CORPORATE GOVERNANCE CODE

Gr. Sarantis S.A.

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1. OBJECTIVE

The objective Gr. Sarantis SA Corporate Governance Code is to describe the way the company is administered and controlled. It is underpinned on the sound corporate governance code and aims both at transparency of business practices and at internal organization effectiveness.

It describes the policies and practices followed by the management while exercising its duties.

The Corporate Governance Code of Gr. Sarantis SA was prepared taking into consideration the provisions of the following Laws, L. 3016/2002, (as modified by article 26, L.3091/2002), L.3340/2005, L.3556/2007, L.3693/2008, L.3873/2010, L.3884/2010, and of course L. 2190/20 as currently in effect with the amendment of L. 3604/2007, as well as the company's articles of association as currently in effect.

This amendment incorporates the latest improvements that derived from L.4449/2017 related to the Audit Committee operation.

2. THE BOARD OF DIRECTORS

2.1 ROLE AND RESPONSIBILITY OF THE BOARD

The Board of Directors has the authorities, responsibilities and duties stipulated by the Law, the General Meeting and the Articles of Association of the Company. Within the aforementioned context, the Board of Directors is the body that exercises the company's management. Its duties include decision making and the responsibility to apply effective controls on all the company's activities.

Specifically the Board of Directors is responsible for the following:

- The definition of the company's strategy and the design of the corporate culture and general practice of the company. The application of the general policy and the responsibility to communicate decided business objectives towards lower levels. The evaluation of suggestions and proposals by Managers of the Divisions.
- The approval of the annual budget and business plan.
- The monitoring and evaluation of the effectiveness and application of the business action plan.
- The audit and approval of large capital expenditures, used to implement investment plans.
- The validity and reliability of financial statements that are to be disclosed, including the report by the Certified Auditors.
- The compliance of the company's activities with the legislation in effect, as well as with the Corporate practice. The maintenance of an Internal Control System.
- The selection and replacement of the company's executive leadership, as well as supervision of the succession planning
- The monitoring and arrangement of possible conflict of interest issues between the company and its senior executives, Board members or basic shareholders, including cases of mismanagement of assets or transactions with related parties.

Also, the Board of Directors:

- Is responsible for the preparation of the annual, semi-annual and quarterly financial reports, which include amongst others transactions of the company with its related companies according to article 42e par. 5 of C.L. 2190/20. Such financial reports are disclosed to the regulatory authorities, to investors and to any interested party as stipulated by the decisions issued by the Hellenic Capital Market Commission (Decisions No. (5-204/2000, 17-336/2005, 1-434/2007, 7-448/2007, 4-507/2009), circulars (circular No. 33), L. 3556/2007 and the relevant to such decisions (Government Gazette A91/2007, Government Gazette B27/2009).
- Decides on issues that concern any kind of remuneration paid to the company's senior executives and in general the remuneration policy of the company, and it also controls the performance of senior management.
- Prepares the Corporate Governance Statement, which is included in the Annual Management Report.
- It compiles the non-financial statement that is included in the BoD management report to the General Meeting containing information on environmental, social and labor issues, the respect of human rights and the fight against corruption.

In the context of its aforementioned authorities and duties, the Board of Directors acts collectively and the above decisions that are made by all the Board members, regardless of their capacity as executive, non-executive or independent.

According to the Company's Articles of Association, the Board of Directors, by means of decision made by such, may assign rights and authorities related to the administration, management and representation of the company to one or more individuals, regardless of whether such individuals are Board members or not.

The manner in which the company is legally bound and represented is defined by the Board of Directors.

2.2 COMPOSITION OF THE BOARD OF DIRECTORS

The company is managed by the Board of Directors, which consists of 3 (three) to 11 (eleven) members, according to the company's Articles of association. It is elected by the General Meeting with six-year term.

Specifically the number of the Board members is defined by the General Meeting, in the context of those defined by the Company's Articles of Association. The current Board of Directors consists of 8 (eight) members. Of those members, four (4) are executive and four (4) are non-executive members. Two of the non-executive members are also independent members.

The Board of Directors examines the suitability of an independent candidate member prior to proposal for voting to the General Meeting.

2.3 RESPONSIBILITIES OF BOARD MEMBERS

The Board members act with integrity and to the interest of the company and protect the confidentiality of the non-publicly available information by applying the company's Internal Operation Regulation, which includes the policies for managing conflict of interests between Board members and the company, as well as policies that protect confidentiality of information.

