

GEK TERNA S.A.

REMUNERATION REPORT

for the year 2020

DATE OF ENTRY INTO FORCE .../06/2021	Version 1
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RESPONSIBILITY REMUNERATION COMMITTEE OF GEK TERNA S.A.	APPROVAL in accordance with the provisions of Article 112 of Law 4548/2018 by advisory vote GENERAL ASSEMBLY MEETING GEK TERNA S.A.
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DOCUMENT RECIPIENTS
Interested parties and investment community

Import

The Remuneration Policy was prepared by the Remuneration Committee of "GEK TERNA S.A." Company member of GEK TERNA Group of Companies, in accordance with Directive (EU) 2017/828 of the European Parliament and the Council of 17 May 2017 on shareholder rights, as incorporated into Greek law by Law 4548/2018 and in particular in accordance with Article 110 of that law **and approved at the Extraordinary General Assembly Meeting of the Shareholders of 9th December 2019.**

The Remuneration Policy takes into account best practices for listed companies, the provisions of the Company's Articles of Association and the Company's Corporate Governance Code while reflecting the applicable agreements regarding the remuneration of the members of the Board of Directors, including the respective General Managers – Senior Managers, taking into account the salary and working conditions of all employees of the Company, which are fully in line with the principle of pay based on reasonable and fair measure to the persons selected as the most appropriate and best performing, taking into account the needs and nature of the position or operational role in question as well as the corporate interest, in accordance with the details set out below.

Annual Remuneration Report

According to article 112 of Law 4548/2018, the Company's BoD is obliged to draw up a clear and understandable remuneration report, which contains a comprehensive overview of total remuneration regulated in this policy for the year 2019 and the data required by the above article 112 of Law 4548/2018.

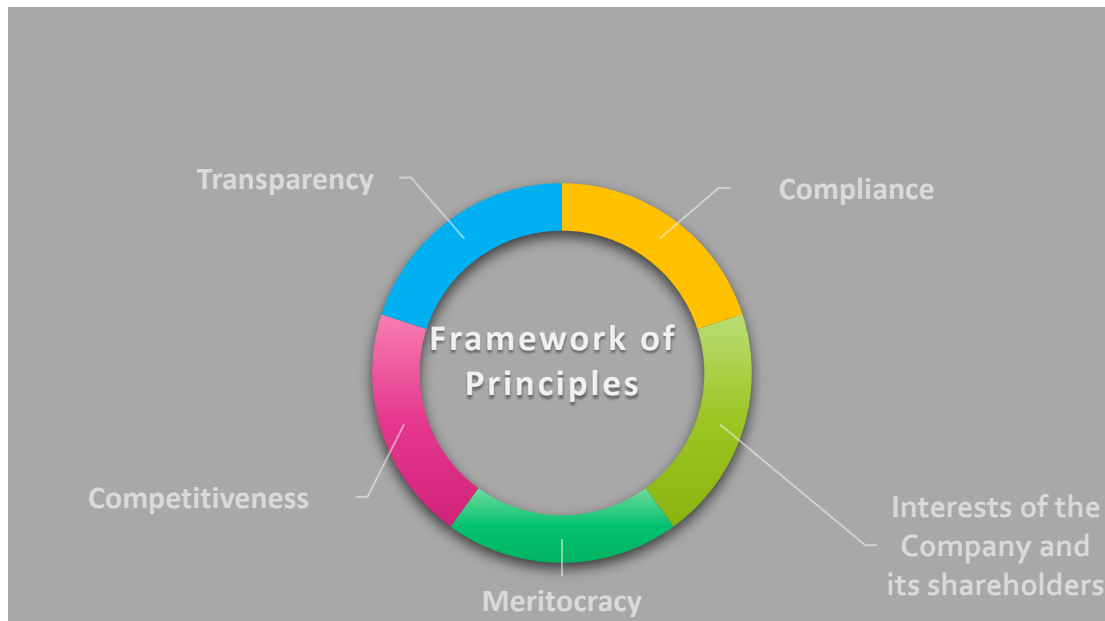
The report includes all types of benefits granted or owed to persons whose earnings have been included in the remuneration policy during the year 2020, for those persons within the scope of the Remuneration Policy.

The 2020 Remuneration Report is submitted for discussion to the Ordinary General Meeting, as the subject of the agenda. The shareholders' vote on the remuneration report is advisory.

The Remuneration Report will remain available on the Company's website, free of charge, for a period of ten (10) years. Any retention of the remuneration report on the Website for a longer period of a decade is permitted provided that the remuneration report no longer contains personal data of the members of the Board of Directors within the meaning of Regulation (EU) 2016/679 of the European Parliament and Council (L 119/1).

