

GEK TERNA GROUP PROCUREMENT POLICY

INTRODUCTION

Headquartered in Athens, GEK TERNA Group is one of the largest groups in Greece, holding a leading position in the sectors of infrastructure, production, supply and trading of electricity from thermal sources and RES, concessions, waste management and property management. The shares of GEK TERNA are listed on the Athens Stock Exchange (FTSE / Athex Large Cap).

In the context of its business activity, the Group cooperates with a number of suppliers and subcontractors on a daily basis. Our basic principles, beliefs, corporate culture, business ethics and, above all, our voluntary ethical commitments, are crucial pillars of GEK TERNA Group throughout its activities, which remain unchanged over time.

This Code reflects and reinforces these principles and creates an agreed and transparent operating and behavioral framework, which should be respected by all of us, our suppliers/partners and subcontractors.

The acceptance and implementation of GEK TERNA Group Procurement Policy, ensures the creation of partnerships which are based on a system that promotes mutual trust, transparency, collaboration, recognition, integrity, equal opportunities, progress and motivation and helps overcome personal and interpersonal difficulties in a modern working environment.

DEFINITION OF SUPPLIER (CONTRACTOR)

Supplier (Contractor) is considered any potential party to a procurement/Procurement contract with the procuring entity and includes any corporation, partnership, individual, sole proprietor, joint stock company, joint venture or any other legal entity through which business is conducted.

SCOPE OF IMPLEMENTATION

The Procurement Policy aims at the establishment of fundamental principles that bind GEK TERNA Group's Procurement process and constitutes the basic framework of principles and values that should characterize the professional behavior of all suppliers/partners of GEK TERNA as a company and as a group of companies, including its subsidiaries in Greece and abroad.

The implementation of the Policy ensures:

- ✓ transparency in the Group's relations with its suppliers/partners and subcontractors.
- ✓ satisfaction of the expectations of customers, users of our projects and the wider society that benefits from our projects and services.
- ✓ establishment of a safe, healthy and friendly working environment with respect for human rights and

human values.

- ✓ building of mutual trust and respect with our suppliers/partners.
- ✓ respect to the environment and the Group activation in the context of sustainable development.
- ✓ protection of the Group's material and tangible assets.
- ✓ adoption of practices and behaviors in accordance with the voluntary commitments that govern the Group from the beginning of its establishment.

The Procurement Policy, as well as all its revisions/additions, is approved by the CEO of GEK TERNA Group and posted on its website.

This Policy concerns any Procurement activity of GEK TERNA Group and its subsidiaries in all the countries in which it operates and is considered in the Partnerships and Joint Ventures in which it participates. It is subject to the applicable legislation of each country where a supply transaction is carried out by any company of the Group.

The content of the Policy includes the minimum requirements that must be applied, and which are framed by Procedures and other internal documents of the Group, which are equally binding for all of us.

SUPPLIERS/PARTNERS

The implementation of procurement processes is an important tool for more effective supervision and management. By implementing a set of processes for the procurement of goods, materials, and services across all companies, their unified management is achieved.

All suppliers/partners of GEK TERNA Group are informed about the existence and content of the Policy and are encouraged to:

- Read, understand, and ultimately accept the Policy, which is posted on the Group's website and is an integral part of any contract entered into by any Company of the Group in Greece and abroad.
- Operate and work based on what is included in it.
- Immediately inform the Responsible for Regulatory Compliance of the GEK TERNA Group in case they become aware of any deviations from its implementation.

Compliance with the Regulatory Framework in each country where the Group operates is a self-evident obligation for all of us, as well as for our partners and suppliers. Ignorance of the Regulatory Framework is not justified under any circumstances, especially if it directly affects our activities.

SELECTION OF SUPPLIERS/PARTNERS

The responsible management of the supply chain is at the heart of GEK TERNA Group's efforts to create long-term value through its business operations and responsible business relationships with its suppliers/partners. The Group recognizes that responsible supply chain management requires responsible collaborations with the mutual contribution and dialogue of all parties involved.

