

# ***Autohellas***

<b><i>Autohellas</i></b>	<b>CORPORATE GOVERNANCE</b>	<b>Date of approval by the Board of Directors:</b>
	<b>AUDIT COMMITTEE CHARTER</b>	<b>Date of 1st edition: Date of review:</b>

## **AUDIT COMMITTEE CHARTER**

**"AUTOHELLAS TOURIST AND TRADING SOCIETE ANONYME"**

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## **1. Subject matter of the Regulation.**

1.1 These Regulations (hereinafter "**Regulation**") describe the procedures regarding the composition, the role, the responsibilities, the way of evaluating the effectiveness and other issues related to the operation of the Audit Committee of the Company named "AUTOHELLAS TOURIST AND TRADING SOCIETE ANONYME" (hereinafter "the **Company**") and has been prepared in accordance with the provisions of Law 4706/2020 on corporate governance, subject to its transitional provisions, and Law 4449./2017, as in force, on the mandatory audit of annual and consolidated financial statements and public supervision over the audit work, as well as the provisions of the Company's internal regulations.

## **2. Approval / Entering into effect / Revision of the Rules.**

2.1 The Regulations shall be approved by the Audit Committee and shall enter into force upon approval by the Board of Directors. It is posted on the Company's website and is binding on all members of the Audit Committee.

2.2 The Regulations shall be revised upon written recommendation of the Audit Committee to the Board of Directors of the Company, which shall set out the reasons for the proposed revision and any revision/amendment shall be effective upon approval of the Board of Directors, which shall evaluate the proposed changes in relation to the appropriateness and effectiveness of the Regulations.

## **3. Composition and Constitution of the Audit Committee.**

3.1 The Audit Committee of the Company consists of three members and is either a committee of the Board of Directors of the Company consisting of non-executive directors, or an independent committee consisting of non-executive directors and third parties, or an independent committee consisting only of third parties.

The type of the Company's Audit Committee, its term of office, the number and capacities of its members shall be decided by the General Meeting.

The members of the Audit Committee are appointed by the Board of Directors, when it is a committee of the Board of Directors, or by the General Meeting of the Company, when it is an independent committee.

3.2 The majority of the members of the Audit Committee are independent of the Company, within the meaning of article 9 of Law 4706/2020, as in force, subject to the transitional provisions of the said law. The participation in the Audit Committee of persons who hold

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parallel positions or capacities or who carry out transactions incompatible with the purpose of the Audit Committee is prohibited.

3.3 The members of the Audit Committee as a whole have proven sufficient knowledge of the sector in which the Company operates and at least one member of the Audit Committee, who is independent of the Company, has proven sufficient knowledge and experience in auditing and accounting. The latter member is required to attend meetings of the Audit Committee relating to the approval of the Company's financial statements.

3.4 The Chairman of the Audit Committee is appointed by its members and must be independent of the Company within the meaning of the provisions of article 9 of Law 4706/2020, as in force.

3.5 The participation of a member of the Board of Directors in the Audit Committee does not exclude the possibility of his/her participation in another committee of the Board of Directors of the Company, provided that the principle of independence is respected and the requirements of the positions do not affect the effective performance of his/her duties in any of the committees.

3.6 In the event of resignation, death or loss of membership of the Audit Committee, the Board of Directors shall appoint a new member from among its existing members to replace the member who has resigned, for the period until the expiry of his/her term of office, subject, if applicable, to the provisions of par. 1 and 2 of article 82 of Law 4548/2018, which applies accordingly. When the member of the Audit Committee who passed on is a third person, not a member of the Board of Directors of the Company, the Board of Directors shall appoint a third person, not a member of the Board of Directors of the Company, as a temporary replacement, and the next General Meeting shall either appoint the same member or elect another one, for the period until the expiry of his/her term of office in the Audit Committee.

## **4. Responsibilities of the Audit Committee.**

4.1 The Audit Committee operates to support the Board of Directors of the Company in the effective discharge of its duties in relation to financial reporting, the supervision of the internal and regular audit of the Company. In particular, , the Audit Committee among others:

4.1.1 Inform the Board of Directors of the Company by submitting a report on the issues arising from the statutory audit explaining (a) the contribution of the statutory audit to the quality and integrity of the financial information, i.e. the accuracy, completeness and

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correctness of the financial information, including the related disclosures, approved by the Board of Directors and disclosed to the public and (b) the role of the Audit Committee in the process described in (a) above, i.e. recording the actions that the Audit Committee proceeded with during the process of conducting the statutory audit, how the statutory audit contributed to the integrity of the financial disclosure, and what was the role of the Audit Committee in the said procedure.

In the context of the above information to the Board of Directors, the Audit Committee takes into account the content of the supplementary report submitted to it by the chartered accountant, which contains the results of the statutory audit carried out and meets at least the specific requirements in accordance with Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014.

