

FFG Commercial Manufacturing and Technical S.A. Audit Committee Regulation

Board decisions:

Friday, August 10th, 2018

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FFG Commercial Manufacturing and Technical S.A.'s Board Audit Committee Regulation

1. Objective of the Audit Committee

The objective of the Audit Committee (AC) as a standing committee of the Board of Directors (Board) of FFG Commercial Manufacturing and Technical S.A. (hereinafter referred to as the Company), within the framework of the requirements of Article 44, L. 4449/17, is to assist the Board in fulfilling its supervisory responsibilities and obligations towards the shareholders, the investment community and third parties, especially with regard to the financial reporting procedures, in particular regarding (i) the financial information process, (ii) the statutory audit of the individual and consolidated financial statements by Chartered Accountant - Auditor, (iii) the effectiveness of Internal Audit Systems (IAS), and (iv) the performance of the Internal Audit Division (IAD).

In particular, the AC's objective is:

The integrity of the Company's financial statements. In this context, the review of the diligent preparation of the Company's and the Group's financial statements, and other significant items and information intended for disclosure. Furthermore, adherence to and adequacy of procedures for accounting and financial reporting.

The submission of proposals to the Board of Directors for the appointment of a Chartered Accountant - Auditor firm and for the amount of his remuneration, for the purpose of his appointment by the General Meeting of Shareholders (GMS). Furthermore, the valuation of the Company's external Auditor and the independence, integrity, objectivity, efficiency and effectiveness of his activity, as well as his periodic change according to the current regulatory framework.

The pre-approval of all the audit and non-audit services provided to the Company by the company's Chartered Accountant - Auditor firm undertaking the statutory audit of its financial statements and generally the effectiveness of the audit process.

The functioning and adequacy of internal audit procedures and systems. In this context, the continuous assurance that the IAD operates in accordance with international standards for professional internal audit, that its executives have the appropriate skills and know-how in order to be able to assess the effectiveness of the internal audit and risk management system, with particular emphasis on emerging risks that may adversely affect the Company. Furthermore, the annual review of the independence, objectivity, adequacy and operational efficiency of the Company's IAD, and in particular the proper functioning of the audit reports it draws up, as well as the monitoring and management of its findings.

Monitoring and annual evaluation of the internal audit environment, individually and at group level, and relevant information to the Board of Directors.

The conduct of inquiries on matters of its jurisdiction and advice taking and with the assistance of external consultants, if necessary to carry out its duties and responsibilities.

The realization of periodic meetings within the framework of its responsibilities and the facilitation of open communication and the identification of any major issues with the Management, the

Director of the IAD and the independent Chartered Accountant - Auditor, at separate meetings of the executives. In addition, meetings with the Chartered Accountant - Auditor and the Management to discuss the financial statements, including the relevant disclosures of the Company.

The determination and examination of the Company's IAD Regulation.

2. Composition of the Audit Committee

i. The AC refers to the Board of Directors and is independent in its work. It consists of at least three members. It consists of members of the Board of Directors and non-members of the Board of Directors, who are elected by the GMS. In general, any combination can be determined, provided that there is at least one member of the Board of Directors.

ii. The members of the AC as a whole are non-executive members of the Board, and most of them are independent of the Company, within the meaning of article 4 of L. 3016/2002 on Corporate Governance and other provisions (Government Gazette A 110/2002). The Chairman of the AC, is appointed by its members or elected by the Company's GMS and is independent as to the Company.

iii. The AC members must meet the eligibility criteria as outlined in the current regulatory framework, while the number of its members and their total combined knowledge must reflect the business model and the economic conditions of the Company.

iv. At least one AC member is a Chartered Accountant - Auditor in a suspended or retired position or has sufficient knowledge of Audit and Accounting. Furthermore, AC members have sufficient knowledge in the field in which the Company operates.

v. The term of office of the AC members is three years and may be renewed.

vi. AC members must not hold parallel positions or properties or engage in transactions that could be considered as incompatible with the AC's mission. Participation in the AC does not exclude the possibility for members to participate in other committees of the Board that are not involved in the day-to-day administration and management of corporate affairs.

vii. The AC is administratively supported by the AC Secretariat, with the necessary human and logistical infrastructure, while the AC Secretary is appointed as a salaried employee of the Company's regular staff.

viii. The AC meets at regular intervals and, exceptionally, whenever deemed necessary, upon the recommendation of any AC member to its chairman. In any case, records of meetings signed by AC members and distributed under the responsibility of the AC secretary shall be kept, in accordance with a list of evidence established by the AC or deemed appropriate to be distributed. The frequency and timing of meetings of the AC is commensurate with the extent of its responsibilities, taking into account, among other things, the activity, size, business environment and business model of the Company. AC meetings are convened by the AC Secretary, following a mandate from the AC Chairman.

