



**SUITABILITY POLICY FOR BOARD MEMBERS  
OF INTRACOM S.A. HOLDINGS**

<b>EFFECTIVE DATE</b> ..... 2021	<b>VERSION</b> 1.0	<b>APPROVAL</b> BOARD OF DIRECTORS/ GENERAL MEETING OF SHAREHOLDERS INTRACOM HOLDINGS
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## **1. INTRODUCTION**

This Suitability Policy (hereinafter the Policy) for members of the Board of Directors of the company with the corporate name **INTRACOM S.A. HOLDINGS**, trading as **INTRACOM HOLDINGS** (or for the purposes of this document “the Company”) lays down the basic principles and framework for selecting, renewing their term in office and replacing members of the Board of Directors and the criteria which have been laid down for that purpose.

The Policy is fully in line with the applicable provisions of Greek law on corporate governance of societies anonymes and in particular the provisions of article 3 of Law 4706/2020 (hereinafter the Law) and Hellenic Capital Market Commission Circular No. 60/2020 and the Company’s Articles of Association (hereinafter the Articles of Association).

In preparing it, regard has been had to the size, internal organisation, nature and complexity of the Company’s activities. The Policy will always be in line with the Corporate Governance Code (hereinafter the Corporate Governance Code), as adopted in the Company’s corporate governance statement from time to time, in accordance with the provisions of article 152 of Law 4548/2018 and article 17 of Law 4706/2020.

## **2. PURPOSE**

The purpose of the Policy is:

- É To lay down general principles and guidelines for the Remuneration and Nominations Committee (hereinafter the Committee) to select, evaluate and propose candidate members to the Board.
- É To determine criteria for the evaluation of the personal and collective suitability of Directors.

At the same time, the Policy reflects the Company’s commitment and objectives in terms of suitable, quality staffing of the Board bearing in mind the Company’s interests, the Company’s development and strategic planning, transparency, competitiveness, sustainability, effectiveness and implementation of best corporate governance practices.

## **3. SCOPE**

The Suitability Policy applies to members of the Company’s Board of Directors in accordance with article 3 of Law 4706/2020.

It also applies to third parties to whom powers of representation of the Company are delegated in relation to the eligibility restrictions laid down in article 3 par. 5 of the Law (the existence of grounds of responsibility for prejudicial transactions).

The basic principles of the Policy may be used as a reference point for selecting Directors of all subsidiaries of the Company and any other subsidiary which will become a member of the INTRACOM Group in the future (hereinafter the Group companies) and senior executives of the Company.

#### **4. ROLES AND COMPETENCES**

With the assistance of the Committee, the Board of Directors is responsible for the commencement, guidance and coordination of the process of nominating suitable prospective Directors, without prejudice to the rights of shareholders.

The Committee is advisory to the Board of Directors to help it select and evaluate any potential Directors who in its opinion meet the suitability criteria for appointment as Directors. The Committee's proposals shall be submitted to the Board of Directors which, in line with the Committee's proposals, shall recommend to the General Meeting of Shareholders the members of the Board of Directors proposed for election in accordance with article 78 of Law 4548/2018 and the Articles of Association.

#### **5. PRINCIPLES CONCERNING THE SELECTION, REPLACEMENT OR RENEWAL OF THE TERM IN OFFICE OF DIRECTORS**

Article 18 par 1 and 2 of the Articles of Association state that the Board of Directors is elected by the General Meeting of Shareholders and consists of at least 3 members up to 11 members maximum. In all events the Board of Directors must have an adequate number of members and a suitable line-up to effectively perform its role. Its term in office is four years, automatically extended to the first Annual General Meeting after the end of the meeting until a decision is taken. Moreover, the Board of Directors consists of executive and non-executive members, including non-executive members who are independent, in accordance with the provisions of the relevant corporate governance legislation.

The Committee prepares the selection criteria in implementation of this Policy so that the qualifications, knowledge and experience of candidates complement those of other existing Directors. Prospective Directors are selected based on their level of education and social

acclaim and are successful figures in the business, academic and wider social sector with experience in their fields of activity and areas of specialisation.

Prospective Directors should also stand out for their integrity, frankness, proper judgement, dedication and willingness to examine issues discussed by the Board of Directors in an objective and impartial manner.