The principles of transparency and non-discrimination are adhered to in procurement processes within GEK TERNA Group. The supplier/partner selection process is based on criteria such as the quality and safety of the provided materials and services, compliance with legislative and regulatory frameworks, respect for human rights, the environment, and actions to address climate change, transparency in transactions, reliability and integrity, and the credit policy of the candidates.

Preference to local suppliers

GEK TERNA Group has been developing its activities with a steady growth trajectory and the ability to expand into new markets. Despite its strong outward focus, it consistently chooses to collaborate with local suppliers. In doing so, it strengthens its direct and indirect social-economic footprint throughout the supply chain, contributing to the creation of new indirect job positions and, at the same time, enhancing social cohesion and prosperity.

BASIC PROCUREMENT PRINCIPLES

Necessary terms of cooperation with all suppliers/partners and subcontractors of GEK TERNA Group are:

1. full compliance with the applicable legislative and regulatory framework,
2. the implementation of good practices of Occupational Health and Safety and Environmental Management practices and full compliance with the Group's Health and Safety policy, which is available on the website: (<https://www.gekterna.com/el/the-group/health-safety-environmental-policy/>),
3. full compliance with the Group's Code of Ethics and Conduct, which is also available on the website: (<https://www.gekterna.com/el/the-group/code-of-conduct/>),
4. avoidance of situations that may lead to a conflict of interest,
5. compliance with the Group's Privacy Policy, which is available on the website: (<https://www.gekterna.com/el/the-group/personal-data-policy/>),
6. the respect and application of the basic principles of Corporate Social Responsibility included in the United Nations Global Compact: (<https://unglobalcompact.org/>) but also,
7. full compliance with the GEK TERNA Group's Human Rights policy, which is posted on its website: (<https://www.gekterna.com/el/the-group/human-rights-policy/>).

The Code of Ethics and Conduct of GEK TERNA Group serves as the fundamental framework of principles and values that should characterize, among others, the suppliers/partners and subcontractors of the Group in order to maintain transparent and responsible business relationships with them. This framework is a necessary prerequisite for the proper and safe operation of the supply chain and the safe execution of all tasks.

We expect all our suppliers/partners and subcontractors to operate and behave in accordance with the following principles, values and commitments:

1. Respect for Human Rights

GEK TERNA Group is committed to preventing incidents of human rights violations within its supply chain through the adoption of policies, actions, and control mechanisms that apply to all its activities. Therefore, it implements and respects International Principles and Human Rights standards, and its fundamental principle is to collaborate with suppliers and subcontractors who embrace the same values and principles and, therefore, respect and adopt the Human Rights Policy of GEK TERNA Group.

The Human Rights Policy advocates equal and fair treatment in the workplace without discrimination, while ensuring work within a framework of mental and physical well-being for all

Furthermore, it condemns forced labor and ensures that it operates with respect for the rights of children. Additionally, the Group is committed to timely prevention and detection of any actions that are not in line with its operational framework for the protection of Human Rights. It upholds the right of every individual to education, freedom of speech, freedom of association, as well as any other Human Right that may be violated as a result or within the context of its business activities. For this reason, it may run audits to ensure that no fundamental Human Rights violations occur.

The Universal Declaration of Human Rights, the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work, the United Nations Universal Covenant, the Guiding Principles of the United Nations, and the high corporate values advocated by the Group form a strict operational framework with respect for Human Rights across all its activities.

2. Protection of the environment

As part of its corporate responsibility, one of the key objectives set by GEK TERNA Group is the protection of the environment and the reduction of its environmental footprint. In this direction, the Group communicates collaboration requirements and ensures that its suppliers adhere to environmental, energy, and social criteria, which are also included in the Health and Safety and Environmental Management Policy, such as:

- Implementation and/or certification based on international standards such as ISO 14001 and ISO 50001.
- Implementation of policies and procedures for environmental protection and social responsibility.
- Use of materials and equipment that, in addition to being suitable and functional, meet high health and safety standards, are environmentally friendly, and belong to a high energy class with low energy consumption.

