

# **Thessaloniki Port Authority SA.**



## **Audit Committee Charter**

Version 3, as approved by the BoD on 15.04.2025

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## **1. Introduction**

- 1.1. This Charter defines the purpose, the role and the procedure of its completion, the competence, the organizational structure, the mode of operation as well as the procedure of convening and meeting of the Audit Committee of “Thessaloniki Port Authority SA” (hereinafter “ThPA SA” or the “Company”).
- 1.2. The Charter is posted on the Company's website.
- 1.3. The Company, as a public interest entity, has established an Audit Committee, in performance of the provisions of article 10 of Law No 4706/2020 and article 44 of Law No 4449/2017, as amended and in force.

## **2. Purpose - Mission**

- 2.1. The Audit Committee is established in order to assist the Board of Directors in its duties related to the systematic supervision of the Company's governance, risk management, statutory audit of financial statements and internal audit practices. The Committee assists the Board of Directors and the Management by providing advice and recommendations in the following areas:
  - Proposal and selection of certified auditors or audit firms, oversight of their works as well as review and monitoring of their independence and objectivity, in particular as regards the possible provision of other services by them to the Company
  - Monitoring the effectiveness of the systems of internal audit, quality assurance and risk management systems, reviewing and evaluating the adequacy of all policies, procedures and guarantees related to the internal audit and risk management operations in relation to financial information
  - Monitoring, supervision, examination and evaluation of the proper and effective operation of the Internal Audit Department
  - Monitoring, examination and evaluation of the process of preparation of the Company's Financial Statements, submitting recommendations or proposals for its improvement and ensuring the integrity of the Board of Directors, when necessary, as well as informing the Board of Directors about the procedure and the progress of the statutory audit of the Financial Statements
  - Financial information and financial reports
  - Values and ethics
  - Monitoring and evaluation of the Management's measures for the prevention and deterrence of fraud
  - Company's governance structure.

- Company's compliance with the current legal, regulatory and general institutional framework regarding its operation.
- 2.2. The responsibilities and obligations of the Audit Committee are detailed in Chapters 9 to 17 hereof.

### **3. Authority**

- 3.1. The Audit Committee Charter defines its authority to exercise its responsibilities defined by the Board of Directors as specified in this document.
- 3.2. During performance of its duties, the Committee shall, in accordance with its decisions, have the right to receive as much explanatory information as it deems necessary and have full access to all records, archives, facilities, information systems, staff and external providers of the Company. If access to requested documents or resources is denied, for legal or confidentiality reasons, the Audit Committee will follow a specific procedure, approved by the BoD, to resolve the issue.
- 3.3. The Audit Committee, following its related decision, may use any resources it deems appropriate to fulfill its purposes, including services of external consultants.

### **4. Composition - Members**

- 4.1. The Audit Committee may constitute:
- aa) A committee of the Board of Directors of the audited entity, which is composed of non-executive members thereof, or
  - ab) an Independent Committee, which is composed of non-executive members of the Board of Directors, or
  - ac) an Independent Committee, which is composed of third parties.
- (b) The type of audit committee, its term of office, the number and the qualifications of its members are decided by the general meeting or by an equivalent body.
- 4.2. The Audit Committee of the company, in accordance with the provisions of Article 12 of the Company's Articles of Association, is a committee of the Board of Directors, appointed by the Board of Directors and consists of three (3) members of the Board of Directors in accordance with the provisions of article 12 of the Company's Articles of Association. The Audit Committee consists exclusively of non-executive members of the Board of Directors, the majority of whom shall be independent, within the meaning of the provisions of Law No 4706/2020 as in force. The members of the Audit Committee have sufficient knowledge of the industry in which the Company operates.
- 4.3. The Chairman of the Committee is appointed by the members and is independent.

- 4.4. If the Fund or any of its legal successors continues to hold at least 504,000 common voting shares with a nominal value of € 3 each, or the equivalent number of common voting shares arising from such shares as a result of any change in the nominal value per share (and, for the avoidance of doubt, not taking into account any incidental fluctuation of the percentage on the total issued shares of the Company represented by the said shares), the member of the Board of Directors appointed by the Fund in accordance with Article 7(6) of the Company's Articles of Association participates in the Audit Committee.
- 4.5. In case of resignation, death or loss of the capacity of member of the Audit Committee, the Board of Directors appoints, from its current members, a new member in replacement to the removed member, for the period until the end of his term, while observing, as the case may be, par. 1 and 2 of article 82 of Law No 4548/2018.