ix. All its members participate in AC meetings. The AC may, by decision of its chairman, meet by televised or telephone conference. AC's decisions at each meeting are taken by an absolute

majority of the total number of its present members. In the event of a tie, the casting vote shall prevail. In case of a non-unanimous decision, the minority views are recorded in the minutes.

x. An agenda for the AC meetings is prepared by the AC Chairman, which contains all the necessary information to ensure that AC members have sufficient and timely information for the meeting, three (3) working days before the meeting.

xi. It is at the discretion of the AC to invite, whenever deemed appropriate, key executives involved in the Company's governance, including the CEO, the CFO and the IAD chief, on a specific issue or specific items on the agenda. All Company and Group executives have an obligation to present themselves to AC upon their invitation.

xii. AC members receive an annual fee in addition to their basic remuneration as members of the Board of Directors, which is determined by the Board of Directors and approved by the GMS.

3. Responsibilities of the Audit Committee

i. The AC monitors the mandatory external audit of the individual and consolidated financial statements, and in particular its impact on the quality of the above statements, taking into account any findings and conclusions of the competent authority (Hellenic Capital Market Commission), in accordance with par. 6 of Article 26 of Regulation (EU) No 537/2014.

The AC is responsible for the process of selecting Chartered Accountant - Auditors or Audit firms and submits to the Board the proposal to select the Chartered Accountant - Auditors or Audit firms to be appointed in accordance with Regulation (EU) No 537/2014. Furthermore, it approves the provision of any other audit or advisory services beyond the regular audit of the Company and the Group's subsidiaries, based on L. 3148/2003, 4449/2017, Reg. EU 537/2004 and other provisions regarding the objectivity and independence of auditors.

Furthermore, the AC reviews annually and monitors all audit (and non-audit) services in accordance with the relevant regulations regarding the effectiveness, objectivity and independence of Chartered Accountant - Auditors or Audit firms (L. 4449/17, Regulation (EU) 537/2014 and L. 3148/2003), and in particular the adequacy of the provision of non - audit services to the audited entity in accordance with Article 5 of Regulation (EU) 537/2014.

The AC oversees the periodic change of both the external auditor and the key audit firm partners conducting the audit. In particular, the duration of the audit engagement contracts should not exceed 5 years, and in any case a changeover of the audit firm will be provided after up to 5 consecutive years. In addition, a maximum period of 5 years is also provided for persons who provide services as financial auditor or as the main auditor-partner of the audit firm. In particular, key associates cease to participate in financial audit after five years from their appointment. The auditing firm's financial auditor or key partner is not involved again in the provision of services for the financial audit of the Company before the expiry of 3 consecutive years.

ii The AC is also informed by the Chartered Accountant - Auditors on the annual statutory Audit program prior to its implementation, evaluating it and ensuring that the annual statutory Audit plan covers the most important audit areas, taking into account the main business and financial risk of the Company. Furthermore, the AC submits proposals to the Board of Directors for other issues when it deems it appropriate.

For the above, the AC holds meetings with the Management / competent Chief Executives during the preparation of financial reports, as well as with the Chartered Accountant - Auditors at the planning stage of the audit, during its execution and at the stage preparation of audit reports.

The AC also takes into account and examines the most important issues and risks that may have an impact on the Company's financial statements, as well as the significant judgments and estimates of the Management during their preparation.

Below are indicative issues that are expected to be examined and thoroughly assessed by the AC to the extent that they are important to the Company, indicating specific actions on them in its briefing to the Board:

- Assessment of the use of the assumption of continuing activity.
- Significant judgments, assumptions and estimates while preparing the financial statements.
- Valuation of assets at fair value.
- Asset Recovery Assessment.
- Acquisition accounting.

Adequacy of disclosure of significant risks to the Company.

- Significant transactions with affiliated parties.
- Significant unusual transactions.

In this regard, the AC has timely and effective communication with the Chartered Accountant - Auditors or Audit firms in view of the preparation of the Audit Report and its Supplementary Report to the AC.

