

**SUITABILITY POLICY OF THE MEMBERS OF BOARD OF
DIRECTORS**

Gr. Sarantis S.A.

Related Documents

Regulation of Operation of the Regulatory Compliance Unit
Rules of Operation of Remuneration and Nomination Committees
Conflict of interest policy

Version Control

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Contents

1. Introduction	3
2. Policy's Purpose	3
3. Scope of the Suitability Policy.....	4
4. Definitions	5
5. Approval, revision and disclosure of the Policy	5
6. Fundamental Principles in Applying the Policy.....	6
7. Governance – Pertinent Bodies.....	7
8. Suitability Assessment Criteria	9
8.1 Individual Suitability	9
8.1.1 Adequacy of Knowledge and Skills	9
8.1.2 Guarantees in Terms of Ethics and Reputation.....	10
8.1.3 Conflict of Interests	11
8.1.4 Independence of Judgment.....	11
8.1.5 Allocation of Sufficient Time	12
8.2 Collective Suitability	12
8.2.1 General.....	12
9. Diversity Criteria.....	14
10. Implementation, Monitoring and Amendment of Policy	14

1. Introduction

The Suitability Policy of the members of the Board of Directors (hereinafter referred to as "Policy") is part of the Corporate Governance System of "GR. SARANTIS SA" (hereinafter referred to as the "Company"). It aims to attract and retain competent individuals who will ensure the exercise of proper and effective management for the benefit of the Company and all stakeholders and towards the achievement of the Company's strategic goals.

The Policy takes into account the provisions of Law 4706/2020 and the circular number 60 / 18.09.2020 of the Hellenic Capital Market Commission under the following subject: "Guidelines for the Suitability Policy of Article 3 of Law 4706/2020". In this context, the Company will ensure that the members of the Board of Directors of both the Company and its major subsidiaries (hereinafter "BoD") at all times:

- (a) have the professional qualifications, knowledge, skills, independence of judgment, reputation and experience to enable them to exercise sound and consistent management; and
- b) have adequate guarantees in terms of ethics, reputation and integrity.

2. Policy's Purpose

The Policy aims at ensuring the quality staffing, efficient operation and fulfillment of the role of the Board of Directors of the Company and its major subsidiaries based on the overall strategy and the medium and long-term business objectives of the Company in order to promote corporate interests.

The main objectives of this Policy are:

- The definition of the principles and rules concerning the election or replacement of the members of the BoD as well as the renewal of the term of office of its existing members.
- The analysis of the criteria for the evaluation of the suitability and credibility of the members of the BoD and the definition of the minimum required elements - supporting documents to meet these criteria.
- Ensuring the effective operation of the BoD and the fulfillment of its role as the supreme governing body of the Company, responsible for the formulation of the corporate strategy, the supervision of the management and the adequate control.
- Enhancing transparency at all stages of the evaluation of the suitability and credibility of the BoD members, both before taking the specific position (placement) and on a periodic basis (evaluation).
- The determination of the cases where it is deemed appropriate to review the suitability and credibility of the BoD members and the procedures applied therein.

- Minimizing the potential operational risks arising from the assignment of tasks to unsuitable and unreliable persons.
- The definition of the diversity criteria for the selection of the members of the BoD.

3. Scope of the Suitability Policy

The Company falls within the scope of application of articles 1-24 of Law 4706/2020 and therefore must have a Suitability Policy of the members of the Board of Directors of the Company.

As for the major subsidiaries of the Company, paragraphs 8.1.1 - 8.1.4 of this Policy concerning individual suitability apply accordingly. For convenience purposes, the provisions of this policy that apply to the major subsidiaries are listed in italics.