Purpose of the Remuneration Report

The guiding principles of the Remuneration Policy are described in the following diagram:



This Remuneration Report aims to review the compliance with the approved Remuneration Policy, with the current legislative framework and to enhance transparency in the payment of all types of remuneration in an understandable, clear and comprehensible manner.

In particular, this Remuneration Report:

- Presents in a transparent manner the structure of all types of remuneration included or not by the Remuneration Policy.
- Contributes to the diffusion and consolidation of the principles of transparency, meritocracy, justice, proportionality during the application of the salary framework from top to bottom of the organization of the Company, taking into account the type and level of remuneration the importance and weight of the responsibilities of each post and the performance of each executive.
- Demonstrates the ability of the Company to formulate and implement competitive remuneration packages, which are in harmony with market practices and at the same time are capable of attracting or retaining within the corporate structures executives efficient and worthwhile.
- Notes the reasonable and fair level of remuneration that should aim at generating capital gains both in the long term and by achieving more short-term objectives, with a view to preventing decisions with excessive business risk and maintaining viability and profitability.
- Shall provide information on the total remuneration granted or paid, broken down into their individual components, by the distinct recording of fixed and any variable remuneration, including the control of any remuneration referred

to in Article 109(2) of Law 4548/18 and how the total remuneration complies with the approved remuneration policy.

- Controls the general application of the basic guidelines for the management and payment of remuneration to the members of the Board of Directors, the CEO and the Directors General in accordance with the Company's Organization Chart and the approved Remuneration Policy.
- Controls conflicts of interest.

Remuneration Components (Remuneration/Benefits)

The earnings recorded include both the fixed and any variable part of the remuneration. These reflect any kind of remuneration from any company belonging to the group, as defined in Article 32 of Law 4308/2014. In year 2020, no stock options were exercised under the company's Stock Option Program. Finally, no existence or use of any possibility of recovering variable remuneration was recorded.

Information on the use of variable earnings recovery capability

There is no case of par. 2f of Art. 112, of Law 4548/18.

Remuneration Derogations

According to Art. 112 para. 3 of Law 4548/18, no derogations from the approved remuneration policy pursuant to Article 110, par.7 were found. Therefore, no explanations are required for exceptional circumstances in which the remuneration policy has been deviated.

Approved Remuneration based on the Remuneration Policy

According to the Remuneration Policy approved by the Board of Directors on 9-12-2019, the Executive Members of the Board of Directors are remunerated in total for their entire services as members of the Board and members of Board Committees annually with 10.000€, included in their total remuneration as Senior Managers to the Companies of the Group, with annual fixed remunerations falling within the scale from C (from 120.000€ to 180.000€), B (from 150.000€ to 215,000€), A (180,000€ to 300,000€) up to A+ (over 300,000€) in which falls the Managing Director (CEO).

In particular, the CEO, as a Member of the Board of Directors in accordance with the Remuneration Policy approved by the General Meeting on 09/12/2019, may receive a fixed remuneration per year not exceeding the amount of one (1) million euros.

According to the Remuneration Policy, the approved fixed remuneration range regarding the Executive Members of the Board, provided that they are remunerated

for their services as Senior Managers, not including the CEO's remuneration, ranges from eight hundred and forty thousand euros (840,000€) to the ceiling of two million and one hundred thousand euros (2,100,000€) .

For the independent non-executive members remunerations as BoD amounted to 40.000 € are provided. For the Chairman of the Audit Committee, additional remuneration of 30.000 € is provided. For the participation of each independent non-executive member in committees remuneration of 10.000 € per committee is provided. The non-executive BoD members who hold responsibility positions within companies of the Group and receive remuneration by virtue of service contracts which they have entered into with the legal entities at hand, receive remuneration as members of the BoD up to the amount of 10.000€ in total.

The General Assembly of 8/7/2020 by a vote of 61.658.356 in favor (95,54 % of those present), 2.641.049 against (4,09 % of those present) and abstention 238.164 (0,37% of those present) approved the payment of remuneration according to the Remuneration Policy, pursuant to Article 109 of Law 4548/2018, to the persons to whom the Remuneration policy is applicable, for the year 2019.

