

**[DRAFT REVISED SUITABILITY POLICY OF THE MEMBERS OF THE BOARD OF DIRECTORS  
OF ELVALHALCOR S.A.**

**SUBMITTED TO THE SHAREHOLDERS' ORDINARY GENERAL MEETING OF 24.05.2023  
AGENDA ITEM 12<sup>TH</sup>: APPROVAL OF THE REVISION OF THE SUITABILITY POLICY OF THE  
MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY ACCORDING TO ARTICLE 3  
OF L.4706/2020]**



**SUITABILITY POLICY  
OF THE MEMBERS OF THE BOARD OF DIRECTORS OF  
“ELVAL HELLENIC ALUMINIUM INDUSTRY SOCIETE ANONYME”**

**1. PREAMBLE**

The Suitability Policy of the Members of the Board of Directors (hereinafter “Policy”) is an essential part of the Corporate Governance System of “ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.” (hereinafter the “Company”). It aims to ensure the qualitative staffing, efficient operation and fulfillment of the Board of Directors’ role, based on the general strategy and the medium-term business goals of the Company in order to promote the corporate interest. Its implementation ensures the recruitment and keeping of persons with abilities, knowledge, skills, experience, independent judgment, ethics and good reputation guarantees, ensuring the exercise of sound and effective management for the benefit of the Company, shareholders and all interested parties. It is so that the prudent administration of the Company is strengthened and the risk exposure management system is enhanced.

The Policy, as well as all the thereupon substantial amendments, are submitted to the Company’s Board of Directors by the Remuneration and Nomination Committee, in cooperation with the Company’s Internal Audit Unit and the Legal Service, and is presented for approval to the Company’s General Meeting. In the cases of substantial Policy amendments, the recommendations may be outsourced from other entities. As substantial amendments are considered such that introduce deviations or that significantly alter the Policy content, in particular as to the applicable general principles and criteria.

In preparing the Policy, which is posted and updated on the Company’s website ([www.elvalhalcor.com](http://www.elvalhalcor.com)), the provisions of paragraphs 1 and 1a, article 3 of Law 4706/2020 (GG 136/A/17-7-2020) on the “societe anonyme Corporate governance, modern capital market, incorporation into Greek legislation of Directive (EU) 2017/828 of the European Parliament and the Council, measures to implement Regulation (EU) 2017/1131 and other provisions”, as well as paragraphs 2,3,4,5 and 6, article 3 of the same as above law, were taken into account. Moreover, the Policy is in line with circular number 60/18.09.2020 of the Capital Market Committee, where the principles and directions of the regulatory framework above are specified.

In constructing the Policy, the Company takes into account the size, the internal organization, the risk appetite, the nature, the Company's activities scale and complexity as well as the best international practices.

The Policy takes into consideration the specific description of each of the Board of Directors competences as well as its participation or not in Committees, the nature of its tasks (executive or non-executive member of the Board of Directors) and its designation as Board of Director's member, independent or not, as well as any incompatible features or contractual commitments related to the nature of the Company's activity as well as of the applicable Corporate Governance Code.

The Company's Policy is clear, adequately justified, documented and governed by the principles of transparency and proportionality.

The Policy complies with the stipulations of the Company's Internal Operation Regulation and the Corporate Governance Code implemented by the Company.

## **2. POLICY OBJECTIVE**

The main Policy objectives are:

- i. The analysis of the criteria for the assessment of suitability (individual and collective) and reliability degree of the Company Board of Directors' members and the determination of the minimum supporting documents required.
- ii. The enactment of transparent rules and procedures for the assessment of suitability and reliability of the Company Board of Directors' members in the selection, replacement or renewal of their mandate.
- iii. The determination of cases in which the reassessment of the Company Board of Directors' members suitability and reliability and the relevant applicable procedures is considered advisable.
- iv. The distribution of competences to the Company's bodies for the Policy implementation.
- v. The assurance of qualitative staffing, efficient operation and fulfillment of the role of the Company's Board of Directors based on the general strategy and the medium-term business goals of the Company in order to promote the corporate interest.

