

**Clarifications on item 2 of the Agenda  
regarding the Invitation  
to the Extraordinary General Meeting of PPC S.A. Shareholders  
to be held on December 23<sup>rd</sup>, 2019.**

**ITEM TWO:** Modification of the composition and the structure of the Audit Committee of the Company and election of its Members.

Towards the direction of making PPC S.A. more flexible and taking into account, on the one hand the need to ensure enforcement of the pertinent European legal framework, on the other hand to make more flexible and quicker the procurement procedure in contracts which are presumed that, due to the amount involved, they cannot have a material impact on competition, it is provided, under par. 4 of article 9 of Law 4643/2019, PPC's exception from public procurement procedures, as well as the relevant provisions regarding the legal protection applied in the public sector (indicatively, L. 4412/2016, L. 4013/2011). The assignment of such contracts shall be carried out pursuant to the Company's Regulation of Works, Supplies and Services, without prejudice to the European legislation (Directive 2014/25/EC, and where applied, Directive 2014/24/EC).

Furthermore, as an institutional counterbalance to the above, the Audit Committee (AC), which is already in place in the Company and operates according to article 44 of L. 4449/2017, shall be reinforced and be competent, on the one hand to ensure the implementation of the Company's Procurement regulatory framework, on the other hand to safeguard the efficiency of the Procurement operation, i.e. the assignment of works, supplies and services. In particular, on top of its current competencies, the AC shall monitor (starting from its constitution and establishment under its new composition and structure), pursuant to par. 2 article 9 of L. 4643/2019, the correct implementation of the Company's Regulation of Works, Supplies and Services and shall propose amendments thereof and improvements in the Procurement operation, while at the same time, shall submit an annual report to the BoD in connection with the Procurement operation efficiency including certain metrics (e.g. completion time, the use of open procedures, amount and type of contracts, etc), so as to reduce pertinent risks for the Company. As a result, according to par. 1 of article 9 of L. 4643/2019, two (2) members are added in the existing AC, which are selected from a list of persons with proven experience in the procurement sector and which are independent from the Company, as per the L. 3016/2002 provisions. The term of the members shall be three (3) years and can be renewed once, whereas, with respect to the BoD members their tenure is terminated if they cease to be BoD members in any manner whatsoever.

Subsequently, the EGM of 23.12.2019 is called to approve the new composition and structure of the AC, as aforementioned provided by the Law, and to elect its new members.