Taking into account the vote with 95.54% in favor of last year's Remuneration Report by the General Assembly, the total remuneration of 3.205.000€ for the year 2020 concern the sum of fixed remuneration, from either remuneration as Members of the Board of Directors and Committees of the Company and of Group Companies (940.000€ and 725.000€) or as Executives in Companies in the Group in which they provide services as employees or on contracts of indefinite duration in accordance with paragraph 9 art.39 of Law 4387/16 (1.540.000€). The variable remuneration were in total 715.000€.

Table 1 : Detailed Table of Remuneration and other benefits of members of the Board of Directors for the fiscal year 2020

A/A	NAME	POSITION in BoD	CAPACITY IN GROUP COMPANIES	SENIOR MANAGERS & BoD MEMBERS SCALE OF FIXED GROSS REMUNERATION	COMPANY BoD & COMMITTEES REMUNERATION	COMPANY FIXED REMUNERATION	COMPANY VARIABLE REMUNERATION	COMPANY CAR	INSURANCE, GROUP LIFE/- HEALTH INSURANCE, URBAN RESPONSIBILITY	STOCK OPTION RIGHTS 2020	PENSION PLAN	GROUP COMPANIES BoD REMUNERATION	GROUP COMPANIES FIXED REMUNERATION	GROUP COMPANIES VARIABLE REMUNERATION & BENEFITS	% VARIABLE REMUNERATION TO FIXED
1	2	3	4	5	6	7	8	8.1	8.2	8.3	8.4	9	10	11	12
1	PERISTERIS G.	CHAIRMAN & CEO	SENIOR EXECUTIVE	A*	600.000	-	-	37.858	YES	NO	NO	500.000*	-	-	3,44%
2	GOURZIS M.	VICE-CHAIRMAN	SENIOR EXECUTIVE	A	10.000	-	-	NO	YES	NO	NO	60.000*	YES	YES	47,08%
3	BENOPOULOS A.	VICE-CHAIRMAN	SENIOR EXECUTIVE	A	10.000	-	-	NO	YES	NO	NO	-	YES	YES	47,62%
4	VAVALETSKOS K.	VICE-CHAIRMAN	SENIOR EXECUTIVE	C	10.000	-	-	NO	YES	NO	NO	-	YES	-	0,00%
5	ANTONAKOS D.	BoD MEMBER	SENIOR EXECUTIVE	B	10.000	-	-	NO	YES	NO	NO	-	YES	-	0,00%
6	VRAILAS E.	BoD MEMBER	SENIOR EXECUTIVE	C	10.000	-	-	NO	YES	NO	NO	-	YES	-	0,00%
7	LAZARIDOU P.	BoD MEMBER	SENIOR EXECUTIVE	A	10.000	-	-	NO	YES	NO	NO	-	YES	YES	66,61%
8	MOUSTAKAS E.	BoD MEMBER	SENIOR EXECUTIVE	A	10.000	YES	-	NO	YES	NO	NO	45.000*	YES	YES	54,55%
9	PERIDIKARIS G.	BoD MEMBER	SENIOR EXECUTIVE	A	10.000	YES	YES	NO	YES	NO	NO	60.000*	YES	-	53,57%
10	TAMVAKAKIS A.	VICE-CHAIRMAN	-	BoD & COMMITTEES	90.000	-	-	NO	NO	NO	NO	-	-	-	N/A
11	KAPRALOS S.	BoD MEMBER	-	BoD & COMMITTEES	60.000	-	-	NO	NO	NO	NO	-	-	-	N/A
12	APKARIAN G.	BoD MEMBER	-	BoD & COMMITTEES	60.000	-	-	NO	NO	NO	NO	60.000	-	-	N/A
13	SKORDAS A.	BoD MEMBER	-	BoD & COMMITTEES	50.000	-	-	NO	NO	NO	NO	-	-	-	N/A
TOTAL REMUNERATION (in €):					3.205.000	940.000	222.000	150.000	37.858			725.000	1.318.000	573.827	

*According to the Remuneration Report of TERNA ENERGY that will be put to a consultative vote at the Ordinary General Meeting on 23/6/2021.

Company and Group's Companies BoD and Committees Remuneration:

The fixed remuneration for the thirteen (13) members who received remuneration as members of the Board and Board Committees for the year 2020 amount to a total of nine hundred and forty thousand euros (€ 940.000), as shown in the nominal and individual components in Table 1. Of this amount, two hundred and sixty thousand euros (€ 260.000) relate to fixed remuneration for the four (4) independent non-executive members. The remuneration has been approved by the Remuneration Policy and there is no derogation.