## **3. POLICY APPROVAL AND REVISION**

The Company monitors the Policy effectiveness and proceeds to its periodic assessment, at regular intervals, or whenever major events or changes take place. Also, the Company amends the Policy and reviews its planning and implementation, where indicated by taking into consideration the recommendations of the Remuneration and Nomination Committee and of the Internal Audit Unit, as well as of any other external entity.

The Policy is approved and revised by the Company's Board of Directors, on the recommendation of the Remuneration and Nomination Committee in cooperation with the Internal Audit Unit and the Legal Service of the Company and is submitted for approval to the General Assembly.

## **4. PRINCIPLES PERTAINING TO THE SELECTION, REPLACEMENT OR RENEWAL OF THE BOARD OF DIRECTORS' MEMBERS TERM OF OFFICE**

The Company's Board of Directors is adequately staffed and properly composed.

The Company seeks the staffing of the Board of Directors with moral and well reputed persons.

The Board of Directors' members have the required skills and experience based on their assigned duties and role in the Board of Directors and, at the same time, have sufficient time to carry out their duties.

In the selection, renewal of members' term of office and their replacement, the individual and collective suitability is taken into consideration.

Before taking up their duties, the BoD's eligible members, are familiarized, as much as possible, of the Company's culture, values and general strategy.

The Company monitors, on an ongoing basis, the Board of Directors members' suitability, primarily to identify, in the light of any relevant new event, cases in which the reassessment of their suitability is considered necessary. In particular, the competence reassessment applies in the following cases:

a. in case of doubts regarding the individual suitability of the Board of Directors members or the body composition suitability,

b. in the case of significant impact on the reputation of a BoD's member,

c. whenever the occurrence of an event may significantly affect the suitability of a BoD's member, including cases in which members do not comply with the Company's Conflict of Interests Policy. Indicatively, the BoD members' suitability is reassessed in the following cases:

- initiation/referral to criminal prosecution against a BoD's member

- issue of an irrevocable court order

- change in the status of the BoD's member or its affiliated members, which may create a conflict of interest with the interests of the Company

- deprivation of professional license

- receiving of any objective and verified information on the reliability of the persons in question.

The Board of Directors ensures the Company's the appropriate succession plan for the smooth continuation of the Company's business management and decision-making after the resignation of Board of Directors' members, in particular, executive members and members of Committees.

## **5. INDIVIDUAL SUITABILITY ASSESSMENT CRITERIA AND REQUIRED DOCUMENTATION**

The BoD member's individual suitability is assessed primarily pursuant to the criteria set out below. These criteria are general and apply to all BoD's members, regardless their capacity as executive, non-executive, or independent non-executive.

Specific impediments, obligations and conditions (such as of art. 3 par. 4,5 and 6 and of art. 9 par. 1 and 2 of l. 4706/2020 and art. 44 par. 1 of l. 4449/2017) apply regardless the suitability criteria and are reviewed in the cases provided for by the law (such as art. 9 par. 3 of l. 4706/2020).

More specifically, the individual suitability assessment criteria of the BoD's members are the following:

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

The BoD's members have the required know-how, skills and experience for performing their duties in view of the role, the position and the prerequisites set out by the Company for the position at issue. Experience encompasses both practical and professional experience as well as any required theoretical knowledge.

In particular, they should have:

(a) adequate knowledge in exact, economic, legal or other humanities, documented at least by a domestic or foreign, equivalent to the domestic, Higher Education Institution degree or be graduates of a domestic or foreign Technical School.

(b) professional competence for any specialized subjects,

(c) adequate knowledge in the Company's activity field and, more specifically, experience in the metal products industry branch or in the sub-branch of Raw Materials in which the Company has joined the Athens Stock Exchange.

The existence of the above conditions is verified through:

- detailed curriculum vitae, providing information on their training and professional experience, and

- duly certified degree copies – professional licenses and certificates.

Within the context of assessment, any additional information considered necessary may be taken into account.

In order to assess the practical experience, an exhaustive analysis of the experience and training is conducted, covering the member's past service and kind of employment, taking into account the length of its engagement in the respective entity, the size of the entity concerned, the scale and complexity of the business activity, the competences entrusted to it in the entity in question, the number of his subordinates, the nature of the entity's activities as well as its responsibility degree.