2.3.1 Responsibilities of executive Board members

The executive members deal with day to day management issues of the company.

They are responsible and in charge of implementing the decisions made by the Board of Directors and the continuous monitoring of the company's activities.

The Chairman presides over the Board of Directors. He is responsible to define the daily agenda, to ensure the proper organization of the Board, to carry out the activities of the Board and effectively carry out the Board meetings. He/she also ensures the prompt and correct informing of Board members, as well as its effective communication with company shareholders, in the context of fair and equal treatment.

The Vice-Chairman and Chief Executive Officer is responsible to ensure the smooth, proper and effective operation of the company, according to the strategic objectives, business plans and the action plan, as such are defined by decisions of the Board of Directors and General Meeting.

He has the responsibility to form the company's investment policy and capital management and reports to the Board of Directors.

2.3.2 Responsibilities of non-executive Board members

The non-executive Board members are responsible to promote all corporate issues.

The independent non-executive members do not have a dependent relationship with the company or its related parties. They have responsibilities similar to those of the non-executive members. In particular, they make estimates on the company's strategy, its performance, assets, the appointment of basic senior executives and they submit, each individually or collectively, reports different to those of the board of directors towards the annual or extraordinary General Meeting, only when they deem such as necessary. One non-executive member participates in the Audit Committee (Audit Committee).

The independent non-executive members have no relationship of dependence with the company or with any associated persons (pursuant to the provisions of L.3016/2002). They participate in the Audit Committee and one of them, being proficient in accounting or/and auditing is heading the Audit Committee.

2.4 ELECTION OF NOMINEE BOARD MEMBERS

The Board of Directors undertakes the obligation to plan the succession of its members and to submit to the General Meeting of shareholders a list of nominee members to be voted, after previously providing adequate and prompt information to shareholders as regards the profile of nominees. The company uses the disclosure processes defined by law as regards to the provision of information.

2.5 OPERATION OF THE BOARD OF DIRECTORS

The Board of Directors meets regularly according to the company's needs and the issues to be discussed, at least once a month. The company's Legal Advisor, which is also an executive Board Member, keeps the minutes of the Board meetings.

The Board members have the right to request from Management through the Chief Executive Officer any information deemed necessary for the exercise of their duties.

The executive members as well as the Audit Committee inform the Board in relation to the business developments and the most significant risks to which the company is exposed, as well as the changes that are applied in legislation.

3. INTERNAL CONTROL

3.1 AUDIT COMMITTEE

Gr. Sarantis SA has established a three-member Audit Committee. The Audit Committee and the internal audit department constitute an independent objective and advisory service designed to add value and improve the operations of the organization. They assist the company in achieving its objectives by introducing a systematic and disciple methodology that aims at evaluating and improving the effectiveness of the risk management system, the internal control system and corporate governance in general.

3.1.1 The Role of the Audit Committee

The Audit Committee assists the Board of Directors in fulfilling the supervision duty it has assumed vis-à-vis shareholders.

The responsibility of supervision includes inter alia the supervision of financial reporting procedure, the confirmation of financial statements integrity, the supervision of the internal audit system, of the internal audit department operation, of the annual audit on financial statements by certified accountants, the compliance with the Group's legal and regulatory operation framework as well as with the ethical regulatory framework established by the Management, including the Group's Code of Conduct.

In addition, the Committee supervises issues pertaining to the qualifications, the independence and the appointment of independent auditors.

The Committee and the Deputy CEO (DCEO), as supervising bodies of the internal audit department, evaluate its performance and approve the department's duties and budget.

The Audit Committee acts independently and maintains free and open communication with the ordinary auditors, the internal auditors and the Company's Management.

3.1.2 Operation of the Audit Committee

The Board of Directors proposes the members of the Audit Committee to the General Meeting of Shareholders.

The Audit Committee consists of three members, two of which are independent non-executive Board members and one is a non-executive member. An independent, non-executive member, proficient in accounting or/and auditing is heading the Committee.

The Committee convenes twice a year, as well as whenever deemed necessary and it prepares (if required) a report that summarizes the audit activities that took place during the previous management period. Areas that need improvement as well as company issues or problems that need to be resolved are identified. Necessary priorities are defined as regards to the required corrective actions and the proposed action plan of the internal audit department for the next management period is presented. Moreover, the work of the internal audit department is evaluated and areas for improvement are identified, as well as possible needs that must be covered.