4. Definitions

<p><i>Suitability</i></p>	<p><i>Suitability is divided into individual and collective.</i></p> <p><i>The degree to which a person is considered to have as a member of the Board adequate knowledge, skills, experience, independence of judgment, guarantees in terms of ethics and a good reputation for the performance of his/her duties as a member of the Board, according to the eligibility criteria set by the Company's Eligibility Policy is the individual suitability. The suitability of the members of the Board as a whole is the factor that defines the collective suitability.</i></p> <p><i>This Policy defines all the principles and criteria that are applied at least during the selection, replacement and renewal of the term of office of the members of the Board, in the context of the evaluation of individual and collective suitability.</i></p>
<p><i>Credibility</i></p>	<p><i>Honesty, responsibility, ethics, integrity and financial strength.</i></p>

5. Approval, revision and disclosure of the Policy

The Suitability Policy is approved by the Board, in accordance with article 3, paragraph 1 of Law 4706/2020 and is submitted for approval to the General Shareholders' Meeting, in accordance with article 3, paragraph 3 of Law 4706/2020. Policy Amendments are approved by the Board and, if they are essential, they are submitted for approval to the General Shareholders' Meeting in accordance with article 3, paragraph 3 of Law 4706/2020. Amendments which introduce deviations or significantly alter the content of Suitability Policy fall within the definition of essential, in particular as regards the general principles and criteria applied.

The current Policy is posted, updated, on the Company's website.

6. Fundamental Principles in Applying the Policy

The Board must at all times have a sufficient number of members, as defined in the Company's Articles of Association, as well as an appropriate composition.

The Company seeks the staffing of the Board with persons who have guarantees in terms of ethics, reputation and high credibility.

The members of the Board have the knowledge, skills, experience and the independence of judgment required based on the duties they undertake and their role on the Board, while at the same time have sufficient time to perform their duties.

During the selection, the renewal of the term of office and the replacement of a member, the evaluation of both the individual and collective suitability will be taken into account.

The candidate members of the Board should know or be informed, among other things, as much as possible, before taking up their position on the Board of Directors, about the culture, values and broader strategy of the Company.

The Company constantly monitors the suitability of the members of the Board and in order to identify, in the light of any relevant new event, cases in which it is deemed necessary to re-evaluate their suitability. In particular, a reassessment of suitability is recommended in the following cases:

a) when doubts arise regarding the individual suitability of the members of the Board of Directors or the suitability of the composition of the body;

b) in case of a significant impact on the reputation and credibility of a member of the Board,

c) in any case of occurrence of an event that may significantly affect the suitability of the Board member, including cases in which members do not comply with the Company's Conflict of Interest Policy. The Board ensures for the Company the appropriate succession plan, for the smooth continuation of the management of the Company's affairs and the decision-making after the departure of members of the Board of Directors, especially executive and members of committees.

Prerequisite for the election or retention of membership in the Board of Directors of the Company is the following: there should not be in place within one (1) year, before or after the member's election respectively, a final court decision acknowledging the member's liability for loss-making transactions of a public limited company of Law 4548/2018, listed on a regulated market or in a multilateral trading mechanism, or non-listed, with related parties. The articles of association may provide for a longer period of time than specified in the previous paragraph. Each candidate member submits to the Company a responsible statement that there is no impediment to this and each member of the Board notifies the Company without delay of the issuance of a relevant final court decision, if any.

A condition for the assignment of management and representation powers of the Company to third parties or for the maintenance of the relevant assignment in force, is the following: there should not be in place within one (1) year, before or after the assignment of the powers to them, a final court decision recognizing their fault for loss-making transactions of a public limited company of Law 4548/2018, listed on a regulated market or in a multilateral trading mechanism, or non-listed, with related parties. The articles of association may provide for a longer period of time than specified in the previous paragraph. Each third party, that is candidate for the assignment of the above powers, submits to the Company a responsible statement that there is no obstacle and each third party, to whom an assignment has been made, notifies the Company without delay of the issuance of a relevant final court decision.

In the event that the termination of the assistance of one or more of the eligibility criteria is found in a member of the Board of Directors, for reasons that this person could not prevent even with extreme diligence, the competent body of the Company proceeds immediately with the termination and replacement of this member within a period of three (3) months.

7. Governance – Pertinent Bodies

The responsibilities of the Company's Bodies regarding the adoption, monitoring, implementation and revision of the Policy are, per Body, as follows:

A. General Shareholders' Meeting

- Approval of the Policy and its essential amendments.