More specifically, in the context of assessing adequate knowledge and skills and reliability in general, the following are considered:

a. the role and duties of the position and the required skills,

b. the knowledge and skills acquired through education and training,

c. the previously acquired practical and professional experience,

d. the knowledge and skills acquired and demonstrated by the professional conduct and development of the Board of Directors' Member.

The Board of Directors' executive members may have acquired satisfactory practical and professional experience either by holding a responsible position or by conducting a business activity for a long time period.

The Company ensures that the Board of Directors' members are adequately aware and understand the Company's corporate governance regulations, as such arise from the Law and the Corporate Governance Code adopted by the Company, their respective role and responsibilities

both as Board of Directors' members and as members of its Committees, as well as the group's structure and any possible conflict of interests.

#### **b. Guarantees of ethics and reputation**

The Board of Directors' members are distinguished for their good reputation and ethics, which is mainly demonstrated by their honesty and integrity. They are distinguished by impeccable ethics.

It may be presumed that a Board of Directors' member has good reputation, honesty and integrity, unless there are objective and proven reasons to suggest otherwise.

In order to assess the reputation, integrity and honesty of a candidate or a current member of the Board of Directors, the Company conducts an investigation and, subject to the law on the personal data protection, request information and relevant supporting documents such as documents of the competent judicial or administrative authority of the State of descent or origin on any final administrative and court decisions against him, in particular for infringements and offenses related to his capacity as a member of the Board of Directors or to his non-compliance with the provisions of the Hellenic Capital Market Committee law or in general to financial crimes. Subject to the provisions of article 3 par. 4 and 5 of l. 4706/2020, in this assessment are taken into account in particular the relevance of the offense or of the degree with the member's role, the seriousness of the offense or of the degree, the in general conditions, including the mitigation factors, the role of the person involved, the sentence imposed, the stage reached in the legal proceedings and any remedial measures implemented. The time elapsed and the behavior of the person after the infringement / offense are also taken into account.

When assessing, the Company also takes into account any authority's exclusion decision, related to the Board of Directors' eligible member, prohibiting it from acting as a Board of Directors' member.

The information submitted to the Company by the BoD's eligible member may be subject to verification as to their accuracy and, if necessary, an investigation is conducted, taking into consideration the stipulations of the law on the personal data protection.

Indicatively, an eligible person may be excluded from becoming a Company's BoD's member in the following cases:

- (a) any criminal proceedings are pending against it
- (b) is itself, or any associated to it person, directly or indirectly related to competitive companies or maintains relations with the Company, direct or indirect, the nature of which does not allow the taking over in the specific capacity,
- (c) the existence of any indication that it was uncooperative and non-transparent in its communication with the Supervisory and other authorities.

In any case, a prerequisite for the election or maintenance of the Company's BoD' membership, is the prior filing of a solemn statement as to the non-concurrence of the impediments above, by each eligible member of the BoD Each member of the Company's BoD notifies promptly the Company of the issuance of any final court order against it, in any capacity.

#### **c. Conflict of interests**

The Company has, adopts and implements a Conflict of Interests Policy pursuant to par. 3 (g) of art. 14, L. 4706/2020. This Policy includes conflict of interest prevention procedures, measures for the disclosure and management of conflicts of interest as well as any cases and conditions that would exceptionally be acceptable for a member of the Board of Directors to have conflicting interests if such are significantly limited or subject to proper management.

All real and potential conflicts of interest at the BoD's level are subject to adequate notification, discussion, documentation, decision-making and proper management (i.e. adoption of necessary measures to reduce conflicts of interest) even if these cannot be avoided for the detection, management and monitoring and, where appropriate, disclosure of such conflicts of interest in order to prevent their detrimental effect on the interests of the Company and its shareholder investors.

In this regard, the Company keeps a record of conflicts of interest, in which are recorded the cases of conflict of interest, the operations / corrective actions undertaken to address and manage these cases as well as the statements and reports submitted.