The Audit Committee and the Internal Audit Department supplement each other and follow a common strategy in relation to the objectives of the applied audit and communicate regularly.

The head of the internal audit department monitors the meetings of the Audit Committee and discusses the audit reports with the latter. He discloses significant issues that were identified during the audit and the manner in which possible recommendations were handled. He also participates actively in defining the audit plan for the next management period.

3.1.3 Responsibilities of the Audit Committee

The Committee's main responsibilities are to supervise the financial audits, the ordinary audit procedure and the procedures for submitting company reports on behalf of the Board of Directors; it is also responsible to report its activities results to the Board of Directors. The Management is responsible for drawing up the company's financial statements and the independent auditors are responsible for auditing such financial statements.

The Committee shall be bound to take all appropriate measures so that the organization can provide adequate and sufficient financial reporting, follow correct practices for coping with business risks and operate on the basis of an approved and acceptable ethical framework.

While exercising its supervisory role, the Committee has the power to investigate every issue it becomes aware of with full access to all records, files, facilities and company personnel.

The Committee's key operations while exercising its supervisory duties are the following:

- The Committee should suggest to the Board of Directors any statutory auditors or audit firms to carry out the annual audit on the financial statements.
- It should examine the qualifications of auditors and their independence both from the company and the Management members.
- It is liable to investigate whether potential auditors provide other services beyond the auditing ones to the audited company. It makes sure that any additional services offered by the ordinary auditor shall not affect the objectivity of audits and the auditing standards proper enforcement.
- It assesses the methodology and the performance of independent auditors, while examining at the same time the quality of the services provided and the effectiveness in their work.
- It monitors the procedure and the carrying out of compulsory audit on the standalone and consolidated financial statements. It is informed by the company's external auditors on the validity of financial reporting and the reliability of financial statements.
- It supervises any official announcement related to the company's financial performance and examines the key points in the financial statements that include significant judgments and estimates by the company's Management.
- It monitors, examines and assesses the financial reporting systems, the information flow and dissemination mechanisms in the company's organizational structure.

- It monitors, examines and assesses the effectiveness and proficiency of the Group's regulatory tools, in order to form an opinion on the internal audit system and the risk management system, in relation to financial reporting.
- It monitors and inspects the internal audit unit operation. It receives knowledge of the department's quarterly reports being displayed in the respective BoD minutes. It is informed by the internal auditor on the auditing work progress pertaining to the annual program of audits and the results of audit systems reviews, of financial audits, and of any special audit.
- It reviews the publicized information on key risks assessment. It supervises the reports on risk management and the actions taken to mitigate such risks. It is underscored that the Management Committee is the competent committee for business risks management.

- It is informed by the internal auditor in case conflict of interests is ascertained in the company's transactions with its associated persons. For such cases, the Audit Committee draws up and submits a relevant report to the BoD.
- It safeguards the independence of the internal audit department.
- It participates in the approval and in the updating of the internal audit division rules of operation, when required.
- It participates in the preparation of a Corporate Governance Code and suggests its approval to the Board of Directors.
- It suggests to the Board the approval of the Code of Conduct.

3.2 INTERNAL CONTROL SYSTEM

The Board of Directors ensures that the company's senior management has introduced, applies and maintains a proper risk management system and internal control system.

The internal control system consists of the overall procedures, methods and mechanisms – while the Board of Directors, management executives and in general all company staff with relevant responsibilities are responsible for applying such – and is designed to provide a desirable level of assurance regarding the achievement of the following objectives:

- The efficiency and effectiveness of different operations (business cycles).
- The reliability of financial information.
- The compliance with the laws and regulations in effect.

The company has an appropriately staffed Internal Audit department.

The internal audit department responsibilities are described in its Internal Operation Regulation.

The internal audit department reports operationally to the Audit Committee and administratively (i.e for the daily operations) to the Deputy CEO (DCEO).

4. <u>COMMITTEE</u>

4.1 MANAGEMENT COMMITTEE

The Management Committee, is the highest advisory and supervisory body of the Company, following the Board of Directors.

Members of the Committee:

Chairman: Chief Executive Officer

Participants: Chief Financial Officer

Legal Advisor

Supply Chain Manager

Marketing Manager

Sales Manager

Director of Global Activities

Business Units Directors

The Committee convenes once a month, or whenever deemed necessary.

The findings of the committee, after validated and approved by the Chief Executive Officer, are forwarded to the respective Project Owner for implementation.