## **5. Decision-making**

- 5.1 The Audit Committee is in quorum when the majority of its members are present.
- 5.2 At least one member of the Committee, who is independent, with sufficient knowledge and experience in accounting or auditing, shall attend mandatorily the meetings of the Audit Committee regarding the approval of the Company's financial statements.
- 5.3 A legally convened meeting of the Committee in which there is a quorum is responsible for the exercise of all responsibilities, powers and discretion conferred upon it or exercised by the Committee.
- 5.4 A majority of its members present is required for the validity of the Committee's decision-making.

## **6. Meetings**

- 6.1 The Committee meets at the headquarters of the Company or where its Articles of Association provide for.

The meeting of the Committee may be attended either in person or by teleconference by some or all members. In this case, the call to the members of the Committee includes the necessary information and technical instructions for their participation in the meeting. The Committee may meet in the same way if all its members agree.

In any case, the Committee may meet validly outside the Company's headquarters elsewhere, provided that all its members are present at this meeting and no one objects to the holding of the meeting and the decision-making.

- 6.2 The Committee meets regularly or extraordinarily as often as necessary in order to effectively perform its duties. The Committee meets with the external auditor of the company at least twice a year, without the presence of executives of the Management.
- 6.3 The Board of Directors may also request the Committee to hold additional meetings to discuss, review and provide information on issues that the Board of Directors deems necessary to address.
- 6.4 The Chair of the Audit Committee prepares the agenda for the meetings of the Audit Committee in consultation with its members and, whenever deemed necessary, with executives of the executive Management, in order to examine and address corporate needs and matters related to regulatory provisions and the statutory responsibilities of the Committee. The items on the agenda shall be made available to each member at least five days before the meeting of the Committee. In exceptional cases, with the consent of all members of the Committee, there is no time limit on the agenda items and the relevant proposals. Relevant documents can also be notified via corporate email addresses.
- 6.5 The Audit Committee may invite any member of the Management or executive, as well as the external auditors, at its discretion.
- 6.6 The members of the Committee shall attend the General Meetings and inform Shareholders about important issues they have identified, as well as whether they have successfully fulfilled the tasks assigned to them.

## **7. Minutes of Meetings**

- 7.1. The Audit Committee keeps minutes of discussions and decisions at all meetings of the Committee, including the names of those present.
- 7.2. Any conflict of interest is identified and recorded in the minutes at the beginning of each meeting.
- 7.3. In case of non-unanimous decisions, the views of the minority are recorded in the minutes. The minutes of the meetings are available in draft form at least two weeks after the meeting of the Audit Committee.
- 7.4. The minutes of the Committee are signed by the members present. In case of a member refusing to sign, a relevant mention is made in the minutes.

## **8. Remuneration of the Members of the Committee**

- 8.1. Members of the Committee may be reimbursed for travel and Committee-related expenses.

8.2. Remuneration and benefits for the time and/or services of the members of the Committee are formally defined in the Company's Remuneration Policy.

## **9. Supervision of External Audit**

It monitors the statutory audit of the annual and consolidated financial statements and, where applicable, the assurance of the submission of the annual and consolidated sustainability report, and in particular, its performance, taking into account any findings and conclusions of the competent authority in accordance with paragraph 6 of Article 26 of Regulation (EU) No. 537/2014.

Regarding the supervision of the External Audit, the Audit Committee:

- Through the Board of Directors, it recommends to the General Meeting the appointment, reappointment, dismissal, or termination of the cooperation with the statutory auditors or audit firms for the statutory audit of the annual and consolidated financial statements and/or the assurance of the submission of the annual and consolidated sustainability report, the external auditor, as well as the approval of their compensation and the terms of their appointment. Unless it concerns the renewal of an audit engagement, the recommendation shall be justified and contain at least two options for the audit engagement and the Audit Committee will duly justified approve one of them. In its recommendation, the Audit Committee shall state that its recommendation is not influenced by third parties and that none of the clauses provided for in Article 16(6) of Regulation (EU) 537/2014 have been imposed on it. The selection procedure for which the Audit Committee is responsible is described in Article 16(3) of Regulation (EU) 537/2014.
- Examines and monitors the independence of the certified auditors or audit firms and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements applicable in Greece.
- Examines and discusses with the external auditor the significant audit discrepancies and the report on the weaknesses of the internal audit system, especially those that arise during the external audit and concern the procedures for providing financial information and preparing the financial statements.
- Reviews and monitors the adequacy of providing non-audit services by the statutory auditors or audit firms to the Company and pre-approves the permissible non-audit services, taking into account the cap on non-audit services, after duly assessing the threats to independence and the safeguards applied.
- Discusses with the auditing company the threats to its independence and the applicable safeguards, if the total remuneration received from the Company in the last three

