GEK TERNA SOCIETE ANONYME

HOLDINGS REAL ESTATE CONSTRUCTIONS

85 Mesogeion Ave., 115 26 Athens, Greece

General Commercial Registry No. 253001000

(former S.A. Reg. No. 6044/06/B/86/142)

ANNUAL FINANCIAL REPORT

for the period

1 January to 31 December 2021

In accordance with article 4 of L. 3556/2007 and the relevant executive Decisions

by the Board of Directors of the Hellenic Capital Market Commission

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I. STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

(according to article 4 par. 2 of L. 3556/2007)

We

1. George Peristeris, Chairman of the Board of Directors & Chief Executive Officer, Executive Member of the Board of Directors
2. Apostolos Tamvakakis, Vice Chairman, Independent Non-Executive Member of the Board of Directors
3. Angelos Benopoulos, Executive Director, Executive Member of the Board of Directors

STATE THAT

To the best of our knowledge:

a. The attached separate and consolidated Financial Statements of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS for the period from January 1st 2021 to December 31st 2021, prepared in accordance with the effective accounting standards reflect in true manner the Assets and Liabilities, the Shareholders' Equity and the Total Comprehensive Income of the Company, as well as of the companies included in the consolidation in aggregate, and

b. The Board of Directors' Report presents in true manner the developments, the performance and the position of the Company, as well as of the companies included in the consolidation in aggregate, including the description of main risks and uncertainties they are facing.

Athens, 28th April 2022

Chairman of the BoD &
Chief Executive Officer

Georgios Peristeris

Vice Chairman of the BoD,	Executive Director,
Independent Non-Executive Member	Executive Member of the BoD

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II. ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS FOR THE FY 2021 ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Dear Shareholders,

Pursuant to the provisions of Law 4548/2018 as well as Law 3556/2007 article 4 paragraph 2c, 6, 7 & 8 of the decisions issued thereon 8/754/14.04.2016 of the Board of Directors of the Hellenic Capital Market Commission and the Company's Articles of Association, we are hereby submitting to you the Annual Report of the Board of Directors for the closing year from 01.01.2021 to 31.12.2021.

This report contains financial and non-financial information regarding GEK TERNA Group, for the financial year 2021 and describes the most significant events that took place during as well as after the reporting period of the financial statements. Moreover, the report outlines the key risks and uncertainties the Group may face in 2022 and records significant transactions between the Company and its related parties.

A. Financial Developments and Performance in FY 2021

2021 was a year of strong recovery for the country of Greece, as it achieved a GDP growth rate of 8.3% according to the first official estimate of the Hellenic Statistical Service, in relation to the year 2020, mainly as a result of the strengthening of both investments and net exports despite the continuation of the various problems, even with lower intensity, due to the COVID-19 pandemic.

According to the report of the Bank of Greece, the Greek economy was expected to grow further by 4.8% in 2022. The improvement of the business climate and the national recovery plan through income and investment support were expected to play an important role for the recovery. However, the recent events relating to the resolution of geopolitical issues, in combination with the energy crisis, have additionally affected the GDP growth forecasts. As a result, the growth of the Greek economy is estimated by the Bank of Greece to be confined to about 3.8% according to the baseline scenario for year 2022 and to 2.8% based on the unfavorable scenario.

An important component towards the growth of the economy, is the contribution of the Fund for Recovery and Resilience, which is estimated that in the coming years (until 2026) will contribute over 30.0 billion euros in total, through grants and loans on favorable terms. This in turn will further solidify the Greek economy and its competitiveness in general, as the largest percentage of funds is expected to be absorbed in the areas of green investments, digital transition, and social cohesion.

The further growth of the Greek economy is estimated to lead to the recovery of the country's "investment grade" which will result in the inflow of new investment funds, which will work positively towards an even greater growth potential. Finally, in the context of improving the total cost of servicing the public debt, the Greek State made the early repayment of the remaining loan of the IMF amounting to 1.86 billion euros, proving the successful realization of the reform commitments.

The existing expectation over the improvement of the macroeconomic performance of Greece has been confirmed with the first issuance of the 10-year bond during the current year by the Greek Government, through which 3.0 billion euros were raised with a coupon rate of 1.75% and a yield of 1.836%, while the issue was covered by five (5) times.

In 2021, according to Bank of Greece, harmonized inflation in Greece was 0.6%, mainly due to the upward trend in energy and food prices and was significantly lower than the Eurozone average.

Despite the prevailing uncertainty, the outlook for the Greek economy remains positive in the medium term, as conditions are now more favorable towards a change in the pattern of economic growth, which is expected to come to a greater extent from investment expenditures.

In this changing economic and geopolitical environment, GEK TERNA Group, which is one of the most important Greek corporate groups and holds a leading position in the fields of infrastructure, clean energy, electricity generation and concessions, implements and seamlessly expands its investment plan (mainly in the fields of Renewable Energy Sources, Concessions and Infrastructure), as its capital structure remains strong while continuing its selective presence in countries outside Greece. Furthermore, the Group has already proved during the Greek financial crisis (i.e. the most difficult and longest financial crisis in Europe), its ability to grow and strengthen its position in the market.

The main consolidated financial figures of 2021 based on the International Financial Reporting Standards compared to the corresponding period of 2020, are as follows:

Turnover to third parties from continuing operations amounted to 1,144.2 million euros, compared to 892.0 million euros in 2020 recording an increase of 28.3%, mainly due to a) the increase in revenues of the Renewable Energy Segment, b) the increase of revenues coming from the Concessions Segment and c) the increase of revenues coming from the production and the sales generation in the Segment of Electricity from Thermal Energy Sources.

EBITDA from continuing operations plus non-cash items (adjusted EBITDA from continuing operations) amounted to 323.5 million euro in 2021 compared to 242.0 million euro in 2020, posting an increase of 33.7% mainly for reasons related to the increase in turnover and the improvement of gross profit in specific areas of business activity.

Operating results before interest and taxes (EBIT) from continuing operations amounted to 192.5 million euro compared to 121.0 million euro in the corresponding period of 2020 and are significantly increased by the stronger EBITDA, as well as by the positive impact from the Segment of Electricity from Thermal Energy Sources.

Earnings before taxes from continuing operations amounted to 145.6 million euros compared to 53.2 million euros in the corresponding period of 2020, positively affected, mainly due to the above-mentioned factors. The results of the year have included a total profit of 61.4 million euros, which was recognized due to the acquisition of control of HERON II VIOTIA, and which relates to a non-recurring event.

Earnings after taxes from continuing operations amounted to 130.2 million euros compared to 40.0 million euros in 2020.

Losses from discontinued operations amounted to 94 million euros and relate to the results of discontinued operations of TERNA ENERGY sub-Group following the de-consolidation of three (3) Wind farms in Texas, USA, as a result of the effects of extreme weather conditions that hit country and in the particular region, in February 2021. It is noted that for the corresponding comparative period the result of discontinued operations amounted to earnings of 18.2 million euros and included the results of the three (3) Wind farms in Texas, USA, as well as the results of Mountain Air (Wind Farm in Idaho, USA, which was sold on 15.07.2020).