More specifically, the BoD members have a loyalty obligation towards the Company and should avoid any conflict of interest with the Company as well as with those of the Company's group, in compliance with the stipulations of the relevant conflict of interest policies of the Company. Within this context, each member should make a statement as to the fact that there is no financial connection with the Company that entails a conflict of interest or jeopardizes the independence of the former before its appointment in accordance with the Company's candidacy policy.

Furthermore, the Company's BoD's members should:

1. Not to take advantage for personal gain any real or potential opportunities presented as a result of the use of Company's assets, following information obtained due to their participation in the Company's BoD or, in general, as result of their capacity as members of the Company's BoD, without the consent of the BoD. The BoD member should promote the Company's interests whenever given the opportunity.
2. Not to become members of a company or professional trader between which and the Company a conflict had recently arose or is imminent in the form of litigation, labor mobilization, obstruction of the public to carry out transactions (boycott) or other similar action, which may have a material impact on the results or the reputation of the Company and / or of the Company and the Group.
3. It is strictly forbidden to the BoD members to use any information that comes to their knowledge in the exercise of their duties for the purpose of conducting transactions themselves or any third parties on the Company's shares. Therefore, the BoD members and their affiliated persons deal on the Company's or other companies of the group securities pursuant to the conditions stipulated by the law and the relevant Company's policies. The BoD member should notify the Internal Audit Unit via the BoD Secretary, on annual basis, of their key professional positions and activities, including any duties undertaken in non-profit organizations, as well as the legal entities names in which they or their affiliated persons hold shares or are stakeholders by a share entitling them to control more than 10% of the voting rights. In addition, the BoD members should timely notify the Internal Audit Unit via the BoD Secretary, of any change regarding the above, as well as any other event which might generate any conflict of their interests with such of the Company or the group or any change in their capacity as non-executive BoD members.

4. Any financial relation or/and transaction between the Company and a BoD member or any affiliated person of the latter (i.e. business partnership) should be integrated to the Company's regulatory operations framework and be governed mutatis mutandis by the same terms as those governing the current transactions of the Company with its other clientele at the given time period, always in combination with the Company's risk management rules.

5. The BoD members should notify timely the Internal Audit Unit via the BoD Secretary, and prior to its conclusion, of any significant transaction between them and/or the parties related thereto on one part and the Company on the other part. The term "significant transaction" means one or more transactions conducted in a year, of which the value exceeds the amount of 150.000€ or an individual transaction, the value of which exceeds the amount of 10.000€.

6. According to the national and European regulatory framework as to the utilization of confidential information, the BoD executive members should notify the Hellenic Capital Market Committee and the Company promptly and within a time period less than 3 days from the date of the transaction, of any Company's equity securities transaction, which they conduct on their own behalf, upon condition that the annual aggregate value of the said transactions exceed the amount of 5.000€.

7. The BoD members are not to participate in deliberations and decisions on any issue in which there is an actual or potential conflict of their interests with such of the Company and the Group. In case of doubt, they are consulting the BoD Chairman.

8. The Chairman of the B.D. may request from one or more BoD members to abstain from the deliberations or the adoption of decision on any specific issue, if in his opinion there is a conflict of interest.

In any case, a prerequisite for the election or maintenance of the Company's BoD membership, is the prior filing of a solemn statement by which it pledges loyalty, avoidance competition and any action undermining the prevention of conflict of interest between itself and the Company or the group, unless otherwise permitted, in accordance with the Law or the Articles of Association of the Company.

Moreover, the following professional capacities are incompatible with the capacity of a BoD member:

1. The capacity of executive, BoD member, employee or person in any other capacity which implies an obligation of loyalty to a company that is among the Company's competitors or other organizations whose interests may systematically conflict with the interests of the Company and its shareholders.

2. Audit company employee or associate, who either through a company or he or his relative up to 2nd degree by blood or by marriage or his spouse, has conducted a mandatory audit in the company or in an affiliated to it company, in the last three (3) financial years before his appointment.

3. The member must not have or have held in the last four (4) years prior to his / her appointment prominent public duties in Greece, such as those of Head of State or Government (President of the Republic or Prime Minister), member of the Government, member of the Parliament, judicial or military official, senior official of a legal entity subject to public law or an independent authority and senior official of a political party.