consecutive financial years amounts to more than fifteen (15) percent of the total remuneration of the statutory auditors. The Audit Committee examines whether the audit engagement shall be reviewed on the quality of work by another statutory auditor or audit firm before issuing the audit report. In the event that the remuneration received from the Company still exceeds 15% of the total remuneration received by the statutory auditor or audit firm or, possibly, an auditor of the group performing the statutory audit, the Audit Committee decides on the basis of an objective assessment whether the statutory auditor or the audit office of the Company may continue to perform the statutory audit for an additional period, which shall definitely not be longer than two years.

#### **10. Supervision of the Internal Control System, Regulatory Compliance and Risk Management System**

The Audit Committee has the following responsibilities and obligations regarding the internal control systems, regulatory compliance, risk management, and information systems:

- It monitors the financial reporting process and, where applicable, the sustainability reporting process, including the process of electronic submission of reports and the process carried out by the Company for determining the information submitted in accordance with sustainability reporting standards, and makes recommendations or proposals to ensure and maintain its integrity.
- It oversees and monitors the effectiveness of the internal control systems, quality assurance, and risk management systems, and, where applicable, the Internal Audit Department, regarding the financial information of the audited entity and, where applicable, the submission of the company's sustainability reports, including the related electronic reporting process, without violating the independence of that entity. To this end, the Audit Committee regularly reviews the internal control and risk management system of the Company to ensure that key risks are identified, managed, and properly disclosed.
- Monitors the process of financial information and the reliability of the Company's financial statements.
- Supervises the internal audits of the company and monitors the effectiveness of the company's internal audit, quality assurance and risk management systems without violating the independence of the Company. To this end, the Audit Committee regularly

reviews the Company's internal audit and risk management systems to ensure that key risks are properly identified, managed and disclosed.

- Examines cases of conflict of interest in the Company's transactions and submits relevant reports to the Board of Directors.
- Examines the adequacy and effectiveness of corporate governance, compliance, internal quality control and risk management systems of the Company through the coordination and supervision of audit efforts. The Audit Committee reports to the Board of Directors any important issues and makes relevant recommendations.
- Examines the statements regarding the internal audit to be included in the annual report.
- Supervises and advises the Board of Directors on the overall risk assumption, tolerance and strategy of the Company, taking into account the financial environment with reference to the valid sources that the Committee considers relevant to the Company's risk policies.
- Advises the Board of Directors on the proposed strategic transactions such as acquisitions or dispositions, ensuring that an evaluation is performed with due diligence of the proposal with particular emphasis on the risk aspects and implications for the Company's risk taking and tolerance, as well as the receipt of independent external advice when appropriate.
- Examines and approves the responsibility of the risk management operation and ensures that:
  - It has sufficient resources and easy access to information in order to perform its operation effectively and in accordance with the relevant professional standards
  - It has sufficient independence and is not subject to the Management and other restrictions
  - It is able to identify and manage new types of risks.
- Reviews the general risk assessment procedures of the Company that are utilized during the decision-making process of the Board of Directors, ensuring the use of qualitative and quantitative criteria.
- It reviews the risk register and safety measures, as well as any revisions to them.
- Monitors any significant issues that arise or those that the Committee considers that they may arise in relation to potential damage of the Company's reputation.

## **11. Supervision of the Internal Audit Activity**

Regarding the supervision of the Internal Audit Department, the Audit Committee:

- Ensures the proper operation of the Internal Audit Department based on international standards for the professional conduct of internal audits.