Total Earnings after taxes (from continuing and discontinued operations) amounted to 36.2 million euro for the financial year 2021 compared to 58.3 million euros for 2020. For the year 2021 the total Earnings allocated to the Owners of the Parent Company amounted to 49.9 million euro compared to 12.7 million euro in 2020, while Earnings allocated to the Non-Controlling Interests amounted to minus 13.8 million euro compared to 45.6 million euro in 2020.

The Group's Net Debt (cash available less loan liabilities) on 31.12.2021 amounted to approximately minus 1,231.7 million euro, compared to minus 1,317.3 million euro on 31.12.2020 and is improved by 85.6 million euro.

Investment expenditures for the year 2021 amounted to 245.6 million euros compared to 134.0 million euros in the corresponding period of 2020 and almost the entire amount has been spent on the Segment of energy production.

The Total Assets of the Group on 31.12.2021 amounted to 4,812 million euros, compared to 4,635 million euros on 31.12.2020.

The section *"B. Significant Events for the financial year 2021"* presents in detail the important events of the period, as well as the basic financial performance of the operating segments.

B. Significant Events for the Financial Year 2021

During the year 2021 the following significant events occurred:

- On 18.01.2021, the European Commission approved the financing, by the Greek State of the construction of the northern part of the E65 motorway, of Deferred Section B or "ATB", which includes the subdivisions M/W Trikala – M/W Grevena (32,450km) and M/W Grevena – M/W Egnatia "(30,610km).
- On 19.01.2021, the subsidiary TERNA ENERGY SA announced the expansion of its activities in the segment of floating photovoltaic parks. In this context, the subsidiary company submitted to RAE applications for the issuance of a producer certificate for (3) three floating photovoltaic park installations in an equal number of artificial reservoirs of total capacity amounting to 265 MW. More specifically, the applications for the development of projects of this innovative clean energy production technology concern the installation of Artificial Reservoirs, 120 MW in the Kastraki Artificial Reservoir, 103 MW in the Pournari Artificial Reservoir and 42 MW in the Stratos Artificial Reservoir.

  The total amount of investment for the development of the three RES facilities will exceed 170 million euros.

  It is worth noting that the installation of the three floating photovoltaic parks concerns areas located outside Natura areas and provides a coverage rate not exceeding 5.5%, according to International Sustainability Practices. The new investment of the sub-Group TERNA ENERGY is added to the investment program for production and storage of clean energy that has already been announced and which concerns the development of wind parks and the implementation of energy storage projects with pumped storage in Greece. Therefore, the implementation of the three floating photovoltaic parks will increase the existing target for total installed capacity in the next five years of 2.8 GW to levels above 3 GW.

- On 25.01.2021, the joint controlled company HERON ENERGY, in collaboration with the subsidiary company TERNA ENERGY presented in the Greek market the so-called "HERON EN.A", a pioneering, innovative program through which consumers gain energy independence significantly reducing, or even zeroing, their electricity costs on an annual basis.

  EN.A is a product of the strategic cooperation of two leading companies in the field of energy: HERON ENERGY, the first private company that invested in the production and supply of thermal electricity in Greece, and TERNA ENERGY, the largest investor and producer of Renewable Energy Sources (RES) in Greece and at the same time the largest Greek RES Group internationally. Through this cooperation, the energy from existing and future photovoltaic and wind parks in Greece will be committed for the customers of HERON ENERGY who will participate in the program.

- On 29.01.2021, the subsidiary company TERNA ENERGY announced the commencement of PPP project’s construction "Integrated Waste Management of the Peloponnese Prefecture" by its subsidiary namely ENVIRONMENTAL PELOPONNESE. The agreement of the project "Integrated Waste Management of Peloponnese Prefecture" provides for the construction and operation of three (3) Waste Treatment Units (WWUs) and an equal number of Landfills in Arcadia, Messinia and Laconia as well as (2) Waste Transfer Stations in Corinth and Argolida. The total duration of the agreement is 28 years and includes a two-year construction period and a 26-year operating period. The amount of the investment stands at 152 million euros, of which 62.5 million euros arise from an NSRF grant. The project is expected to create 600 jobs during the construction period, 200 permanent jobs during the operating period and a large number of parallel jobs. Integrated waste management ensures compliance with existing and European legislation, strengthens environmental protection, and improves the quality of life and health conditions of citizens. The implementation of the project with the use of state-of-the-art technology solves the environmental problem of the Peloponnese Prefecture, with obvious benefits in Tourism, Education, and the new quality Agriculture, which is a strategic goal for the country.

- On 11.02.2021, conditions of bad weather of unprecedented intensity and severity hit most areas of the State of Texas, affecting negatively the operations of the sub-Group TERNA ENERGY [through TERNA ENERGY USA HOLDING CORP (“TERNA USA”) and particularly the sub-Group TERNA DEN LLC (which includes the subsidiaries in the USA that own and operate the three wind farms of the Group in Texas - FLUVANNA 1, FLUVANNA 2/GOPHER CREEK and BEARKAT I of total capacity 510MW (hereinafter "the three (3) Wind Farms")] as well as a significant number of other power plants in Texas (not only renewables, but also gas, coal and nuclear power plants). In the case of the three (3) Wind Farms of the sub-Group TERNA ENERGY, the particular conditions generated an energy shortfall of approximately $ 30 million per day and ultimately amounted to $ 179.4 million. In particular, the contractual counterparties Merrill Lynch Commodities, Inc., Morgan Stanley Capital Group Inc., JPMorgan Chase Bank respectively (hereinafter referred to as "Hedge Providers"), on the basis of the existing hedging contracts effective for the three Wind Farms, issued Liquidated Damages invoices, covering the period from 13 to 19 February 2021, totally amounting to $ 179.4 million, allocated as follows: FLUVANNA 1 $ 32.7 million, FLUVANNA

2/ GOPHER CREEK $ 69,6 million and BEARKAT $ 77,1 million. These invoices were challenged in writing by sub-Group TERNA ENERGY on the basis of Force Majeure Event. Following the above, Fluvanna 1 and Fluvanna 2 / Gopher Greek Hedge Providers sent event of default notifications, and Bearkat I Hedge Provider sent a potential event of default notification.

After the thorough examination of the above actions by the Management of TERNA ENERGY, it was verified that the smallest possible impact on the financial results of the sub-Group TERNA ENERGY would result from the choice of divestment, as the loss for the sub-Group TERNA ENERGY is limited to 94 million euros. In particular, the Management of the sub-Group TERNA ENERGY, after a thorough examination of all data and conditions, decided to enter into an agreement for the sale of 100% of the shares of Class B (membership interests) of the subsidiaries that own and operate the three (3) Wind Farms in Texas towards the lending bank "CI-II FLUVANNA BK / S" ("CIP"), in exchange for the release of the loan obligations of the company TERNA DEN LLC (100% parent of these subsidiaries, which financed the construction of the Wind farms through borrowing from the CIP). In addition, this solution has resulted into the exemption of the sub-Group TERNA ENERGY from loans and equity securities assimilated to financial liabilities as of 30.06.2021 amount of 509.74 million euros ($ 605.78 million). The sub-Group TERNA ENERGY de-consolidated on 30.06.2021 its participation in the three (3) Wind Farms in the USA (Class B Interests).