In addition, the AC reviews the financial reports before they are approved by the Board of Directors in order to assess their completeness and consistency with regard to the information provided and the accounting principles applied by the Company and informs the Board of Directors.

iii. In this context, the AC informs the Board of Directors by reporting on the issues arising from the mandatory audit, explaining in detail:

- (a) The contribution of the statutory audit to the quality and integrity of the financial information, i.e. the accuracy, completeness and correctness of the financial information, including the relevant disclosures approved by the Board of Directors and made public.
- (b) The role of the AC in the above-mentioned process, i.e. the recording of the AC's actions in the process of carrying out the Chartered Audit, on the integrity of financial information.
- (c) Within the framework of the above information of the Board, the AC shall take into account the content of the Supplementary Report, submitted by its Charter audit, and containing the results of the Charter audit that has been carried out and at least meets the specific requirements in

accordance with Article 11 of Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014.

iv. The AC is reviewing available information on internal audit and the Company's main risks and uncertainties in relation to financial reporting. It is informed of the process and timing of the preparation of the financial information by the Company's Management. It monitors, reviews and evaluates the process of preparing and disseminating financial information, i.e. the mechanisms and systems of production, the flow and dissemination of the financial information produced by the Company's organizational units involved. The above AC actions also include the disclosure of information in any way (e.g. stock exchange announcements, press releases) in relation to financial information. In this context, the AC shall inform the Board of Directors of its findings and submit proposals for improvement of the procedure, if appropriate.

v. The AC monitors the effectiveness of the company's internal quality assurance and risk management systems and, where applicable, its internal audit departments with regard to the financial information of the Company, without violating the independence of that entity. The AC monitors, examines and assesses the adequacy and effectiveness of the Company's overall policies, processes and safeguards with regard to the internal audit system - notably through the work of the IAD and the work of the Chartered Accountant - Auditors - and, on the other, risk assessment and management in relation to financial reporting. It monitors through the IAD the detection and prevention of fraud and the suppression of fraud and malpractice in general and immediately informs of any significant impact. It monitors through the IAD the control of companies affiliated with the Company and the development of unified procedures for audit and reporting preparation.

As regards the functioning of internal audit, the AC monitors the proper functioning of the IAD in line with professional standards as well as the current legal and regulatory framework and evaluates its work, adequacy and effectiveness, without affecting its independence.

vi. As regards the internal audit, risk management and IAD procedures, the AC evaluates the staffing and organizational structure of the IAD, identifies its weaknesses and, if appropriate, submits proposals to the IAD, so that it has the necessary resources, be adequately staffed with adequate knowledge, experience and training, be free of limitations in its work and have the provided independence. It also proposes to the Board of Directors the appointment and revocation of the IAD head, who is assessed annually.

vii. The AC shall also be informed of the annual and triennial program of audit and programming of the IAD resources before its implementation and shall carry out an evaluation thereof, taking into account the main areas of business and financial risk, as well as the results of previous audits.

viii. In the context of this information, the AC considers that the annual audit program (combined with any medium-term equivalent programs) covers the most important audit areas and financial reporting systems.

ix. The AC holds regular meetings with the head of the IAD to discuss issues of its competence, as well as problems that may arise from internal audits.

x. On the one hand, the AC takes note of the work of the IAD and the monitoring reports of its findings and, on the other hand, monitors the Board of Directors' briefing on their content in the financial information of the Company.

xi. The AC at least annually receives and reviews a report from the IAD on the adequacy and effectiveness of the internal audit system and informs the Board of Directors about it. It makes suggestions to the Board of Directors to address the weaknesses identified and monitors the implementation of the measures decided upon.

xii. The AC submits proposals to the Board of Directors for specific areas where additional audits are required by auditors.

xiii. The AC proposes to the Board of Directors the periodic assignment - selection, remuneration - at least every three years of the assessment of the company IAC's competence to third parties, except regular Chartered Accountant - Auditors who have the necessary experience to do so. The relevant assessment report is communicated to the Company within six months after the expiry of the three-year period. The Chartered Accountant - Audit firm undertaking this work will not take more than two successive assessments.

xv. The AC reviews the Company's main risks and uncertainties and their periodic review. In this context, it evaluates the methods used by the Company for identifying and monitoring risks, addressing the main ones through the internal audit system and the IAD, as well as disclosing them in the published financial information in a correct manner.

For the results of all the above actions, the AC shall inform the Board of Directors of its findings and submit proposals for corrective action, if appropriate.

The AC will, where appropriate, resort to external consultancy services.

The AC submits an annual report on its activities to its shareholders at the annual GMS.

4. Miscellaneous

The AC examines any matter referred to it by the Chairman of the Board the Directors or the Board of Directors, and then the AC Chairman informs the Board of Directors on them after a relevant AC meeting.

The AC regulation is in line with national corporate governance rules and internationally accepted international standards and practices, such as the Institute of Internal Auditors (IIA).

The AC annually examines the adequacy of its current operating regulation and submits proposals to the Board of Directors for any modifications it deems appropriate.

This Regulation shall enter into force immediately after its approval by the Company's Board of Directors and may be amended at any time by decision of the Board of Directors.

The AC Regulation is available in Greek and English, on the Company's website.

Approved by the Board on Friday 10th of August, 2018.