B. Board of Directors of the Company

- Approval of the Policy and its essential amendments and submission to the General Shareholders' Meeting.
- Approval of any other revision that does not constitute a material change,
- Selection of candidate members of the Board of Directors (including the candidates of the major subsidiaries) and final approval of the respective evaluations.
- Collaboration with the Committees of the Board and the Departments or Units responsible for

overseeing the correct and consistent implementation of the Policy.

- Determining any further actions that are appropriate to be launched following the evaluation of the members of the Board and detecting cases of termination of existence of one or more of the eligibility criteria of this Policy.

C. Nomination Committee

- Detects and proposes to the Board regarding the candidate members of the Board of Directors of the Company and of major subsidiaries, along with the assistance of the Head of Regulatory Compliance Unit, wherever it is deemed necessary

- Selects the candidates taking into account factors and criteria set out in this Policy

- Determines the requirements of the subject Company in terms of size and composition of the Board and submits proposals for changes - improvements when necessary.

- Defines the criteria for the promotion of the candidacies and the formulation of the responsibilities and the abilities of each position in the Board of Directors.

- Implements the process of nominating candidate members of the Board and proposes to the General Shareholders' Meeting their election.

- Holds the responsibility of conducting an assessment of the suitability of the candidate members of the Board (possibly with the assistance of an external consultant) and of the submission of a relevant report to the Board.

- Is responsible for informing the Head of the Regulatory Compliance Unit in case the placement is reviewed or there is a change in the existing members of the Board of Directors, in order to ensure the observance of the current regulatory framework regarding the disclosures that should be made.

- Is responsible for keeping a file of supporting documents of the evaluation process of the Board members, both during their placement and on a periodical basis.

D. Head of Regulatory Compliance Unit

- Assistance provided by the competent Bodies, in terms of the consistent implementation of the Policy.

- Informing the Hellenic Capital Market Commission on Policy issues.

- Monitoring the institutional framework and submitting proposals to the Nomination Committee and the Board of Directors, in order to update and harmonize the Policy with regulatory developments.

- Ensuring the harmonization of the Policies of the major subsidiaries within the Group with the present

Policy, taking into account the national provisions of their countries of operation and the operating structure of the subsidiaries.

- Disclosure of the Policy to the members of the Board of Directors as well as observance of a file of relevant documents with regard to the receipt of the respective notification.
- Duties in relation to receiving and auditing the content of the solemn declaration statements provided in paragraph 6 as per above and informing the Nominations Committee and the Board accordingly.

E. Internal Audit Division

- As an independent Department monitors the adequacy and effectiveness of the implementation of this Policy.

8. Suitability Assessment Criteria

8.1 Ατομική Καταλληλότητα

8.1. Individual Suitability

The individual suitability of the members of the Board is being assessed in particular on the basis of the criteria set out below. The criteria are general and apply to all members of the Board, regardless of their capacity, as executive, non-executive or independent non-executive members.

Special obstacles, obligations and conditions (such as no. 3, paragraphs 4, 5 and 6 and no. 9, paragraph 1 and 2 of Law 4706/2020 and no. 44, paragraph 1 of Law 4449/2017) apply regardless of the eligibility criteria.

8.1.1. Adequacy of Knowledge and Skills

The members of the Board of Directors possess the knowledge, skills and experience required to perform their duties with a view to the role, position and prerequisite skills required by the position. The experience covers both practical and professional experience, as well as theoretical knowledge acquired.

For the purposes of assessing the theoretical knowledge of a member, the level and type of education (field

of study and specialization) may be also taken into account, especially if it is related to the activities of the subject Company or other similar fields.

The practical experience covers the previous positions and the type of employment held by the member, taking into account the length of his/her term in the respective position, the size of the respective entity in which the person worked, the scale and complexity of the business activity, the responsibilities he/she exercised, the number of its subordinates, the nature of the entity 's activities, among other things.