On 30.09.2021, the Purchase & Sale Agreement of the Class B membership interests of the three (3) wind farms "Disposal Group of entities" was signed, as a result of the exercise of the put option which TERNA ENERGY Group had acquired through the Put & Call Option Agreement on 23.07.2021, through its subsidiaries SPONSOR BEARKAT I HOLDCO, LLC, FLUVANNA INVESTMENTS 2, LLC and FLUVANNA I INVESTOR INC. With the signing of this agreement, the process of transferring the aforementioned membership interests to CIP was completed.

The consequence of this decision was to recognize a total loss of 94 million euros in the Consolidated Financial Statements of year 2021. In the Consolidated Financial Statements of the above period, the Gain / (Losses) of the respective Wind Farms were fully consolidated up until 30.06.2021 as well as the result that stem from the disposal have been included in the account "Profit/(Losses) after taxes from discontinued operations". Consequence of the respective event was the burden of the parent company's shareholders with a loss from discontinued operations in the amount of 35.1 million euros, while the non-controlling interests with a loss from discontinued operations in the amount of 58.9 million euros respectively.

- On 25.02.2021, the subsidiary TERNA ENERGY signed an agreement for the project "Digital Transformation, Telematics and Unified Automatic Fare Collection System for the Transport Authority of Thessaloniki". Contractor of the project is the joint venture TERNA ENERGY (70%) – INDIGITAL (15%) – AMCO (15%). The total budget amounts to 30 million euros while the commencement of works is scheduled to begin by the first half of 2022. The project concerns the complete digital transformation of the Transport Authority of Thessaloniki, according to the standards of good practice of other transport operators in Europe. The agreement provides for the construction period (12 months) and the provision of maintenance and operation support services for 5 years from completion, while the Contracting Authority reserves the right to extend the maintenance and operation support period for another five (5) years.

- On 02.03.2021, the subsidiary TERNA ENERGY and OCEAN WINDS (a Joint Venture between EDP Renewables and ENGIE) signed a collaboration agreement to co-develop floating offshore wind projects in the Greek seas of total capacity exceeding 1.5 GW which will be developed in a decade.

  OCEAN WINDS has a wide portfolio of fixed and floating offshore wind farms under development, construction, and operation in various markets throughout Europe, North America and Asia composed of 1.5 GW under construction and 4 GW under development, and 5 to 10 GW in the advanced development stages by 2025.

- Following the catastrophic earthquake of 03.03.2021 that struck the municipality of Tyrnavos, which resulted in irreparable damage to the school in Damasi Tyrnavos, the subsidiary TERNA submitted an application to donate 1.2 million euros for the construction of a new school, to replace the old one. The work was completed in August 2021 and the school is already operational.

- On 05.03.2021, there were signed after the approval of the Greek State, the Agreements of Operation and Maintenance (the “Agreements O&M”), between GEK TERNA (the “Operator”), which is the parent company of the Group GEK TERNA and of the Concession Companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA (the “Concessionaires”), which entered into force on 17.05.2021.

  The Agreements O&M provide for the contracting assignment of the operation and maintenance of the Concession Projects, to GEK TERNA, which will undertake to provide until the end of the Concession Period, i.e., 31.12.2040, all the operation and maintenance services of the Concession Projects currently performed by the Concessionaires, in an absolute back-to-back relationship. The Operation & Maintenance Services concern the daily operation and maintenance of the Concession Projects, including the execution of all the obligations of the Concessionaires under the respective Concession Agreements concerning the operation and maintenance of the projects.

  In order to enable the execution of the work of the Operator, according to the relevant term of each O&M Agreement, the Concessionaires transferred to GEK TERNA all the employees involved in the maintenance and operation of the Project, the contracts with subcontractors and suppliers, the vehicles used for the maintenance and operation of the project as well as the relevant consumables and spare parts.

  These Agreements will expire at the end of the Concession Period, i.e., on 31.12.2040, in accordance with the Project Concession Contracts, without prejudice to the provisions for early termination.

- According to Law 3556/2007, GEK TERNA SA informed that on 12.03.2021 it received a notification from the shareholder LATSCO HELLENIC HOLDINGS SARL, regarding the acquisition of its voting rights, on 12.03.2021 and specifically that after a share purchase transaction holds number of shares and an equal number of voting rights amounted to 7,858,571, namely percentage of 7.5985% on the total voting rights of the Company, amounting to 103,423,291.

- During the time interval from 18.03.2021 until 27.09.2021 the participation percentage, directly and indirectly, of the shareholder Mr. Georgios Peristeris, after the consecutive transactions that were disclosed to the competent authorities, rose from 15.984% to 31.8016% of the Company’s share capital. In particular Mr. Peristeris holds directly 17,566,307 shares and voting rights, namely percentage 16.9849% of the share capital and indirectly 15,323,984 shares and voting rights, namely percentage 14.8168 % of the share capital. The indirect participation concerns the acquisition of the GEK TERNA's shares, through the controlled legal entities PERGE LTD, GARDENIA AKTEXE and SNAKOS SERVICES LTD in accordance with the disclosures that have taken place toward the competent authorities and the Company from the shareholder.

- On 22.03.2021 the subsidiary company TERNA SA signed Agreement with the State-owned company Railway Infrastructure of Bulgaria (NRIC) for the construction of the project "Construction of railway infrastructure and electrification works of the Petrarch - Dragoman section and study, construction and supervision by the designer of the signaling and telecommunication works of the Voluiak - Dragoman section" budget of 154.7 million euros and with construction duration 48 moths.

- On 30.03.2021, the subsidiary company TERNA ENERGY signed a contract with the Center for Renewable Energy Sources and Saving (CRES) for the project "Hybrid station for the generation of electric and thermal energy from RES in the island of Ag. Efstratios." The project includes the design, procurement, installation, and commissioning of:

  - a Hybrid Station (YVS) for generating power from Renewable Energy Sources (RES) on Ag. Efstratios Island, comprising a wind turbine (A/G), a photovoltaic station (PV), storage accumulators and an Energy Management and Monitoring System.

  - an integrated system of remote heating of Ag. Stratis community, including building facilities. The thermal energy that will be produced will cover the heating and hot water needs of all houses at the entire Ag. Efstratios settlement.

  The two subsystems will work together, and they will function as one. The goal is the contribution of Renewable Energy Sources in the electrical system of the island to exceed 85% and at the same time to maximize the coverage of the households' needs in heating and hot water, from Renewable Energy Sources.

  The contract also stipulates that subsidiary company TERNA ENERGY will undertake the operation and maintenance of the project for twelve (12) years.

- On 07.04.2021, GEK TERNA SA announced that the reassessment of its creditworthiness by the company ICAP A.E. re-rated it in rating "A". "A" rating indicates a very low credit risk and is attributed to companies that are able to meet their obligations even under adverse economic circumstances and therefore their creditworthiness remains consistently high. Companies with "A" rating are characterized by their very significant financial figures, their upward trend, and their important position in the market.

- On 19.04.2021, commenced the materialization of subsidiary's TERNA ENERGY important donation, of 3.5 million euros, to the Armed Forces of the country, which concerns the conversion of the 115th CW airport in Souda into a "green" facility, namely into an Installation of Net Zero Carbon Emissions Airport with parallel coverage of all needs for electricity, heating, and cooling by 100% from Renewable Energy Sources (Net Zero Energy Airport).

After completing the required procedures and obtaining the necessary approvals, works began on the military airport facilities, which are expected to be completed within 15 months.

The annual benefit from the complete exemption of the Unit from the cost of electricity supply and coverage of heating needs will exceed 400 thousand euros.