Variable Remuneration & Benefits:

With regard to variable remuneration for the year 2020 approved by the 2019-2022 Remuneration Policy, no share option has been granted, the approved annual short-term variable remuneration plan (Bonus) up to the approved limit of one and a half million euros (1,500,000) was implemented, no pension plan has been provided, the additional benefits given for the orderly performance of duties are specific and are reflected in the table above of remuneration and benefits for the BoD members who have also assumed a role of Senior Manager in the Group.

The total amount received for the year 2020 by the eight (8) executive members in Companies of the Group as any kind of variable or additional remuneration or benefit adds up to the amount of 761.685€. This amount includes either contractual obligations of the companies, or short-term variable fees (Bonus) within the limit of one and a half million euros (1.5m.) approved by the Remuneration Policy.

Also, car benefits (which is a benefit in kind) have been granted to 37, 5% of executive members. Other costs to support the work of Executive Members, such as mobile telephony and insurance are benefits provided by the company's voluntary free will, granted either by decisions of the Management or the Board of Directors in accordance with the terms of the Remuneration Policy, or due to universal provision, such as a group life and health insurance policy and civil liability insurance. The corporate credit cards that have been granted to members of the Board of Directors relate exclusively to the coverage of corporate expenses, such as travel and overnight expenses and this is not a benefit but a way of covering corporate expenses.

Independent non-executive members are not provided with variable or additional remuneration or benefit in kind.

Fixed Gross Remuneration of Senior Executives:

The total amount for fixed remuneration of the seven (7) executive members, not including the remuneration of the CEO, from their role as Senior Managers in the Company or subsidiaries of the Group, as well as the one (1) non-executive member, amounts to 1.540.000€, with a maximum approved amount of two million and one hundred thousand euros (2,100,000€) according to the remuneration scale of the Remuneration Policy.

Comparative Information Table

Following is the Comparative Table of Total Annual Changes in Remuneration of Members of the Company's Board of Directors, Fixed and Variable, as well as the Average Annual Employee Remuneration for the years 2016-2017-2018-2019-2020.

Table 2							
5year Company Performance & Average Remuneration Comparison							
No	YEAR	EBITDA	EBITDA ANNUAL CHANGE	TOTAL REMUNERATION for BoD & COMMITTEES MEMBERS	YEARLY CHANGE OF REMUNERATION	AVERAGE SALARIES EMPLOYEES	EMPLOYEES' SALARIES ANNUAL CHANGE
1	2020	278.179.221,83	2,31%	940.000,00	16,05%	51.555,66	0,98%
2	2019	271.887.001,03	0,66%	810.000,00	78,02%	51.055,81	-5,34%
3	2018	270.103.419,28	-1,41%	455.000,00	66,97%	53.936,36	-1,76%
4	2017	273.963.698,99	11,30%	272.500,00	263,33%	54.903,15	4,92%
5	2016	246.149.617,45	69,54%	75.000,00	—	52.329,19	-0,53%

The relevant information for the last five (5) financial years, is provided in the context of the provisions of article 187 of Law 4548/2018.

Implementation control

The audit of the implementation of the Remuneration Policy and the preparation of the Remuneration Report is under the responsibility of the Remuneration Committee and the Board of Directors.

Approval of a Remuneration Report

According to Art. 112 par. 3 of Law 4548/18, the remuneration report for the year 2020 shall be submitted for discussion to the ordinary General Meeting as subject of the agenda. The shareholders' vote on the Remuneration Report is advisory. The Board of Directors shall explain in the next Remuneration Report how the above vote result was taken into consideration at the ordinary General Meeting.

Remuneration Report Publicity

According to Art. 112 para. 4 of Law 4548/18, this Remuneration Report along with the date and results of the advisory vote of the G.M. shall be subject to disclosure formalities and shall remain available on the company's website for at least as long as the abovementioned provision provides. The Remuneration Report does not include specific categories of personal data within the meaning of Article 9(2) of the Regulation (EU) 2016/679 of the European Parliament and Council (L 119/1) or personal data relating to the marital status of the members of the Company's Board of Directors. The Company shall process personal data of the members of the Board of Directors included in the Remuneration Report under Article 112 for the purpose of increasing

corporate transparency with regard to the Remuneration of Board Members, with a view to enhancing the accountability of members and the supervision of shareholders on the remuneration. Subject to any longer publicity period provided by specific provisions, the Company shall not make public personal data included in the Remuneration Report longer than ten (10) years from the publication of this Remuneration Report. According to Art. 112 para. 6 of the abovementioned Law, the members of the Board of Directors have ensured that the Remuneration Report has been prepared and is to be published in accordance with the requirements of the provisions of this Article.