In this case, the following may be considered in the context of the assessment of adequate knowledge and skills:

(a) the role and tasks of the respective position and the skills required;

b) knowledge and skills acquired through education and training;

(c) practical and professional experience previously acquired; and

d) the knowledge and skills acquired and demonstrated by the professional conduct and development of the member of the Board.

The evaluation is not limited to the academic qualifications of the member or to the evidence of a specific length of prior service. Instead, a thorough analysis of the member's experience and education or training is recommended, as the knowledge and skills acquired from previous employment depend on the nature, scale and complexity of the business, as well as on the duties performed by the member and his/her degree of responsibility.

The executive members of the Board may have gained sufficient practical and professional experience, either by holding a position of responsibility or by conducting business, for a sufficient period of time.

It is recommended that the members of the Board of Directors know and clearly understand the corporate governance regulations of the Company, as they arise from the relevant legislation, the Corporate Governance Code applied by the Company, and the Company's Rules of Operation, their respective roles and responsibilities, both as members of the Board as well as members of the respective committees, as well as its structure and possible conflicts of interest.

8.1.2 Guarantees in Terms of Ethics and Reputation

The members of the Board of Directors should be distinguished for their good reputation and ethics, which is mainly determined by honesty and integrity.

A member of the Board is presumed to have a good reputation, honesty and integrity, unless there are objective and proven reasons to suggest otherwise.

In order to evaluate the reputation, honesty and integrity of a candidate or an existing member of the Board of Directors, the Nominations Committee may conduct an investigation and, subject to the legislation on personal data protection, request information and relevant supporting documents for any final administrative and judicial decisions against the particular member, in particular for infringements and offenses related to his/her capacity as a member of the Board or to non-compliance with the provisions of the legislation of the Hellenic Capital Market Commission or in general with financial crimes. Without prejudice to the provisions of article 3, paragraphs 4 and 5 of Law 4706/2020, for this particular assessment may be taken into account the relevance of the offense or measure with the role of the member, the seriousness of the offense or measure, the general circumstances, including mitigating factors, the role of the person involved, the sentence imposed, the stage of the proceedings and any remedial action taken. It is helpful to consider the time elapsed and the person's behavior after the offense.

The Company may also take into account during the above evaluation or assessment any decision, which has been issued by any competent authority, to exclude the candidate member of the Board from acting as a member of the Board.

8.1.3 Conflict of Interests

The Company has in place, adopts and implements a Conflict of Interest Policy, according to paragraph 3 (g) of no. 14 of Law 4706/2020. Prior to the adoption of the eligibility criteria, it is ensured that the Conflict of Interest Policy includes, at least for the members of the Board of Directors, procedures for the prevention of conflicts of interests, measures for the detection and management of conflict of interests and also provides for any cases and conditions that, exceptionally, would be acceptable for a board member to have conflicting interests, provided that the member's interests are significantly limited or properly managed.

All real and potential conflicts of interests at the Board level are subject to adequate notification, discussion, documentation, decision-making and appropriate management in order to reduce or eliminate them.

8.1.4 Independence of Judgment

It is important to ensure that each member of the Board acts with independent judgment. The absence of a conflict of interests does not necessarily mean, however, that the member acts independently. "Independence of mind" or "independence of judgment" is a model of behavior during discussions and decision-making within the Board of Directors and is required for each of its members, regardless of whether the member is "independent" according to article 9 of Law 4706/2020. All members of the Board must take an active part in the meetings and make their own sound, objective and independent decisions and judgments in the performance of their duties.

Objectivity is defined as the unbiased attitude and mentality, which allows the member of the Board to perform his/her work as he/she believes and not to compromise on his/her quality standards. Independence

means the exemption from conditions that prevent the member of the Board to perform his/her duties in an objective manner.

When assessing the independence of judgment, the Company takes into account whether all members of the Board have the necessary behavioral skills, including:

i) courage, conviction and vigor to carry out a substantial evaluation and challenge of the proposals or opinions of other members of the Board,

ii) the ability to ask reasonable questions to the members of the Board and in particular towards the executive members and to exercise constructive criticism, and

iii) the ability to resist the phenomenon of group thinking.