4.1.2 Monitor the financial reporting process and make recommendations or suggestions to ensure its integrity,

4.1.3 Monitor the effectiveness of the company's internal control, quality assurance and risk management systems and, where applicable, of its internal audit department, with respect to the Company's financial reporting, without compromising the independence of this entity,

4.1.4 Monitor the statutory audit of the annual and consolidated financial statements and in particular its performance, taking into account any findings and conclusions of the competent authority in accordance with par. 6 of Article 26 of Regulation (EU) No 537/2014,

4.1.5 It reviews and monitors the independence of the chartered accountants or audit firms in accordance with Articles 21, 22, 23, 23, 26 and 27 of Law 4449/2017, as well as Article 6 of Regulation (EU) No 537/2014 and in particular the appropriateness of the provision of non-audit services to the Company in accordance with Article 5 of Regulation (EU) No 537/2014,

4.1.6 It is responsible for the selection process of chartered accountants or audit firms and proposes the chartered accountants or audit firms to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, unless paragraph 4.1.6 applies. 8 of Article 16 of Regulation (EU) No 537/2014.

4.2 In the context of fulfilling its above mentioned duties, the Audit Committee shall take the following indicative actions:

4.2.1 More specifically, as regards the external audit and the financial reporting process, the Audit Committee:

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α) It is responsible for the selection process of chartered accountants or audit firms and proposes the chartered accountants or audit firms to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014. It submits a recommendation to the Board of Directors for the appointment, reappointment and removal of the chartered accountant, as well as the approval of the remuneration and the terms of engagement of the chartered accountants. It reviews and monitors the independence of the regular auditor and the objectivity and efficiency of the process, in accordance with Greek and international regulatory and accounting standards, and reviews and approves the provision of additional services to the Company by the audit firm to which the regular auditor belongs. The independence of the regular auditor is also declared in the supplementary report submitted by the regular auditor to the Audit Committee pursuant to Article 11 of Regulation (EU) No 537/2014.

(b) It shall be informed of the process and timing of the preparation of the financial reporting by the management.

c) Is informed by a chartered accountant on the annual statutory audit programme prior to its implementation, makes an assessment of the programme and ensures that the annual statutory audit programme will cover the most important areas of audit, taking into account the main areas of business and financial risk of the Company. The Audit Committee shall also make recommendations on other significant matters when it deems appropriate.

(d) Review and analyse in detail the most significant issues and risks that could have an impact on the Company's financial statements and on the significant judgments and estimates made by management in preparing the report, including, but not limited to:

- Evaluation of the use of the going concern assumption
- Significant judgements, assumptions and estimates in the preparation of the financial statements
- Valuation of assets at fair value
- Assets recoverability assessment
- Accounting treatment of acquisitions
- Adequacy of disclosures about the significant risks faced by the Company
- Significant transactions with related parties
- Significant unusual transactions.

e) Ensure timely and effective communication with the statutory auditor with a view to the preparation of the audit report and the latter's supplementary report to the Audit Committee, and resolve any disputes between the management and the chartered accountant.

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f) Review the financial reports prior to their approval by the Board of Directors in order to assess their completeness and consistency with the information brought to its attention and with the accounting principles applied by the Company and inform the Board of Directors accordingly.

4.2.2 In detail, as regards internal control, risk management, regulatory compliance and the Internal Audit unit, the Audit Committee:

a) with the assistance of the Nominations and Remuneration Committee in the area of remuneration, recommends to the Board of Directors the selection of the Head of the Internal Audit Department and verifies his/her independence on an annual basis. It shall assess the staffing and organisational structure of the Internal Audit Directorate and identify any weaknesses. If deemed appropriate, the Audit Committee shall submit proposals to the Board of Directors to ensure that the Internal Audit Directorate has the necessary resources, is adequately staffed with personnel with sufficient knowledge, experience and training, that there are no restrictions on its work and that it has the requisite independence.

(b) is informed of the annual audit programme of the Internal Audit Directorate prior to its implementation and assesses it, taking into account the main areas of business and financial risk and the results of previous audits. As part of this update, the Audit Committee shall consider that the annual audit programme (together with any medium-term equivalent programmes) covers the most important areas of control and systems relating to financial reporting.

(c) meet regularly with the Head of the Internal Audit Division to discuss issues within his/her area of responsibility, as well as findings that may arise during the completion of the relevant audits.

d) takes note of the work of the Internal Audit Department and its reports (regular and extraordinary) and monitors the updating of the Board of Directors with the content of these reports, with regard to the financial reporting of the Company.

(e) monitor the effectiveness of the internal control systems, mainly through the work of the Internal Audit Directorate and the work of the chartered accountant.

f) oversee the management of the Company's main risks and uncertainties and their periodic review. In this context, it evaluates the methods used by the Company to identify and monitor risks, address the main risks through the internal audit system and the Internal Audit Directorate, and disclose them in the published financial information in a proper manner.

g) Monitor and inspect the work of the Risk Management Unit.

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f) Monitor and inspect the work of the Regulatory Compliance Unit and approve its annual action plan.

(h) further monitor the management's response to the reports submitted by the Audit Committee to the Board of Directors on its areas of responsibility.