It is worth noting that the military airport in Souda will be one of the first facilities in the world to receive the certification "Net Zero Energy Airport".

TERNA ENERGY will fully cover the cost of studies, design, and construction of all required construction works.

Upon completion of the project, TERNA ENERGY will undertake the training of the appropriate technical staff of the Air Force for the needs of operational function, monitoring, and maintenance of the entire system.

- GEK TERNA, in accordance with Law 3556/2007, informed the Investing Public on 11.03.2021 that it had received a notification from the shareholder REGGEBORGH INVEST B.V., that it had agreed to proceed with a divestment from the Company and that they will follow the procedures for the gradual reduction of its participation percentage in GEK TERNA S.A., which on that day amounted to 28,181%. On 20.04.2021 the shareholder REGGEBORGH INVEST B.V. informed the Company that on 16.04.2021, after repeated reductions which were notified to the competent authorities, there was a change (reduction) in the voting rights of the above shareholder, which fell below the 5% limit.

- On 13.05.2021, the national proposal for “White Dragon” was submitted, in the framework of the Greek call for expression of interest for Hydrogen Important Projects of Common European Interest (IPCEI) by a group of companies formed by the largest energy groups in the country.

  DEPA Commercial, as project coordinator, in collaboration with ADVENT TECHNOLOGIES, DAMCO ENERGY (Copelouzos Group), PPC, HELLENIC PETROLEUM, Motor Oil, Corinth Pipeworks, and TERNA ENERGY, subsidiary company of GEK TERNA, submitted to the Greek Government and the EU their investment proposal with total amount exceeding 5 billion euros, for the development of an innovative integrated green hydrogen project in Greece which covers the entire hydrogen value chain.

  The core of the project is based on the gradual replacement of the lignite power plants of West Macedonia and the transition to clean energy having as final goal the de-carbonization of the country’s energy mix. The “White Dragon” project will use large-scale renewable electricity (GW) for the production of green hydrogen by electrolysis in Western Macedonia. Hydrogen will then be stored directly (short-term hydrogen storage) and indirectly (streaming through DESFA’s natural gas pipeline) and, subsequently, through high temperature fuel cells will provide the country’s power grid with electricity as a fixed base load co-generation unit of green energy and heat. The generated heat, as a by-product of green electricity production, could initially have a complementary use to the district remote heating networks of West Macedonia, and in future in other applications that require heat and / or cooling (industries, data centers, greenhouses, etc.).

(Amounts in thousands Euro, unless otherwise stated)

Moreover, a main goal of the "White Dragon" project is the development, by the cooperating companies, of an integrated Hydrogen Industrial Research Center within the High Technology Hydrogen Node Research & Development & Innovation that will be created in West Macedonia.

The key elements of the completed "White Dragon" project are:

Total investment cost:	5.295 billion euros
Project's duration:	2022 - 2029 (phases R&D, FID and EET)
Hydrogen production:	Up to 236.000 tons/year*
CO2 Saving:	Up to 5,6 million tons / year

* Renewable hydrogen will be supplied almost entirely into the National Gas Transmission System (NSGF) and in the exclusive hydrogen backbone pipeline.

- On 11.06.2021 the company GEK TERNA informs the Investor Community that for the implementation of the decision of the Extraordinary General Meeting of shareholders of GEK TERNA as of 09.12.2019, it allocated 1,876,000 treasury shares in total to sixteen (16) Executives of the Company, in exchange for exercising stock options. The shares represent a percentage of 1.8139% of the paid-up share capital, against a total price of 3,752,000.00 euros. It is reminded that, according to the terms of the stock option plan, the beneficiaries are obliged to hold the shares for two (2) years.

  The exercise of the stock options took place through an over-the-counter transaction on 11.06.2021.

- On 01.07.2021 the Ordinary General Meeting of the Shareholders of the Company GEK TERNA was held, which was legally attended by 141 Shareholders bearing 57,819,742 shares and voting rights, i.e., a percentage of 59.00% on the Share Capital.

- On 02.07.2021 and following the decision of the Ordinary General Meeting of Shareholders of the Company for the election of a four-member Audit Committee, consisting of two (2) independent non-executive members of the Board of Directors, of one (1) Member of the Board and of a third party member, non-member of the Board of Directors, who meets the conditions of independence of article 9 of Law 4706/2020, the elected Members held a meeting and the Audit Committee was formed in a Body as follows:

  1. Apostolos Tamvakakis - Chairman
  2. Spyridon Kapralos - Member
  3. Dimitrios Afentoulis - Member
  4. Aggelos Tagmatarchis - Member

  The Audit Committee will have a two-year term.

- On 12.07.2021, GEK TERNA SA announced it that entered into an agreement for the acquisition of 75% and 50% of the shares of HERON II VIOTIAS S.A. and HERON ENERGY S.A. respectively. With the finalization of the agreement, which was initially under the approval of the competent authorities, the Group will own 100% of the two respective companies. The total power of the above power plants fueled by natural gas, amounts to about 600 MW.

On 11.10.2021, in implementation of the above agreement of 12.07.2021, and after the approval by the pertinent authorities, the parent company of the Group acquired 75% of HERON II VIOTIA S.A. After the above acquisition, the total percentage of the Group amounted to 100% (there was an indirect participation of 25% through the 100% subsidiary TERNA SA – i.e., until 10.10.2021 the Group's participation in the above company was included in the consolidated financial statements as joint venture through Equity method). More specifically, on 11.10.2021, GEK TERNA paid a total consideration of 4,830 to the companies ENGIE INTERNATIONAL HOLDING BV and QATAR PETROLEUM INTERNATIONAL GAS & POWER OPC for the acquisition of 50% and 25% respectively, of the percentage of voting rights which the latter parties held in the HERON II VIOTIA S.A.

In the context of the above acquisition, on 08.10.2021 the Company granted a long-term loan of 34.5 million euros to the company HERON II THERMOELECTRIC VIOTIA S.A., with the inflows of which the latter repaid loans that had been previously granted by the departing shareholders.

The above cash transaction of 34.5 million euros was covered by the capital proceeds of the Common Bond Loan of the Company of 500 million euros, in accordance with the uses of funds based on the provisions of section 4.1.2 of the Bond Issuance Prospectus as of 22nd June 2020.

- On 19.07.2021 and following the decision of the Ordinary General Meeting of Shareholders of the Company of July 1st, 2021, for the election of a new Board of Directors and the appointment of independent members, in accordance with paragraphs 1 and 2 of article 9 of Law 4706/2020, and after the registration of the amendment of the Articles of Association in the General Commercial Electronic Register with Registration Number 2582898, the Board of Directors was restructured into a Body as follows:

1. Peristeris Georgios, Chairman and CEO, Executive Member
2. Tamvakakis Apostolos, Vice Chairman of the Board, Independent Non-Executive Member, Senior Independent Director
3. Gourzis Michael, Vice Chairman of the Board, Executive Member
4. Benopoulos Angelos, Authorized Director, Executive Member
5. Lazaridou Penelope, Authorized Director, Executive Member
6. Antonakos Dimitrios, Executive Member
7. Moustakas Emmanuel, Executive Member
8. Perdikaris George, Executive Member
9. Afentoulis Dimitrios, Non-Executive Member
10. Apkarian Gagik, Independent Non-Executive Member
11. Delikoura Aikaterini, Independent, Non-Executive member
12. Kapralos Spyridon, Independent Non-Executive Member
13. Staikou Sofia, Independent Non-Executive Member
14. Skordas Athanasios, Independent Non-Executive Member
15. Lamprou Konstantinos, Executive Member

The term of the Board of Directors is set at four years and is automatically extended until the Ordinary General Meeting of Shareholders which is to be convened in 2026.