- Monitors the effectiveness of the Internal Audit Department regarding the financial information of the Company, without violating its independence.
- Proposes to the Board of Directors the Internal Audit Department Charter and the Internal Audit Department of the Company Procedures' Manual and any changes thereof.
- Monitors and reviews the proper operation of the Internal Audit Department in relation to professional standards and the applicable legal and regulatory framework and evaluates the audit work, its adequacy and effectiveness, without, however, affecting its independence. The Audit Committee informs the Chairman of the Board of Directors and the Board of Directors of the Company. The evaluation shall include the examination of the scope of activities and the effectiveness of the Internal Audit Department, the adequacy of the reports to the Audit Committee, as well as the response and effectiveness of the Management regarding identified errors or weaknesses in the Internal Audit System.
- Is informed about the assignment of works by the Internal Audit Department to a third party.
- Ensures the independence of the Internal Audit Department, evaluates the adequacy of the Head of the Internal Audit Department and presents proposals on the adequacy of resources for conducting effective audits by the Internal Audit Department (staffing, budgeting, human resources, education and staff development issues).
- Proposes to the Board of Directors the appointment and dismissal of the Head of the Internal Audit Department.
- Evaluates the performance of the Head of the Internal Audit Department, who operationally reports to the Audit Committee.
- Examines the annual audit plan and any revisions thereof, which is prepared based on the risk assessment of the Company, after taking into account the opinion of the Audit Committee and submitted to the Audit Committee by the Head of the Internal Audit Department. The annual audit plan and any revisions thereof is approved by the Board of Directors, following the opinion of the surveillance Audit Committee.
- Meets with the Internal Audit Department whenever called by the Committee but also on its own initiative, when it deems it necessary in order to achieve the objectives of Internal Audit, as well as with the Head of Internal Audit at least once a year, without the presence of the Management, in order to discuss their area of responsibility and any issues arising from the internal audits that are performed. The Head of the Internal Audit Department will have the right of direct access to the Committee, when it deems that this

is necessary to serve the purposes of Internal Audit (including, but not limited to, matters of risk management, ethics, security, external audit, other Internal Audit issues).

- Examines the reports of the Internal Audit Department to the audited units that contain findings, as well as the risks arising from them and the suggestions for improvement, if any, in which the relevant views from the audited units, the agreed actions, if any, or the acceptance of the risk of non-action by them, the limitations in the scope of audit, if any, the final internal audit proposals and the results of the response of the Company's audited unit were included.
- Promptly examines all the reports of the internal auditors and examines and monitors the response of the Management to the findings and the recommendations of the internal auditor.
- Requests, when it deems necessary and with the approval of the Board of Directors, from the Internal Audit Department to prepare special reports.
- Presents and submits to the Board of Directors the reports of the Internal Audit Department, along with its remarks.
- Requests, when it deems it necessary, from the Internal Audit Department to perform an extraordinary internal audit.
- Proposes, in collaboration with the Head of the Internal Audit Department, a continuous training, in order to achieve on the one hand the personal goals of each executive for training, on the other hand the objectives of the Internal Audit Department that will ensure the effective and efficient performance of audits provided for in the audit plan.
- Is informed about the results of the evaluations performed within the framework of the Quality Assurance and Improvement Program that covers all aspects of internal audit.

## **12. Supervision of Financial Reporting**

12.1. The Audit Committee monitors the financial reporting process, is informed and discusses with the Board of Directors, senior management and statutory auditors regarding:

- The progress and the schedule of preparation of financial statements.
- All major accounting and reporting issues and the outcome of audits including the weaknesses of internal audits on financial reporting.
- The accounting processing of complex, unusual, high-risk or controversial transactions.
- Major critical areas, ratings and estimates with significant impact on financial statements and related non-financial items.
- Compliance with accounting policies, practices, standards and regulations, including any changes.

- the results of the audit, including: the nature, scope and planning of the audit (prior to initiating the audit) and provides recommendations, if necessary.
- Any difficulties encountered and/or significant disagreements with the Board of Directors or senior executives of the Company.
- Issues and reservations arising from interim and final audits.
- Any issues that the statutory auditor wishes to discuss (without the presence of the Board of Directors, if necessary)

12.2. The Audit Committee receives an additional report submitted by the statutory auditors or audit firms that perform the Company's audits, no later than the date of submission of the audit report that presents the results of the Company's statutory audit. At the request of a statutory auditor or the Audit Committee, the statutory auditors or audit firms will discuss with the Audit Committee the key issues arising from the statutory audit, which are set out in the supplementary report to the Audit Committee.