(i) where it deems necessary, initiate and supervise specific investigations in areas it considers to be in need of further scrutiny.

l) For the fulfilment of the above, the Audit Committee may entrust special advisory or audit work to external consultants after approval of the corresponding expenditure by the Board of Directors of the Company.

k) recommends to the Board of Directors the periodic assignment, selection, scope of audit and amount of fees - at least every three years - of the evaluation of the adequacy of the Company's internal audit system to third parties, other than the regular chartered auditors/accountants, who have the necessary experience for this purpose, in accordance with the provisions of Resolution 1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission and the Policy for the Evaluation of the Company's Internal Audit System. In particular, the Audit Committee shall make a recommendation for the selection of an independent evaluator of the Internal Audit System and the review of his/her independence, monitor the independent evaluation process, discuss with the independent evaluator on the scope of the evaluation work and subsequently the results of the evaluation work, and inform the Board of Directors on the results of the independent evaluation.

l) Monitor the implementation of the actions and corrective actions on the findings of the evaluation of the IAS and the **ERS** by the external evaluator or the Internal Audit Unit.

## **5. Function of the Audit Committee.**

5.1 The Audit Committee shall meet at the invitation of its Chairman at regular intervals, at least four (4) times a year, and on an extraordinary basis when required. Said notice shall be communicated to the members at least 2 days prior to the meeting and shall include the agenda items and the date, time and place of the meeting. Minutes shall be taken at meetings of the Audit Committee.

5.2 The Audit Committee may also meet on its own initiative, provided that no member of the Audit Committee objects to its convening. In this case, no invitation is required.

5.3 All members of the Audit Committee participate in the meetings of the Audit Committee. It is at the discretion of the Audit Committee to invite, whenever it is deemed appropriate, key management personnel involved in the governance of the Company,



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including the Chief Executive Officer, the Chief Financial Officer and the Head of the Internal Audit Unit, to attend specific meetings or specific agenda items and to express their views on them.

5.4 The above meetings may be held in person or by audio-visual means at the Company's headquarters or at any other place decided by the members of the Audit Committee. The preparation and signing of minutes by all members shall be equivalent to a decision of the Audit Committee, even if no meeting has been held beforehand.

5.5 The Head of the Internal Audit Unit acts as secretary at the meetings of the Audit Committee. In his absence, the Audit Committee shall elect a secretary to take the minutes. The Audit Committee may incorporate in the minutes of its meetings any material brought to its attention which evidences its actions in the performance of its duties.

5.6 In the event that a meeting is adjourned due to the inability of a member to attend, a new date shall be set by the Chairman of the Audit Committee within a period of not more than 15 days from the adjourned meeting.

5.7 Decisions of the Audit Committee are taken by an absolute majority of its members.

## **6. Principles of operation.**

6.1 Each member of the Audit Committee operates under the principle of independence and its decisions are taken on the basis of his/her conscience and with the aim of preventing damage to the interests of the Company and its shareholders.

6.2 The Audit Committee shall have full access to any information of the Company that is deemed necessary for the performance of its duties.

6.3 Any information received by any member of the Audit Committee shall be considered confidential and each member of the Audit Committee shall act in accordance with such confidentiality.

6.4 The Board of Directors of the Company shall provide each member of the Audit Committee with appropriate training and information for the effective performance of their duties.

6.5 Members must inform the Chairman of the Audit Committee and the Board of Directors of the Company in case of a breach of the principle of independence or if for any reason the principle of confidentiality of information has not been respected.

6.6 The members of the Audit Committee must comply with the provisions of the Company's internal regulations, the Corporate Governance Code adopted by the Company and the law governing its operation.

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## **7. Reports/ Executive Reports**

7.1 The Audit Committee shall submit an annual report to the Annual General Meeting of the Company. This report shall include a description of the Company's sustainable development policy.

7.2 The Audit Committee shall report to the Board of Directors of the Company on its areas of responsibility with reference to those areas where the Audit Committee, after completing its work, considers that there are material issues in relation to the financial information provided and monitoring management's response thereto.

## **8. Evaluation**

8.1 The evaluation of the required qualifications of the candidates for the Audit Committee is carried out by the Board of Directors upon the proposal of the Nomination Committee, which recommends the same to the general meeting which is competent to decide.

8.2 In order to ensure the achievement of its objectives, the Audit Committee, with the assistance of the Remuneration Committee, evaluates its performance and its Operating Regulations on an annual or ad hoc basis and makes recommendations to the Board of Directors on the improvement of the work provided. This process is carried out under the responsibility of its Chairman, who also proposes the necessary improvement measures to address any weaknesses identified. The evaluation of the Chairman shall be carried out by the other members.

## **9. Remuneration**

The remuneration of the members of the Audit Committee is proposed by the Board of Directors of the Company and approved by the General Meeting of Shareholders. The remuneration takes into account, among other things, the complexity - breadth of the work of the Audit Committee members, the required working time, their degree of responsibility and the level of remuneration of the other members of the Board of Directors.