In all cases, the prerequisite for the election of a BoD Member is the signature of a solemn statement from the part of the candidate for the non-concurrence in its person of the aforementioned incompatible capacities.

#### **d. Independence of judgment**

Each Board of Directors' member acts on independent judgment. The "mind" or "judgment" independency is the behavior pattern in the deliberations and decision-making of the B.D. and is a prerequisite for any of its members, regardless whether the member in question is "independent" under article 9 of L. 4706/2020. All Board of Directors' members participate actively in the meetings and make their own right, objective and independent decisions in the performance of their respective duties.

As objectivity is meant the impartial attitude and ethos, which allows to a Board of Directors' member to carry out its task, as he believes appropriate and not to accept compromises as to its quality. As independence is meant the exemption from conditions that prevent the BoD member from performing his duties in an impartial manner.

The Company makes sure that all BoD members have the necessary behavior skills, which amongst others include the following:

1. Courage, conviction and vigor to carry out a substantial assessment and dispute of the suggestions or views of the other BoD members,
2. The ability to make reasonable questions to the other BoD members and, in particular, to the BoD executive members,
3. The ability to resist to group-thinking phenomenon.

Finally, it is pointed out that for a BoD member to be recommended in the G.M. as suitable to become an independent non-executive member, it should meet the conditions and criteria set out in article 9 of L. 4706/2020, fact which is confirmed by the signature from his part of a solemn statement of similar content prior to its election or subsequently during its term of office, in compliance with the decisions of the competent corporate bodies.

#### **e. Allocation of sufficient time**

All BoD members spend in the performance of their tasks the time required pursuant to the description of the position, the role and their duties. In order to determine the adequate time, the capacity and competences assigned to the BoD member is question are taken into account, as well as the number of its positions as member to other B.D. and the simultaneous capacities vested in it, in addition to other or personal commitments and conditions.

Moreover, the Company informs each eligible member of the B.D. on the anticipated time required to spend to its duties and to the BoD meetings and any other committees in which it participates as a member.

Finally, in all cases, the prerequisite for a candidate's election as a BoD member, is the signature of a solemn statement by which it acknowledges that it was notified of the minimum time required for its participation in the BoD meetings or Company's committees and the performance of the relevant duties. In addition, the eligible member should, by his relevant statement, notify the Company prior to its election, the number of its positions as a BoD member in other



companies, the thereby simultaneous capacities vested in it as well as other professional or personal commitments and conditions.

## **6. COLLECTIVE SUITABILITY ASSESSMENT CRITERIA AND REQUIRED DOCUMENTATION**

### **a. General**

The Company's B.D. is properly composed for the performance of its competences and the effective administration of the Company as well as the balance decision-making.

The BoD members are elected by the General Meeting for a time period of one (1) year and are unlimitedly re-eligible. According to the Greek Law, the BoD membership may be revoked by decision of the General Meeting of Shareholders.

Collectively, the BoD members may adopt appropriate decisions, taking into account the business model, the risk appetite, the strategy and the markets in which the Company is engaged. Moreover, the BoD members collectively monitor and judge the decisions of the senior management.

All fields of knowledge required for the business activity of the Company are covered by the B.D. collectively, as its members have both adequate experience and knowledge. More specifically, it is ensured that there are sufficient members conversant with the business field of the Company, in order to be able to deliberate of the resolutions to be adopted. The BoD members collectively are properly skilled to present their views.

The from time to time composition of the B.D. reflects the knowledge, skills and experience required for the exercise of its competences. The B.D. as a whole understands well the fields for which members are collectively responsible and has the required skills to exercise the actual management and supervision of the Company, amongst others, in respect of:

- i. its business and the key risks associated with it
- ii. the financial statements
- iii. the compliance with the legislative and regulatory framework
- iv. the understanding corporate governance issues
- v. the ability to identify and manage risks
- vi. the impact of technology on its activity
- vii. the adequate representation per gender

The Company has an integrated system for identifying gaps in terms of collective suitability. For the achievement of the aforementioned purpose, the BoD proceeds to an annual self-assessment.