When selecting, renewing their term in office and replacing Directors, regard shall be had to evaluation of the individual and collective suitability of the Board of Directors and the candidate's understanding of the culture, values and general strategy of the Company.

In line with the Company's Director Training Policy, the Committee ensures that each new Director receives induction training after selection and at the start of his/her term in office, based on the Company's culture, values, structure, business model, strategy and corporate governance system, the Board's bylaws and the committees in which he/she will participate. The purpose of the induction training course is for new Directors to acquire a level of knowledge and understanding of corporate issues as soon as possible which will assist them in effectively discharging their duties. Moreover, care is taken to ensure that there are continuous information and training procedures for Directors about legislative developments and the market environment in which the Company operates and all other related matters. In order to achieve those objectives, adequate resources will be made available both for induction training and continuous training of Directors both individually and collectively.

However, Directors should be diligent and should ensure that they are regularly briefed about business developments and the most important risks to which the company is exposed.

In addition, the Board of Directors, with the assistance of the Committee, establishes the framework for the smooth continuation of its operation, as a collective body for the management and representation of the Company, especially after possible changes in its composition, such as withdrawals, resignations of members, etc. More specifically, the Committee ensures, with the support of the Company's competent executives, and informs the BoD about the planning and scheduling of possible replacement of a Director, taking into account the restrictions in article 9 of the Law on the term in office of independent non-executive directors so as to maintain independence (namely 9 financial years overall).

## **6. EVALUATION CRITERIA FOR THE SUITABILITY OF DIRECTORS**

### **6.1. Individual Suitability**

Suitability is determined in relation to the Policy criteria for prospective members (at individual and collective level) and the current Board of Directors' line-up needs. For the purposes of the Policy, individual suitability is defined as the degree to which an individual is considered to have adequate knowledge, skills and experience to perform his/her specific duties as a Director. Individual suitability shall also cover the good reputation, honesty, integrity and independence of the judgement of each individual and his/her ability to have sufficient time to perform his/her duties.

#### **i. Adequacy of knowledge and skills**

Directors shall have the necessary knowledge, skills and experience required to perform their duties in view of the role they have assumed. This covers both practical and professional experience, as well as any theoretical experience obtained.

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

- a) the role and duties of the post of Director and the skills required,
- b) the knowledge and experience obtained through education (studies and specialisation) and training,
- c) practical and professional experience obtained in the past, and
- d) knowledge and skills obtained and demonstrated by the director's professional conduct and development throughout his/her career.

#### **ii. Character requirements and reputation**

The ethos, honesty, frankness, integrity and good reputation of Directors are criteria of the utmost importance for the Company. In this context, all Directors shall stand out for their good reputation and ethos, which shall be primarily determined by their honesty and integrity.

A Director is presumed to have a good reputation, honesty and integrity if during the inquiry which the Company will carry out to ascertain his/her suitability, there is no evidence which objectively calls into doubt his/her ethos and reputation.

In order to assess the reputation, honesty and integrity of a prospective or current director, the Company may conduct an inquiry and, without prejudice to personal data protection legislation, may request information and relevant supporting documents regarding any final court judgments against them, particularly with regard to infringements and offences associated restrictively with:

- a) their capacity as a Director,
- b) non-compliance with the provisions of the legislation of the Hellenic Capital Market Commission, including money laundering, corruption, market manipulation or insider dealing,
- c) financial crimes in general.

Without prejudice to the provisions of article 3 par.4 and 5 of Law 4706/2020, with regard to the assessment in question, particular account may be taken of the relevance of the offence or the measure to the role of the director, the severity of the offence for which the director or prospective director was convicted by final judgment, the general circumstances, including mitigating factors, the role of the person involved, the penalty imposed, the stage the proceedings reached and any remedial measures implemented.

During the assessment, the Company may also take into account any decision issued by any competent authority to bar the prospective director from serving as a director.

### iii. Conflict of interests

Conflict of interest means the actual or potential situation which arises where a Director has private interests which could affect the performance of his/her official obligations and duties. Each Director being assessed is obliged to declare any actual and/or potential conflicts of interest with those of the Company and companies associated with it, which under the Conflict of Interest Policy implemented by the Company are adequately notified, discussed, documented, decided on and managed by the Board of Directors. Where the relevant situations which give rise to a conflict of interests are important and are not of an isolated nature, the candidate cannot be nominated and elected as a member of the Board.