8.1.5 Allocation of Sufficient Time

All members of the Board of Directors must have sufficient time to carry out their duties based on the description of the position as well as on the role and the tasks they have undertaken. In order to determine the adequacy of time, the following are taken into consideration: the capacity and responsibilities assigned to each member of the Board of Directors, the number of his/her positions as a member in committees of the Board of Directors of the Company or to the Board of Directors and committees of other companies and the respective qualities held by that member at the same time, as well as other professional or personal commitments and conditions.

The Company informs each candidate member of the Board of Directors for the expected time required to devote to his/her duties and to the meetings of the Board and any other committees in which the member participates.

8.2 Collective Suitability

8.2.1 General

The Board of Directors must be collectively suitable for the exercise of its responsibilities and its composition must contribute towards the effective management of the company of the Group and also towards a balanced decision-making.

The members of the Board collectively must be able to make appropriate decisions taking into account the business model, the risk-taking mentality, the strategy and the markets in which the Company operates. Also, it is required from the members of the Board on a collective basis to be able to effectively monitor and constructively criticize the decisions of top executives.

All areas of knowledge required for the business activities of the Company (or the duties of the Board of Directors of a major subsidiary) are recommended to be covered by the Board of Directors collectively with

sufficient expertise among its members. It is recommended that a sufficient number of knowledgeable members exists in each area so that the members of the Board are able to discuss sufficiently and appropriately the decisions to be taken. The members of the Board collectively must have the necessary skills to present their views.

The composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its respective duties. In this context, the requirement includes that the BoD as a whole adequately understands the areas for which its members are collectively responsible and possesses the necessary skills to exercise the actual management and supervision of the Company, including in terms of:

- the business activity and the associated key risks,
- the strategic planning,
- financial reporting,
- compliance with the legislative and regulatory framework,
- understanding corporate governance issues,
- the ability to identify and manage risks,
- the impact of technology on the business activity,
- adequate gender representation.

The Board of Directors has the primary responsibility for identifying gaps in terms of the collective suitability of the Company and its major subsidiaries. For this purpose, the Board conducts its self-evaluation but also the evaluation of the Board of Directors of the major subsidiaries on annual basis. The evaluation of the Board from third party consultants is also desirable.

9. Diversity Criteria

The Company has and implements a diversity policy in order to promote an appropriate level of differentiation within the Board and a diverse group of members. Through the accumulation of a wide range of qualifications and skills in the selection of members of the Board, the variety of views and experiences is ensured, in order for the BoD to make the right decisions.

For this purpose, when appointing new members of the Board, the adequate representation by gender of at least twenty-five percent (25%) of the total members of the Board as defined above under 8.2.2 and the non-exclusion due to discrimination on grounds of sex, race, color, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation are also taken into consideration.

The Nomination Committee takes into account this criterion when submitting proposals for the appointment of Board members. The Company generally ensures equal treatment and equal opportunities between the genders. It is noted that this aspect extends beyond the selection of the Board members and also concerns the provision of training to the members of the Board.

10. Implementation, Monitoring and Amendment of Policy

The Company harmonizes its current Policy with the general framework of corporate governance, the corporate culture and the risk-taking mentality that it has defined and follows the necessary procedures for the implementation of this Policy.

Monitoring the implementation of the Suitability Policy is the responsibility of the Board of Directors of the Company. For that reason:

The Company's Regulatory Compliance Unit is responsible for the regular monitoring and evaluation (at least on annual basis) of the degree to which a policy amendment is required, taking into account the effectiveness of its implementation, as well as any potential amendments in the relevant legal and regulatory framework. The Unit recommends to the Board of Directors any revision of this Policy in order to more effectively achieve its objectives. The Board should consider the amendments proposed by the relevant divisions before they are finalized.

In addition, the Internal Audit Division monitors, controls and evaluates the observance of the present procedure and the audit findings are included in the periodic Internal Audit Reports and definitely in the annual report submitted to the Audit Committee and the Board of Directors.

Finally, the documentation regarding the approval of the Suitability Policy and any amendments thereto is kept in a file by the Head of the Regulatory Compliance Unit.