Usual issues in the agenda of the Committee's meetings include the following:

- Review of annual budgets, amendment or verification according to the case.
- Monitoring the general progress of the company on a monthly basis. Comparisons are made on actual results with those budgeted, significant deviations are explained and relevant decisions are made.
- Review of projects underway and comparison with the expected results according to the development plan.
- Human resources issues.
- Internal audit issues.
- The company's development strategy (new markets, new products, acquisitions etc).
- Evaluation of the risks faced by the company and strategies for management – minimization of such risks.
- Issues that concern corporate governance.

5. PROCESS FOR DEFINING REMUNERATION OF BOARD MEMBERS

The objective of the process is to define the standards and common acceptance of a course where the objectives and visions of Shareholders will coincide with the incentives of Board members.

Moreover, the design and description of quantitative and qualitative objectives that the relevant parties agree to and direct their efforts and dynamics.

The objective is coherence in business actions and effectiveness of business practices, as well as consolidation of a sense of justice between executives, given that equal efforts and results are evaluated in the same way.

5.1 EVALUATION OF EXECUTIVE BOARD MEMBERS

The process for evaluating executive Board members, as an approach, generally does not differ from the evaluation process for Senior Executives.

The remuneration of executive Board members consists of a wage, bonuses that are directly linked to the company’s annual performance and to the executive’s performance, as well as other benefits.

The Chief Executive Officer and the Head of Staff are responsible for the evaluation and implementation of the remuneration of executive Board members.

The objectives are set at the beginning of each calendar year and are reviewed at the beginning of the next year (after the finalization of amounts set as targets).

Specifically, the evaluation for the bonus is based on corporate objectives, which are set during the process of submitting the annual budgets, per corporate entity and business operation, and is supervised and finalized by the Chief Executive Officer. The audit of budget amounts takes place regularly and is carried out by the Management Committee, while the frequency of reports on comparative budgeted – actual amounts is daily when deemed necessary.

5.2 EVALUATION OF NON-EXECUTIVE BOARD MEMBERS

The evaluation of non-executive members usually takes place in the context of the general evaluation of the efficiency of committees in which such participate.

The remuneration of non-executive Board members is approved by the General Meeting of shareholders following a proposal by the Board of Directors.

The remuneration concerns annual salaries of non-executive members, and does not include bonuses, stock options and other benefits. It is linked to the responsibilities and duties assigned to such members, as well as to any possible additional participations or presidencies in Board committees.

6. COMMUNICATION WITH SHAREHOLDERS

The Deputy CEO (DCEO) and the Investment Relations Officer are in charge of the communication with shareholders and potential shareholders.

Besides the General Meeting, communication takes place through road shows, scheduled meetings at the company's headquarters, video conference, conference call, telephone contact, public briefing to Institutional Investors Association, uploading on the corporate website and dissemination of information, through Athens Exchange webpage, through the analysts monitoring the company and the interested Media.

The company maintains a website that posts issues and information that concerns shareholders, both in Greek and in English. The information includes financial data, information regarding corporate governance and management of the company as well as other announcements such as insider transactions, share buybacks, important business news, such as acquisitions, establishment of subsidiaries, company sales etc.

Moreover, contact information both of the company's Chairman, the Deputy-Chairman-CEO and the Deputy CEO and of the head of the investor relations and shareholders' service department is available to shareholders for direct communication.

Regarding the General Meeting and according to the provisions of L. 3884/10 the company is obliged to post on its website at least twenty (20) days prior to the date of the General Meeting, the following information both in Greek and in English.

- The date, time and place that the General Meeting will take place.
- The basic rules and practices for participation in the meeting including the right to list issues in the daily agenda and submit questions, as well as the deadlines within which such rights may be exercised.
- The voting process, the terms for representation through proxy and the documents used for proxy voting.
- The proposed daily agenda for the meeting, including draft resolutions to be discussed and voted, as well as any accompanying documents.
- The proposed list of nominee Board members and their CVs (given that there is an issue for election of members), as well as members of the Audit Committee respectively.
- The total number of shares and voting rights during the date the Meeting is convened.
- The General Meeting decisions are posted on the company's webpage within one (1) day after the General Meeting is held, while the shareholders voting results are posted within five (5) days from the General Meeting, both in Greek and in English.

7. EFFECT AND AMENDMENT OF THE PRESENT

The present Corporate Governance Code is in effect from January 31st 2011.

The present Code may be amended following a request by members of the Board of Directors.

Amendments of the Corporate Governance Code are approved by means of a decision by the Board of Directors.