- On 20.07.2021, the Athens Stock Exchange announced the establishment of the new index (ATHEX ESG Index) which will monitor the stock market performance of listed ATHEX companies adopting and promoting their practices on the environment, society, and corporate governance (ESG). In the initial composition of the index participate 35 companies, including GEK TERNA and the subsidiary company TERNA ENERGY.
- On 22.07.2021 the Joint Venture TERNA – KONSTANTINIDIS, into which the subsidiary company TERNA participates by 55%, signed an agreement with DESFA, for the project REVITHOUSA LNG TERMINAL, of contract amount 13.7 million euros and construction duration 18 months.
- On 28.07.2021 the subsidiary company TERNA signed with the companies ARKADIKOS ILIOS ENA SPSA AND ARKADIKOS ILIOS DIO SPSA contract for the construction and set to operation 2 photovoltaic stations in the position Megales Lakkes of Megalopolis Municipality, with contract amount of 23.8 million euros and construction duration 13 months.
- On 03.08.2021 the Joint Venture CENTRAL GREECE MOTORWAY E65, in which the subsidiary TERNA participates with 95% and the subsidiary TERNA ENERGY with 5%, signed the amendment of the Construction Study Contract (CSC) of the project “Study, Construction, Financing, Operation, Maintenance and Exploitation of Central Greece Motorway (E65)”, with which amendment was assigned to the said J/V the completion of the Constructions of the Deferred Section B or" ATB "and includes the subdivisions M/W Trikala - M/W Grevena (32.450km) and M/W Grevena - M/W Egnatia (30.610km) for a total price of 442.1 million euros and with an execution duration 36 months.
- On 06.08.2021 the subsidiary TERNA signed a contract with the company PIRAEUS TOWER S.A. for the project "A Phase - Dismantling of an existing facade and installation of new glass curtains with blinds - Piraeus Tower", indicative contract amount of 15.4 million euros and with a construction period until 31.12.2022 at the latest.
- On 24.08.2021 the subsidiary TERNA signed a contract with the Ministry of Infrastructure and Transport for the project "Rehabilitation of damage to existing roads and other infrastructure in the Region of Thessaly caused by the cyclone IANOS on September 18 & 19, 2020" with a construction contract 108.4 million euros and construction duration 18 months.
- On 27.08.2021 and in the context of informing the investor community, GEK TERNA announced that the Board of Directors of HRDH, during its meeting on 26.08.2021, announced the association of persons GEK TERNA S.A. (75%) - EGIS PROJECTS S.A. (25%), as the Preferred Investor for the concession of the right to use and commercially operate the Egnatia Odos highway and its three vertical road axes, for a period of 35 years. The binding offer amounted to 1,496 million euros.
- On 31.08.2021 the assignment of construction of the Combined Cycle Gas Turbine Station with fuel gas in Komotini was signed by the Groups MOTOR OIL and GEK TERNA, marking the beginning of the construction phase of the project.

  KOMOTINI THERMOELECTRIC, a company in which MOTOR OIL RENEWABLE ENERGY (MORE) and GEK TERNA participate jointly, with a percentage of 50% each, assigned the construction of the above Station to TERNA S.A., which in turn signed a supply contract with Siemens Energy for the basic equipment of the 877 MW capacity generating unit.

The total cost of construction amounts to 345 million euros and the cost of the total investment is estimated at 375 million euros. It is noted that 500 jobs will be created during the construction phase of the Station, while 100 jobs will be created during the operation period. The commercial operation of the unit is scheduled for the beginning of the year 2024.

- On 07.09.2021, the Civil Aviation Service (C.A.S.) decided the approval of section B1 (according to article 3.1.29.A of the Concession Agreement) of the Renewed Updated Basic Project Development Plan "Design - Construction - Financier - Operation - Maintenance and Exploitation of the New International Airport of Crete & Design - Construction and Financing of its Road Connections" as submitted to the C.A.S. by the Independent Engineer of Hill International.
- On 07.09.2021 the HELLENIC COMPETITION COMMISSION, as part of the research of Directorate-General for Competition following the decision of 08.01.2021 of the Plenary Session of the Competition Commission, due to the initiation of article 11 of Law 3959/2011 on regulatory intervention procedure in the construction segment, sent a relevant letter regarding the provision of details concerning the concession project of Egnatia Odos. On 24.09.2021 GEK TERNA replied to the Competition Commission giving its relevant answers.
- On 15.09.2021 the subsidiary TERNA S.A. signed a contract with DESFA for the construction of a building where the installation of the compressor of Revythousa Station will take place, together with the installation of entire auxiliary equipment and networks, based on a contractual amount of 11.9 million euros and with the construction period set at 22 months.
- On 16.09.2021 the Consortium GEK TERNA S.A. - GEK SERVICES S.A. was declared as preferred contractor in the project "Provision of Facilities Management Services of each type of Temporary Reception and Accommodation Structures for asylum seekers and migrants and related infrastructure and facilities, as well as building infrastructure of each Service under the Ministry of Immigration and Asylum", with budget of 107.5 million euros with a 4-year duration. The implementation of the relevant works started in November 2021.
- On 23.09.2021, changes in Member of the Union MGE HELLINIKON B.V. - MOHEGAN GAMING ADVISORS, LLC - GEK TERNA S.A., were announced in the independent administrative authority "HELLENIC GAMING COMMISSION (HGC)", according to the provisions of article 2.2.2 of the Announcement for the International Bidding Competition for the Granting of a Casino Operating License of a wide range of activities at the Metropolitan Pole of Elliniko-Agios Kosmas (Announcement 1/2019), which are under the approval of HGC. These changes concern:
    a) the acquisition of all the shares (100%) of MGE HELLINIKON B.V. by the other member of the Union, namely GEK TERNA and the appointment of new directors and
    b) upon the entrance of MGGR LLC, which is a successor and replaces all obligations and rights of MOHEGAN GAMING ADVISORS LLC, as a member in the above Union, 100% owned by GEK TERNA. Following the above, the new members of the Union are MGE HELLINIKON B.V. - MGGR LLC - GEK TERNA SA and with the distinctive title ATHENS IRC. The above changes have as axis the further strengthening of the Greek partner GEK TERNA.

- On 23.09.2021 the sub-Group TERNA ENERGY announced that the Joint Venture of the Groups TITAN and TERNA ENERGY participates in the tenders for PPPs for Waste Treatment Units (WTU) in Attica and Central Macedonia. Specifically, on September 22, letters of interest were submitted in the first phase of the tenders for the WTUs of the Central Park of the Circular Economy of Attica, the Park of the Circular Economy of the Piraeus Regional Unit, and the Western Sector of the Region of Central Macedonia.

