy and accuracy of the provided financial and non-financial information, risk management, compliance and the corporate governance code adopted by the Company.
2. Understand the purpose of internal and external audit over the preparation of financial statements and receive reports on significant findings and recommendations, along with management's opinions over them.
3. Monitor, examine and assess the adequacy and effectiveness of the policies, procedures and controls regarding the internal audit and the risk assessment and risk management of the financial reporting.
4. Provide for the smooth operation of the internal audit activities, which it monitors, and also periodically reviews the adequacy and reliability of internal audit mechanisms and mechanisms for the management of business risks with the following criteria: the prompt identification of business risks, the quick response to handle them and the clarity and completeness of their disclosure.
5. Monitor and assess the policy and procedure for the periodic evaluation of the Internal Control System.
6. Receives the results of the Evaluation Report of the Internal Control System whenever it is conducted according to law.
7. Constitutes the competent body of the Company, which selects the candidates for the evaluation of the internal control system, the proposal, selection, approval, assignment and monitoring of the agreed project.

D. Internal Audit

1. Propose to the Board of Directors the approval of the Internal Audit Unit.
2. Propose to the Board of Directors the appointment of a chief executive of the Internal Audit Unit of the Group (Group chief audit executive).
3. Ensure that the chief audit executive has the required knowledge and relevant professional experience, is full-time, independent and objective in the performance of his duties.
4. Ensure there are no unjustified restrictions or limitations, and propose to the Board of Directors the appointment, replacement, or dismissal of the Group chief audit executive.
5. Approve the annual audit plan and all major changes to the plan. The chief audit executive submits to the Audit Committee an annual audit plan and the resources

required, as well as the consequences of limited resources or limitation of the audit work of the Internal Audit Unit. The annual audit plan is prepared based on the Company's risk assessment, after considering the opinion of the Audit Committee. Review the internal audit unit's performance relative to its plan.

6. Review with the Group chief audit executive the internal audit budget, resource plan, activities, and organizational structure of the internal audit unit.
7. At least once per year, review the performance of the Group chief audit executive and concur with his annual compensation and salary adjustment.
8. Review the effectiveness of the Internal Audit Unit structure, including conformance with The Institute of Internal Auditors' Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing.
9. On a regular basis, meet separately with the Group chief audit executive, in order to discuss any matters that the Committee or the chief audit executive believes should be discussed privately.
10. Assess the activities, proficiency and effectiveness of the Internal Audit Unit, without intervening in its independence.
11. If necessary, submit recommendations to the Board of Directors, in order the Internal Audit Unit to have all necessary recourses, to be adequately staffed with experienced, professional and educated staff, with no restrictions to its activities and to have the expected independence.
12. Monitor the activities of the Internal Audit Unit and receive internal audit reports (regular or ad hoc) and monitor the briefing to the Board of Directors regarding financial reporting.
13. In case of receiving a report of the Internal Audit Unit, which includes high risk findings, a meeting is held involving the Audit Committee, the chief audit executive, the head of the department / project that has been audited and, where appropriate, the heads of other departments involved in the audit. If necessary, the Board of Directors is informed and / or receives the issues on which the Board of Directors will make a decision.
14. Receive every 3 months from the Internal Audit Unit the internal audit reports prepared for the audited units.
15. Receives at least every 3 months reports from the Internal Audit Unit, with the most important issues and proposals regarding the tasks stipulated by Law 4706/2020, Article 16 par.1.

E. External Audit

1. Inform the Board of Directors submitting a report of the outcome of the statutory audit and explain:
 - a) how the statutory audit contributed to the integrity of financial reporting, specifically to the accuracy, completeness and correctness of the financial reporting, including relative disclosures, which are approved by the Board of Directors and are published, and

b) what the role of the Audit Committee was in the above (a) process, ie in the recording of the actions taken by the Committee in the process of carrying out the statutory audit.

To carry out the above update of the Board of Directors, the Audit Committee shall take under consideration the content of the additional report that shall be submitted by the statutory auditors or the audit firms to the Audit Committee. The additional report to the Audit Committee shall be in writing. It shall explain the results of the statutory audit carried out and shall fulfill at least the requirements of Article 11 of Regulation (EU) No 537/2014.

2. Review and monitor the independence of the statutory auditors or the audit firms in accordance with the requirements of the legal and regulatory framework.
3. Be responsible for the procedure of the selection of statutory auditor(s) or audit firm(s) and recommend the statutory auditor(s) or the audit firm(s) to be appointed in accordance with the requirements of the legal and regulatory framework.
4. Be briefed on the annual audit plan, before the audit commences, and ensure that it includes the required audit procedures.
5. Meet with the external auditor at the planning, execution and reporting preparation stages of the audit.

F. Compliance

1. Approve and monitor the implementation of the annual Regulatory Compliance action plan.
2. Is informed by the Head of Compliance regarding complaints, whether signed or anonymous, on possible misconduct in the process of collection, processing and disclosure of financial information, including complaints regarding accounting, auditing nature or regarding the operation of internal financial audits, as well as significant complaints made, in accordance with the GEK TERNA Group Whistleblowing Policy.

VI. Amendment and Approval of Audit Committee Charter

The Audit Committee Charter complies with the local corporate governance rules, as well as internationally accepted standards and practices such as the Institute of Internal Auditors (IIA). The Charter has been amended with the New Law on Corporate Governance 4706/2020, and the relevant decisions of the Hellenic Capital Market Commission. The Charter is conducted and amended by the Audit Committee, is approved by the Board of Directors and is uploaded on the Company's website.