The Committee and the Board of Directors must ensure that any professional, personal or other interests of Directors do not conflict with the interests of the Company and companies associated with it, in accordance with the Conflict of Interest Policy implemented by the Company.

Consequently, Directors are obliged to be fully informed about the Conflict of Interest Policy implemented by the Company.

iv. Eligibility - Non-existence of grounds of responsibility for prejudicial transactions

Each prospective Director or candidate to whom management and representation powers for the Company are to be delegated shall submit a solemn declaration to the Company that there is no impediment of a final court judgment having been handed down which acknowledges his/her responsibility for prejudicial transactions for both a listed company and a non-listed company under Law 4548/2018 with related parties within one (1) year prior to the election or delegation of powers respectively.

Each Director or person to whom powers of management or representation have been delegated shall promptly notify the Company of a final court ruling on such matter.

A condition for electing or retaining membership of the Company's Board of Directors and for delegating management and representation powers to third parties or for retaining in effect the relevant delegation is that the said final court ruling has not been issued in implementation of article 3 par.4 and 5 of Law 4706/2020.

v. Independence of judgement

Independence of judgement means exemption from conditions which prevent a Director from carrying out his/her duties in an impartial manner and a mentality which allows a member of the Board to actively engage in the performance of his/her duties and to formulate his/her own correct, objective and independent decisions and determinations when performing his/her duties and duties.

“Independence of mind” or “independence of judgement” is a model of behaviour during discussions and decision-making within the Board, in the sense that each Director must actively participate in meetings, taking his/her own objective and independent decisions and making judgements in the performance of his/her duties, and is required for each Director.

When evaluating the “independence of judgement” referred to in the previous paragraph, the Company shall examine, whenever considered necessary, whether the Directors have:

(a) the necessary behavioural skills, including but not limited to:



(i) the courage, conviction and fortitude to meaningfully evaluate and challenge the proposals or views of other Directors;

(ii) the ability to put questions to Directors under its executive authority and

(iii) the ability to withstand the 'groupthink' phenomenon.

(b) conflicts of interest to the extent that they impede their ability to perform their duties independently and objectively based on the Conflict of Interest Policy implemented by the Company.

vi. Time commitment

All Directors must be able to commit the time required to perform their duties on the basis of their role and the duties assigned to them in the context of the Board's activities. Directors should also be able to discharge their duties in periods of particularly high activity, such as restructuring, acquisition of a holding, merger, acquisition or crisis, or as a result of some serious difficulty in relation to one or more of the company's activities, taking into account that in such periods more time may be required than in normal periods.

In order to determine the adequacy of time, regard shall be had to the capacity and competences assigned to the Director, the number of posts as a Director of other companies, the size and complexity of those companies and the resulting roles held by that member simultaneously (whether executive or not) and other professional or other activities and duties, whose demarcation is laid down in the Corporate Governance Code adopted and implemented by the Company, under which the number of posts may not exceed 5 BoD of listed companies.

The Committee shall monitor whether the members of the Board devote sufficient time to the performance of their duties. Preparation for meetings, the presence and active participation of members in Board meetings are all indicators of time commitment.

The Committee keeps a record of all external professional positions held by Directors. The file is updated each time a Director notifies the Company of a change and in all events when those changes come to the Committee's knowledge.

Where changes are made to the said posts which may reduce the ability of a Director to dedicate sufficient time to performing his/her duties, the Committee shall re-assess the member's ability in relation to the time commitment required.

The Company informs each prospective director about the expected time required to perform his/her duties.

## **6.2. Collective Suitability**

Collective suitability means the suitability of all members of the Board of Directors so that it effectively exercises its leading role in corporate affairs, managing corporate affairs for the benefit of the company, shareholders and all stakeholders and ensuring that management implements corporate strategy. The Board shall be suitable in order to carry out its responsibilities and shall be composed in a way that contributes to the effective management of the Company and to balanced decision-making.