- On 27.09.2021, the company GEK TERNA announced in accordance with the article 21 of Law 3556/2007 in combination with the article 11 of the HCMC decision 1/434/03.07.2007, that the Chairman and CEO of the Company (Obliged Person pursuant to Regulation (EU) 596/2014) Mr. Georgios Peristeris, on 24.09.2021 purchased 40,000 common registered shares with a total value of 357,837.27 euros therefore settling its percentage on that date at 31,802% .

- On 22.10.2021, the HELLENIC GAMING COMMISSION (HGC or EEEP) proceeded to the amendment of the final award of the project "Granting of a Casino Operating License for a wide range of activities in the Metropolitan Area of Hellinikon - Agios Kosmas", the Association of Companies with the distinctive title ATHENS IRC, which is an evolution of the original Contractor INSPIRE ATHENS following the changes that occurred in the shareholder composition of the latter. At the same time, the HGC made some minor modifications to the draft concession contract for this project, which had already been agreed with all stakeholders in the previous period.

  The relevant decisions and additional supporting documents were forwarded to the Court of Audit for the completion of the pre-contractual audit. Subsequently, the Court of Audit forwarded the Act 647/2021 to the Hellenic Gaming Commission on 21.12.2021, by which the Court of Audit ruled that: «The signing of the draft contract on the subject of the "Granting of a Casino Operating License for a wide range of activities in the Metropolitan Area of Hellinikon - Agios Kosmas" is not hindered.» The Hellenic Gaming Commission, in collaboration with the Tender Committee, is expected to carry out those formal procedures and actions to complete the conclusion of the concession agreement and its legislative ratification. Meanwhile, the members of the contractor Association of Companies MGE Hellinikon B.V. – MGGR LLC - GEK TERNA S.A. with the distinctive title ATHENS IRC established on 06.04.2022 the societe anonyme with the name BUSINESS CASINO WIDE RANGE HELLINIKON S.A. with the distinctive title IRC HELLINIKON S.A. and with an initial share capital of 1.0 million euros.

- On 27.10.2021 the Board of Directors of GEK TERNA decided to apply at the Meetings of the Bond Holders of the following loans, a) loan of an amount of 120,000,000 euros which was issued on 22.03.2018 and b) loan of an amount of 500,000,000 euros which was issued on 19.06.2020, for the amendment of certain terms of the above loans. The reasons for which GEK TERNA requested the amendment of certain terms of the loans, was due to the fact that the financial position of the Company was significantly different at the time of issuance of the above Common Bond Loans (CBLs) as far as the Company's immediate growth prospects were concerned. This is due to the fact that the terms to be amended had marginal contribution to the protection of the interests of the bondholders of these loans, while significantly limiting the flexibility of utilization of capital proceeds by the Company and the effective implementation of its business plan. On 25.11.2021 the Meetings of the Bond Holders of the loans approved the amendment of the terms of the above loans.

- On 15.11.2021 the subsidiary company TERNA S.A. signed a contract with ATHENS MEDICAL for the construction of a new four-story building with artificial kidney unit, with a budget of 9.45 million euros and a construction period of 270 days.

- On 18.11.2021, TERNA ENERGY sub-Group further strengthened its presence in the market of Renewable Energy Sources in Poland, by planning to develop four (4) new projects with a total capacity of 90 MW through the newly established company Eolos Development S.p.z.o.o. These are wind farms that are in the initial stage of licensing and which TERNA ENERGY will mature, and then construct and operate, in the framework of its strategy for continuous expansion of its business activity in the field of clean energy production.

  In Poland, TERNA ENERGY already operates eight (8) wind farms with a total installed capacity of 102 MW, which indicates that with the addition of four (4) new projects with a total capacity of 90 MW, the sub-Group will almost double the installed capacity in Poland over the next years.

- On 29.11.2021 the Board of Directors of GEK TERNA decided to issue a 7-year Common Bond Loan linked to a sustainability clause, up to the amount of three hundred million (300,000,000) euros, with a nominal value of each bond at 1,000 euros and through public offering to the investor community in Greece along with the listing of bonds on the category of Fixed Income Securities of the Regulated Market of the Athens Stock Exchange, Greece.

  Through the bond issuance, GEK TERNA, in the following period from 01.01.2022 to 31.12.2028, in the context of the implementation of its business plan, seeks to finance the further development of the Group’s activities. In particular, the capital proceeds from the Issue (after deducting the expenses of the Bond Issue), will be mostly allocated for the financing (through share capital increases and / or borrowing) of existing and / or new infrastructure and energy projects, including projects implemented and / or undertaken through concessions and / or PPPs, and / or investments falling into the mining and / or industrial and real estate sectors, as well as for the acquisition of equity stakes in companies, as well as acquisitions and mergers active in the above markets / sectors.

- On 01.12.2021, in accordance with the provisions of Law 3556/2007 and following a notification received on 01.12.2021 from EFG Trust Company Ltd, GEK TERNA announced that on 11.08.2021 "EFG Trust Company Ltd", in its capacity as trustee of the "Thalassa Trust", acquired from Ms. Anna Maria Louisa Latsi the entire number of shares held by the above person in the company under the name "Latsco Hellenic Holdings S.à.r.L.". Following the above acquisition, EFG Trust Company Ltd holds all the shares of “Latsco Hellenic Holdings S.à.r.L.” and controls the latter as a trustee of “Thalassa Trust”. It is noted that the trustee is given discretion in terms of managing the assets and income while the trust is irrevocable.

  Based on the above, EFG Trust Company Ltd is the sole shareholder and controls (on behalf of "Thalassa Trust") the company “Latsco Hellenic Holdings S.à.r.L.” and indirectly holds 7,858,571 shares corresponding to 7.5985% of the shares and voting rights of the Company.

  The above disclosure was submitted by EFG Trust Company Ltd, which is the sole controlling shareholder, on its behalf and on behalf of Thalassa Trust and “Latsco Hellenic Holdings S.à.r.L.” A relevant notification was also submitted by Ms. Anna Maria Louisa Latsi regarding the transfer of all the shares of “Latsco Hellenic Holdings S.à.r.L.".

- On 14.12.2021, it was announced the outcome of the Public Offer for the Issuance of the Common Bond Loan amounting to 300 million euros and the listing of the Company's bonds for trading in the Fixed Income Securities Category of the Regulated Market of the Athens Stock Exchange, Greece. Specifically, a total of 300,000 common bearer bonds of the Company with a nominal value of 1,000 euros each (the "Bonds") were issued, resulting in capital proceeds of 300,000,000 euros. The final interest rate of the Bonds was set at 2.30% and provide for an incremental increase by 0.20% in case the company does not achieve the Sustainable Performance Objective. The offering price of the Bonds is 1,000 euros each, i.e. 100% of its face value.
  On 15.12.2021 the trading of the 300,000 bonds of the Company in the Fixed Income Securities Category of the Organized Market of the Athens Stock Exchange commenced.
- On 17.12.2021 the subsidiary company TERNA SA signed a contract with the Ministry of Immigration & Asylum for the Construction of Regional Services, structures, and separate areas on the island of Lesvos and on the island of Chios, and for the upgrade of the existing Structure at the Evros Outpost, for a total amount of 132.3 million euros and with construction term of 8 months.
- On 21.12.2021, the subsidiary company TERNA S.A. signed a contract with DESFA, for the construction of a new gas compression station in Ampelia, Thessaly, Greece amounting to 54.9 million euros and with the construction period set at 26 months. The contract includes electromechanical studies and Civil Engineering projects for the construction of buildings and road infrastructure, as well as the installation of automatic measuring and monitoring systems for the safe operation of gas processing and supply to compressors and the injection of compressed gas into the national network, performance tests and preparation, initiation, and commissioning services of the Station, as well as training of DESFA personnel.
- On 23.12.2021 GEK TERNA, in the context of the disclosed information on the use of the capital proceeds from the Common Bond Loan of 2020 (CBL 2020), announced that it had granted from September 29 to December 23, 2021, a long-term loan of 176.4 million euros to its subsidiary companies in order to finance investments in the construction of new energy projects. This amount was covered by the funds raised from the Common Bond Loan of the Company amounting to 500 million euros, in accordance with the projected uses of funds raised in accordance with the provisions of section 4.1.2 of the Prospectus as of 22 June 2020.
- On 29.12.2021 the Association of Persons SAIPEM LTD - TERNA signed a contract with GASTRADE for an offshore floating reception unit, temporary storage and regasification (LNG FSRU - Floating Storage and Regasification Unit) and for a system of high-pressure transmission pipelines with a contractual budget for the subsidiary company TERNA SA of 13.5 million euros and with a construction period of two (2) years.