3. Promotion of Health and Safety at Work

The protection of health and safety is not only related to the employees of the Group but also to all workers in the supply chain, such as suppliers and subcontractors. To this end, the Group takes all necessary measures to ensure that contracts include terms for mandatory compliance with applicable national legislation on health and safety at work and legal and other requirements. Additionally, the Group's suppliers/partners are required to comply with its policies, procedures, standards, and Management Systems, while the workers of subcontractors are required to participate in the relevant health and safety training organized by the Group. In this context, the GEK TERNA Group regularly reviews the contracts it has entered into with its suppliers/partners, taking into account Health and Safety criteria (e.g. number of trained/skilled personnel, risks arising from work-related activities, non-compliance with legal, regulatory, and statutory obligations), and does not hesitate to terminate the collaboration if these criteria are not adequately met.

Towards this direction, the Group communicates the minimum collaboration requirements and ensures that its collaborating suppliers, according to the Health and Safety and Environmental Management Policy of the Group,

- ✓ Implement and/or are certified based on internationally recognized Occupational Health and Safety system standards (ISO 45001).
- ✓ Implement policies and procedures to protect the Health and Safety of their employees as well as society as a whole.
- ✓ Have and use materials and equipment that, in addition to being suitable and functional, meet high health and safety standards.
- ✓ Provide a safe working environment and take adequate measures to prevent accidents and minimize risks in the workplace.
- ✓ Train their personnel on Health and Safety issues.
- ✓ Provide access to clean sanitary facilities and drinking water. Where necessary, they provide accommodation for employees that is clean, safe and meets their basic needs.

4. Quality of Products and Services

GEK TERNA Group places special emphasis on the quality of the products and services it offers. It is the responsibility of the Group's companies to ensure that the Projects they create meet the requirements set by legislation, national/international standards, and/or the specifications of the client. Suppliers to the Group's companies are committed to meeting quality requirements, both in the execution of relevant contracts and in the provision of products and services, in order to ensure compliance with the aforementioned requirements of the Group's companies.

5. Merit & Transparency – Anti-Corruption

Meritocracy in the decision-making process, transparency of transactions and tackling corruption and any form of bribery, are non-negotiable criteria for selection and cooperation with our suppliers/partners and subcontractors.

6. Employment is a free choice

- ✓ Any form of forced labor, or work in slave conditions, is not acceptable.
- ✓ Employees are free to terminate their employment with their employer after reasonable notice.

7. Respect for freedom of association

- ✓ Employees, without any discrimination, have the right to bargain collectively.
- ✓ The employer adopts an open attitude towards the activities of trade unions and their organizational activities.
- ✓ Employees' representatives, if any, are not discriminated against and have access to carry out their representative function in the workplace.

8. Child labor is forbidden

- ✓ Children and young people who are below the age limit set by the legislation of the respective country of activity are not allowed to work.
- ✓ Children and young people under the age of 18 should not be employed at night or in hazardous conditions.
- ✓ The working policies and procedures adopted by each company shall conform to the provisions of the relevant rules of the International Labor Organization (ILO) standards.

9. Living wages are paid

- ✓ Wages and benefits paid must always be in accordance with the requirements of labor legislation. In any case, the wages must always be enough to meet the basic needs of employees.
- ✓ All employees must be provided with written and comprehensible information about their employment conditions in respect to wages before they enter employment.
- ✓ Deductions from wages as a disciplinary measure must not be permitted nor shall any deductions from wages not provided for by national law, without the expressed permission of the employee concerned. All disciplinary actions should be recorded.

10. The working hours must not exceed the legal hours in accordance with what is defined by the Legislation

- ✓ Working hours must comply with national legislation, collective agreements and regulations.
- ✓ All overtime must be voluntary and not used to replace regular employment. Overtime must always be compensated for, based on what is provided by the respective national legislation.

11. No discrimination is practiced.

- ✓ There is no discrimination in hiring, compensation, access to education, promotion, termination, or retirement based on race, nationality, religion, age, disability, gender, marital status, sexual orientation, union membership, or political beliefs.

12. Regular employment is provided.

- ✓ To the extent possible, work performed must be based on a recognized employment relationship, documented through national legislation and in practice.
- ✓ Obligations towards employees based on labor laws or social security regulations must not be withheld.

13. No harsh or inhumane treatment is allowed.

- ✓ Physical abuse, threats of physical abuse, sexual or other harassment, verbal abuse or other forms of intimidation shall be prohibited.