Members of the Board of Directors collectively must have adequate knowledge and experience in all the cognitive sectors covered by the Company's business activities in implementation of its business strategy, so as to make it possible to take well-documented and well thought out decisions. These areas are the following as a minimum:

- the Group's sectors of activity (in the fields of high-tech IT services and solutions, complex construction projects and advanced defence electronic systems);
- sustainable development and utilisation of renewable energy sources and environmental infrastructure;
- auditing, accounting and financial management;
- **corporate governance.**

## **6.3 Diversity criteria**

The Company has and implements a diversity policy, aiming at promoting a suitable level of diversity within the Board and achieving an inclusive set of directors. The collection of a wide range of qualifications and skills when selecting directors ensures a variety of opinions and experiences, with a view towards proper decision-making.

This Policy includes the key diversity criteria applied by the Company when selecting Directors and are key priorities (diversity objectives) of the Company, including at least:

- a) adequate gender representation - at least twenty five percent (25%) of the total number of directors must be of the other gender,
- b) ensuring equal treatment and equal opportunities for all potential Directors, irrespective of gender, race, colour, national, ethnic or social origin, religion or

belief, assets, birth, marital status, disability, age or sexual orientation.

## **7. MONITORING AND INSPECTION OF IMPLEMENTATION**

The Board is responsible for monitoring implementation of the Policy. The Committee shall ensure that it is implemented with the assistance of the competent services / divisions or other committees of the Company and external advisors in each case.

The description of the diversity policy applied to Directors, the policy objectives, the manner in which it is implemented and its results are included in the Company's annual Corporate Governance Statement in implementation of article 152 of Law 4548/2018 and article 18 of the Law.

The policy implementation inspection is carried out in the context of the annual evaluation of the Board's collective suitability once a year or each time there is an event which necessitates re-evaluation such as:

- 1) when doubts arise regarding the individual suitability of directors or the collectively suitability of the Board and its committees,
- 2) when an event significantly impacts the reputation of a director,
- 3) when an event occurs which could significantly affect the Director's suitability, including cases of non-compliance with the Company's Conflict of Interest Policy, in the case of a major reduction in the available time of a Director, etc.,
- 4) where there are major changes in the Company's strategy and structure,
- 5) in all cases of significant changes in the line-up of the Board, including:
  - É the appointment of new members, e.g. as a result of a direct or indirect acquisition or increase in the Company's holding;
  - É redefining or reallocating the roles of Directors if the requirements of posts have changed or if members are appointed to a different position within the Board;
  - É the establishment of new BoD committees.

The Board of Directors collectively and the Chairman and members of the Board of Directors individually are evaluated each year to ensure they are effectively discharging their duties. The Chairman shall be in charge of the Board's collective suitability assessment process in cooperation with the Committee. At least every three years this evaluation is facilitated by an external consultant.

If the evaluation or re-evaluation concludes that a Director is not suitable for performing his/her duties on the Board of Directors, and easily identifies rectifiable shortcomings relating to the Director's knowledge and skills, appropriate corrective measures should be taken to address those shortcomings in good time. The support of an external consultant can be used for this purpose. Otherwise, the competent corporate body shall immediately remove and replace the Director within three (3) months, in accordance with the provisions of article 6 par.3 of the Law.

If the assessment or re-assessment concludes that the Board is not collectively appropriate, appropriate corrective measures should be taken to address the recognised shortcomings in a timely manner. Suitable corrective measures may include but are not limited to:

- “ adjustment of competences between Directors and/or the Board’s committees,
- “ A proposal from the Board to the General Meeting of Shareholders to increase the number of Directors,
- “ taking possible measures to limit conflicts of interest,
- “ training of individual Directors,
- “ training of the Board of Directors overall to ensure individual and collective suitability,
- “ a proposal from the Board to the General Meeting of Shareholders to increase the number of Directors in whole or in part.

## **8. APPROVAL AND PUBLICITY**

The Suitability Policy is approved by the Board of Directors, in accordance with article 3 par. 1 of Law 4706/2020, and submitted to the General Meeting for approval, in accordance with article 3 par. 3 of Law 4706/2020.

Amendments to the Policy are approved by the Board of Directors and where they are material, in other words they introduce derogations or significantly change the content hereof, particularly in relation to the general principles and criteria applied, are submitted to the General Meeting for approval in accordance with article 3 par. 3 of Law 4706/2020.

The Policy and any material amendment to it apply from its approval by the General Meeting.

The updated Suitability Policy in effect from time to time is posted on the Company’s website (<https://www.intracom.com/>).