Key Financial Performance of the operating segments in 2021

The financial analysis of the operating segments mentioned below records the performance of these segments, before performing the intersegmental elimination, which are accounted for in accordance with the provisions of IFRS.

Construction Operating Segment

TERNA SA, the construction arm and fully owned by 100% subsidiary of GEK TERNA, is one of the strongest Greek construction companies, specializing in complex and demanding infrastructure projects, by also being a partner that international groups select to work with, possessing at the same time experience inside and outside Greece. TERNA also generates significant synergies with the other segments of the Group, and particularly in concessions and energy.

Revenues from our construction activities remain strong, while the outstanding balance of construction backlog is maintained at high levels, amounting on 31.12.2021 to approximately 2.5 billion euros. Until the date of approval of the financial statements, new contracts amounting to 287 million euros have been signed whereas the Group expects to sign contracts for new projects that have been approved, amounting to 2.1 billion euros.

Turnover from construction activity amounted to 600.6 million euros compared to 525.9 million euros in 2020 posting an increase of 14.2%. The higher Turnover is due almost entirely to the construction activity from the development of new wind farms, as well as the construction of waste management units in Peloponnese.

EBITDA plus non-cash items (adjusted EBITDA) amounted to 52.8 million euros compared to 19.0 million euros in the corresponding period of 2020 rising by 177%, - due to the increase in revenues and the improvement of the profit margin of the ongoing projects.

Operating results before interest and taxes (EBIT) amounted to 42.4 million euros compared to 6.9 million euros in the corresponding period of 2020 and are significantly increased due to the above factors.

The Turnover of the Construction Sector to third parties derives from the activities, a) in Greece and Cyprus at a rate of 90%, b) in Balkan countries at a rate of 8% and c) in Middle East countries at a rate of 2%.

Debt amounted to 87.7 million euros compared to 116.8 million euros in 2020, while the Net Debt Position of the Construction Sector (cash available less loan liabilities) amounted to approximately 247.2 million euros compared to 158.3 million euros on 31.12.2020.

The high backlog of construction works, the experience possessed in the execution and construction of major road, building, port and large-scale energy projects, as well as the established presence of the subsidiary TERNA in the markets in which it operates, combined with the positive growth prospects of the Greek economy, support the further improvement of the financial performance and the broader course of this operating segment within the Group.

Energy Production Operating Segment

GEK TERNA Group, active in the field of energy since the mid-1990s, is one of the pioneers in the field of Renewable Energy Sources (RES) through the sub-Group TERNA ENERGY SA, as well as in production of thermal energy via the companies HERON ENERGY SA and HERON II VIOTIA SA.

a) Electricity production from Renewable Energy Sources

The shift to the Renewable Energy Sources (RES) is confirmed worldwide, with the sector being one of the top investment destinations for the coming years. In this context, TERNA ENERGY sub-Group continues the development of selected RES projects in Greece at a high pace, in order to lay the solid foundation for the company's sustainable development which is the long-term objective of its strategic planning for the next 10 years and at the same time, by capitalizing on its experience TERNA ENERGY is intensifying its efforts in order to further expand its presence in Poland and Bulgaria.

(Amounts in thousands Euro, unless otherwise stated)

TERNA ENERGY sub-Group possessed on 31.12.2021 in operation in Greece, Central and Eastern Europe a total installed capacity of 895.3 MW, analyzed as follows:

	TOTAL	GREECE	POLAND	BULGARIA
WIND FARMS	**866.4**	734.4	102	30
HYDROELECTRIC	**17.8**	17.8		
PHOTOVOLTAIC	**8.5**	8.5		
BIOMASS	**2.6**	2.6		
TOTAL	**895.3**	**763.3**	**102**	**30**

At the same time, TERNA ENERGY has under construction or ready for construction RES facilities with a total capacity of 406 MW in Greece.

A new generation of investments is already planned, which will follow, before the completion of the existing investment plan of 2 billion euros and the Group's goal is for the total installed capacity to approach 6.4 GW within the next 7 years.

In this context, new wind projects with a total capacity of 2,200 MW are in the phase of licensing maturity (having already secured a production license), photovoltaic parks (terrestrial and floating) with a total capacity of 1,700 MW are being developed and planned, while hybrid and storage systems (mainly pumping storage) are being promoted with a total capacity of about 3,750 MW, as well as about 200 MW of projects of other technologies (hydroelectric, biogas, biomass, etc.). At the same time, the Group has been positioned in the market offshore marine wind farms, where in a joint venture with OCEAN WINDS it plans to develop wind farms in the Greek seas.

Turnover from continuing operations of energy production from renewable sources amounted to 224.4 million euros compared to 194.0 million euros in 2020, recording an increase of 15.7%. This increase is due to the operation of 41.5 MW of new wind farms in Greece.

EBITDA from continuing operations plus non-cash items (adjusted EBITDA from continuing operations) amounted to 161.5 million euros compared to 129.4 million euros in 2020 an increase of 24.8%, mainly due to the higher Turnover.

Operating Results before interest and taxes (EBIT) from continuing operations amounted to 118.6 million euros compared to 91.4 million euros in 2020.

Losses from discontinued operations for the year 2021 amounted to 94 million euros and relate to the results of discontinued operations of the subgroup TERNA ENERGY from the de-consolidation of three (3) Wind farms in Texas, USA, as a result of the repercussions of the extreme weather conditions that took place in the region, in February 2021 (see in detail note 7.2 of the Financial Statements). It is noted that for the corresponding comparative period the result from discontinued operations amounted to earnings of 18.2 million euros and included the results of the three (3) Wind farms in Texas, USA, as well as the results of Mountain Air Wind Farm in Idaho, USA, which was sold on 15.07.2020.