### **13. Values and ethics**

The following responsibilities are included, inter alia, in the responsibilities of the Audit Committee in order to obtain reasonable assurance regarding the Company's practices in the field of "Values and ethics":

- Supervision of the mechanisms established by the Management in order to establish and maintain high ethical standards for the entire Management and the staff of the Company.
- Examination and evaluation of the policies, procedures and practices established by the Board of Directors to monitor the compliance with the Code of Conduct and the ethical policies of the Company by its Management and staff.
- Review and advise on systems and practices established by the Management to monitor compliance with laws, regulations, policies and ethical standards and to identify and manage legal or ethical breaches.
- Monitoring of Company reports regarding violations of the Code of Ethics by employees.

### **14. Fraud**

To prevent and detect fraud, the Audit Committee shall:

- Monitor the Management's measures for the prevention and deterrence of fraud
- Ensure that appropriate measures are taken against known perpetrators of fraud
- Call on the Management and the internal and external auditors to ensure that the Company implements appropriate anti-fraud programs and audits in order to identify potential fraud cases and to ensure that investigations are conducted if fraud is detected.

## **15. Compliance**

With regard to Compliance, the Audit Committee:

- Examines and provides advice on the governance process that has been established and observed in the Company and the procedures that ensure that it operates in accordance with the rules of "Corporate Governance".
- Examines the effectiveness of the compliance monitoring system, regarding compliance with laws and regulations, as well as the results of Management investigations and monitoring (including disciplinary measures) of non-compliance incidents.
- Examines the observations and conclusions of the internal and external auditors as well as the findings of the regulatory authorities.
- Examines the process of communicating the Code of Ethics to the Company's staff and compliance monitoring.
- Receives regular updates from the Management on compliance issues.

## **16. Reports on the performance of the Audit Committee**

- 16.1. The Audit Committee informs the Board of Directors about the results of the statutory audit and, where applicable, the outcome of the assurance of the submission of sustainability reports. It explains how the statutory audit and the assurance of the submission of sustainability reports contributed to the integrity of the financial information and the sustainability reports, respectively, and what the role of the Committee was in this process.
- 16.2. The Audit Committee reports to the Board of Directors on a quarterly basis, with a summary of the Committee's activities and recommendations. The report may be submitted during a meeting of the Audit Committee attended by the Board of Directors or during a meeting of the Board of Directors.
- 16.3. The report may also include:
  - A summary of the works of the Audit Committee performed to entirely fulfill its responsibilities, including recommendations and findings.
  - A summary of the progress of the Management in handling the results of the internal and external audit reports.
  - Overall assessment of risk management, audit and compliance procedures, including details of any significant emerging risks or legislative changes affecting the Company.
  - Details of meetings such as the number of meetings held during the period and the number of meetings in which each member participated.

- Information requested, if any, on new or emerging developments in corporate governance.
- A report to the administrative body, at any time, on any other matter it considers important.

## **17. Process for report submission**

17.1. The Committee submits quarterly reports to the Board of Directors on:

- The activities of the Internal Audit Department.
- The activities of the Responsible Regulatory Compliance and Risk Management.
- Any changes/amendments to the annual audit plan and the annual action plan of the Responsible Regulatory Compliance and Risk Management, to be approved by the Board of Directors.
- The completion stage of the annual audit plan and the annual action plan of the Responsible Regulatory Compliance and Risk Management.
- The main findings and recommendations.

17.2. The Committee submits annual reports to the Board of Directors on:

- The reassessment of the internal audit system and reference to any cases that have been identified.
- Updates to the audit plan and the risk assessment process.
- The results of the internal evaluation of the internal audit works as well as recommendations for improvement.
- The examination of any updates to the Internal Audit Department Charter and the Internal Audit Department Procedures' Manual, to be approved by the Board of Directors.

17.3. The Committee submits more frequent reports to the Board of Directors if, in its opinion, issues arise that the Board of Directors shall be aware of and take action, as well as in case it is requested by the Board of Directors.

17.4. The Audit Committee submits an annual activity report to the ordinary General Meeting of the Company. This report includes a description of the sustainable development policy followed by the Company.

## **18. Approval**

This Charter is valid from the date of its approval by the Company's Board of Directors. It will be reviewed annually and any amendments will be subject to the approval of the Board of Directors.