Moreover, it is possible for the Board of Directors to be assessed by third parties of recognized prestige

### **b. In particular, the adequate representation per gender**

The Company ensures the adequate representation per gender, which amounts to 25% on the total number of members of the Board of Directors. The Remuneration and Nomination Committee takes into account this criterion when in recommending the appointment of B.D's members.

The Company ensures the equal treatment and equal opportunities between genders.

The Company's Policy above is observed not only in the field of the BoD members selection but also in the field of the BoD members training.

### **c. Diversity criteria**

The Company has developed and implements a diversity policy aiming at promoting an appropriate differentiation level within the B.D. and a diversified member team. The compilation of a wide range of qualifications and skills, in the selection of the BoD members, ensures the variety of opinions and experience leading to the adoption of right decisions. The Policy includes/refers to the diversity policy in order to make sure that such criteria are taken into account when appointing new BoD members. The adequate representation per gender is explicitly provided for, 25% on the total of the BoD members and there is no discrimination due to gender, race, color, ethnic or social origin, religion or beliefs, property, birth, disability, age or sexual orientation.

### **d. Training**

More specifically, the training of the new BoD members provides for their participation in an introductory program, offered by the Company, which includes presentations, risk management, business plan financial administration issues, major financial and accounting issues, of the regulatory compliance and corporate governance, of the Ethics Code, of the administrative structure, of the executives and of the Company's internal and external auditors. Moreover, the Company offers to all members of the B.D., regardless sex, continuous training and development programs aiming to the improvement of the BoD's supervisory capacity.

## **7. CANDIDATES ASSESSMENT PROCESS**

### **a. General**

The suitability and reliability assessment of the eligible persons falling within the Policy takes place before the appointment of the BoD member, upon recommendation of the Remuneration and Nomination Committee. If a member of the Company's Board of Directors becomes an interim member of the BoD due to resignation, death or dismissal of another member, at the recommendation of the Remuneration and Nomination Committee, his aforementioned status will be confirmed by the next General Meeting of the shareholders.

### **b. Persons assessment process steps**

The bodies competent for this process are designated as follows:

The necessary supporting documents for each eligible person are collected and the Remuneration and Nomination Committee draws up an "Assessment Report" (henceforth the "Report"), accompanied by a recommendation on whether the person is adequately responding to the suitability and reliability criteria set. The Remuneration and Nomination Committee's Recommendation, together with a full and appropriate justification on the selection of the most suitable candidate(s), based on the Remuneration and Nomination Committee's Assessment Report/ Reports, accompanied by the supporting document to which they relate, is forwarded to the Company's Board of Directors, for the final selection of the most suitable candidate(s).

### **c. Cases of suitability and reliability review for persons falling within the policy**

In the cases where any changes occur that affect the BoD members suitability or reliability conditions, during the BoD's term of office, the maintenance of the BoD membership is reviewed.

Indicatively, the following cases are listed:

- initiation/referral to criminal prosecution against a BoD member
- issue of an irrevocable court order
- change in the status of the BoD member or its affiliated members, which may create a conflict of interest with the interests of the Company
- deprivation of professional license
- receiving any objective and verified information on the reliability of the persons in question.

The decision on whether the suitability and reliability is to be reviewed will be taken by the Remuneration and Nomination Committee in cooperation with the Internal Audit Unit and the Legal Service.

### **8. SUITABILITY POLICY IMPLEMENTATION, MONITORING AND AMENDMENT**

The Policy is in line with the broader corporate governance framework, the corporate culture and risk appetite set out.

The BoD monitors closely the implementation of the Suitability Policy. To this intent it is assisted by the Internal Audit Unit, the Remuneration and Nomination Committee and the Secretary of the Board of Directors. The Annual Corporate Governance Statement includes a relevant report.

The documentation as to the approval of the Policy and any amendments thereof are kept on file, which may also be computerized. The company records the results of the assessment, the suitability and, in particular, any weaknesses that are identified between the anticipated and the actual individual and collective suitability of the BoD members as well as the measures to be taken to address these weaknesses.

The present Policy was approved by the BoD of the Company at its meeting of 19.04.2023 following a proposal of the Remuneration and Nomination Committee dated 10.04.2023 and by the Ordinary General Meeting of the shareholders of the Company dated 24.05.2023.