14. Incidents of violence and harassment are not allowed.

- ✓ GEK TERNA Group declares zero tolerance to incidents of violence and harassment in the workplace. All forms of violence and harassment, whether linked to or resulting from it, occurring in the course of work, including sexual and diversity harassment, shall be prohibited.

15. Confidentiality and Personal Data Protection

The suppliers/partners and subcontractors of GEK TERNA Group, shall proceed to:

- ✓ Acquisition, management, storage and processing of personal data unless it is absolutely necessary to carry out the work and always in accordance with Greek, EU and international legislation in general.
- ✓ Implementation of appropriate organizational and technical measures to fully ensure the confidentiality of personal data.

16. Fair Competition

Fair competition is an essential issue for the sustainable development of businesses. The Group's suppliers/partners and subcontractors in general are bound, within the framework of the legislative provisions governing competition in the country or countries in which they operate, to avoid any act of unfair

competition and any participation in unfair business practices, especially when they act on behalf of or in collaboration with the companies of GEK TERNA Group.

17. Tackling climate change

To tackle climate change, companies must adopt effective and actionable practices to manage their emissions into the environment, which promote collaboration within the supply chain. Encouraging and supporting the Group's suppliers/partners to implement proper greenhouse gas emissions management practices contributes to the reduction of exposure to climate risks and increases adaptability and resilience in the supply chain.

To this end, GEK TERNA expects its suppliers/partners to be informed and be sensitive to climate change issues and to seek practices aimed at continuous monitoring of their direct and indirect emissions, as well as to set relevant targets which are in accordance with the Paris Climate Agreement.

GEK TERNA Group collects and evaluates greenhouse gas emissions data from its critical suppliers/partners by sending a relevant questionnaire, the data of which contribute to the overall evaluation of suppliers.

REPORTING PROCEDURE

In the context of the proper use of the Code of Ethics & Conduct and this Procurement Policy, anyone who identifies any deviation or potential deviation is encouraged to inform GEK TERNA Group.

Reporting can be done using the following communication channels, either anonymously or with identification, for incidents related to fraud, corruption, bribery, conflict of interest, workplace harassment, violence, human rights violations, and any other deviations from the legislative and regulatory requirements governing the organization's framework:

- ✓ Oral or written notification of the Procurement Manager and/or the Regulatory Compliance Officer.
- ✓ Send e-mail to: [**compliance@gekterna.com**](mailto:compliance@gekterna.com)
- ✓ Use of the electronic platform: [**https://gekterna.integrityline.com/frontpage**](https://gekterna.integrityline.com/frontpage)
- ✓ Letters should be sent to the address: "GEK TERNA S.A." 85, Mesogeion Street, 115 26 Athens, to the attention of the Company's "Regulatory Compliance Unit" marked "Confidential".

GEK TERNA Group, through authorized personnel at the management level, either appointed by the Board of Directors or authorized with executive powers, thoroughly investigates and evaluates every complaint it receives, and determines corrective actions, where necessary, within the framework of applicable legislation and its Policies.

The Management of GEK TERNA Group takes all necessary measures to ensure the anonymity and confidentiality of personal data of each employee or any third party making such reports, as well as to protect them from any retaliatory actions.

MONITORING OF IMPLEMENTATION

GEK TERNA Group verifies whether suppliers/partners and subcontractors meet the specified requirements. The Director of Procurement, in collaboration with the Compliance Officer, is responsible for monitoring the implementation of the Procurement Policy. The monitoring and control mechanisms that can be activated on a case-by-case basis are as follows:

- ✓ Collection and evaluation of supplier/partner evaluation questionnaires
- ✓ Audits to suppliers/partners.

Where required, the auditing process is carried out in collaboration with external partners. The key suppliers/partners of the Group are encouraged to participate in platforms provided by reputable external certification bodies or to ensure their continuous compliance with the requirements of this Policy through other means. Additionally, due diligence checks are conducted on a proportional and risk-based approach during the onboarding process of a new supplier or as needed, as stipulated by the Regulatory Compliance Unit and the Legal Department.