The investments of TERNA ENERGY sub-Group amounted to 217.1 million euros in 2021. The continuing investment activity of TERNA ENERGY sub-Group in the field of Renewable Energy Sources (RES), an area of great investment interest on global scale as it aims to reduce air pollution, creates the conditions for an even stronger revenue flow and profitability on a stable long-term basis.

b) Electric energy production from Thermal Energy Sources – Electric Energy Sales

The Group in the context of its strategic decision to expand its investments in the field of Thermal Energy Sources and the trading of electricity, within the year 2021 and especially on 11.10.2021 in implementation of the agreement dates 12.07.2021, the parent company of the Group acquired 75% of HERON II THERMOELECTRIC VIOTIA S.A. After the above acquisition, the total percentage of the Group settled at 100% (there was an indirect participation of 25% through the 100% subsidiary TERNA S.A. – i.e., until 11.10.2021 the Group's participation in the above company had amounted to 25% and was consolidated as a joint venture through equity method). As a result of the above transaction, the Group acquired full control of HERON II THERMOELECTRIC VIOTIA S.A. (i.e., 100%) and from 11.10.2021 onwards the Group consolidates the above company is fully consolidated in the financial statements.

In the Sector of Production & Sale of Electricity from Thermal Energy Sources in 2021, the Group carried on with the activity of electricity production from the Thermal Power Plants with a total capacity of 588 MW, as well as with the respective trading activity.

According to the accounting standard IFRS 11 the companies HERON ENERGY S.A. and HERON II VIOTIA S.A. have been recognized as jointly control entities, a) HERON II VIOTIA S.A. for the period until 10.10.2021 and b) HERON ENERGY SA for the entire year, and therefore the consolidation of their financial accounts for the above periods was performed through Equity method.

The turnover of the electricity production & trading sector amounted to 252.6 million euros compared to 37.4 million euros in the corresponding period of 2020, recording a substantial increase y-o-y, mainly due to the full consolidation of the results after the acquisition of 75% of HERON II VIOTIA S.A. The above in turn resulted into the full consolidation of the Turnover and Other Results for the period 11.10 to 31.12.2021, versus the consolidation of those results through Equity method in the previous year. A second factor that determined the above increase related to the higher revenues from electricity trading of the other companies of the Group which are also active in the particular market segment.

EBITDA plus non-cash items (adjusted EBITDA) amounted to 33.2 million euros compared to 0.9 million euros in 2020 and was significantly increased for the aforementioned reasons.

Operating Results before interest and taxes (EBIT) from continuing operations amounted to 27.9 million euros compared to 0.8 million euros in 2020 and were significantly increased for the reasons mentioned above.

Concessions – Self or Jointly Financed Projects Segment

In the operating segment of Concessions, the Group owns 100% of the Motorway Concessions NEA ODOS SOCIETE ANONYME CONCESSION and CENTRAL GREECE MOTORWAY SOCIETE ANONYME CONCESSION, 17% of the Concession Company OLYMPIA ODOS SOCIETE ANONYME CONCESSION, as well as 32.46% of the Concession Company of Kasteli Airport INTERNATIONAL AIRPORT HERAKLION CRETE SOCIETE ANONYME CONCESSION.

The Group also participates with a percentage of 70% in the Electronic Ticket Service Provider Societe Anonyme - HELLAS SMARTICKET S.A., which undertook from the Athens Urban Transport Organization SA (OASA), the Partnership Agreement for the Study, Financing, Installation, Operational Support, Maintenance and Technical Management of a Unified, Automatic Toll Collection System for the OASA Group of companies based on a PPP scheme. The term of the concession has been set at 10 years after the construction period.

The Group also participates with a percentage of 100%, via the subsidiary TERNA ENERGY in the company AEIFORIKI EPIRUS MAEES, in the operation of the Waste Management Unit of Epirus with a maximum annual capacity of 105,000tn, the operation of which started on 27.03.2019. The duration of the Concession has been set for 27 years.

The sub-group TERNA ENERGY participates with a percentage of 70% in the Joint Venture TERNA ENERGY - INDIGITAL - AMCO with which it signed a contract for the project "Digital Transformation, Telematics, and the Unified Automated Collection System for Thessaloniki (OSETH)" The total budget of the project amounts to 30 million euros plus VAT, whereas the commencement of works has been scheduled for the first half of 2022.

The sub-Group TERNA ENERGY participates with 100% in the construction of the PPP project "Integrated Waste Management of Peloponnese" via the subsidiary Environmental Peloponnese. The total duration of the contract has been set at 28 years and includes the two-year construction period and the 26-year operating period. The amount of the investment settles at 152 million euros, of which 62.5 million euros derive from an NSRF (ESPA) subsidy.

On 14.02.2022, the Transitional waste management services commenced in the Peloponnese Region which will serve Arcadia, Corinth and Argolida. The transitional waste management services will last up to 14 months, whereas the project will constitute the most modern waste management unit in the country and one of the most modern units in Europe.

It is worth noting that GEK TERNA, having participated in various tenders with the aim to undertake Concession projects, was declared the Preferred Investor in two (2) large Concession contracts, the contractual process of which is expected to be implemented within the year 2022, where new investments will be made given that the Company’s capital structure remains strong and healthy.

Finally, in the year 2021, the Group continued its activity in the area of Management and Operation of Car Parking Stations, whereas the capacity of these stations corresponding to the Group accounted for 2,171 vehicles.

The Turnover of the Concessions Operating Segment amounted to 173.0 million euros compared to 151.3 million euros in the corresponding period of 2020. This increase is mainly due to the higher traffic along the Group’s motorways in the second half of 2021 as a result of the elimination of travel restrictions which were previously in place due to COVID-19.

EBITDA plus non-cash items (adjusted EBITDA) amounted to 101.8 million euros compared to 105.5 million euros in the corresponding period of 2020 posting a drop by 3.5% . The calculation of EBITDA includes the compensations a) from non-operation of tolls and b) from prohibitions of crossings due to COVID-19 restrictions, during the year 2021. The reduction in EBITDA between 2021 and 2020 is due to the increase of the operating expenses of the motorways, mainly due to the energy crisis and the adverse weather conditions. The amounts related to the "State Compensation for loss of income", the calculation of which is based on the relevant provisions of the concession contracts, a) due to non-operation of tolls for the first and second half of the year 2021 amount to 14.5 million euros, and b) the corresponding compensation due to the traffic restrictions during the COVID-19 pandemic for the first half of 2021 amounts to 13.9 million euros. An amount of 5.1 million euros has been already collected out of the above total, up to the approval of Financial Statements.

The calculation of the adjusted EBITDA does not include non-cash provisions for higher maintenance expenses which in 2021 amount to 24.1 million euros compared to 17.1 million euros in the corresponding period of 2020.

Operating Results before interest and taxes (EBIT) amounted to 33.6 million euros compared to 44.3 million euros in the corresponding period of 2020, posting a drop of 10.7 million euros which is due to the above-mentioned factors, as well as due to the difference of the non-cash increased maintenance provisions.

Real Estate Segment

The Group continues to maintain conservative approach towards investment activities in the domestic real estate market. Taking into consideration the current economic and financial conditions, the Group is considering the possibility of divesting some of its real estate assets. At the same time, GEK TERNA is considering alternative scenarios for the commercial use of a part of its investment portfolio and, wherever it deems appropriate, it will proceed with new acquisitions and additional investments.

The Turnover of the Real Estate operating segment amounted to 4.5 million euros compared to 4.2 million euros in the corresponding period of 2020.

EBITDA plus non-cash items (adjusted EBITDA) amounted to 0.5 million euros compared to 0.3 million euros in 2020.

Operating Results before interest and taxes (EBIT) amounted to minus 0.6 million euros compared to minus 0.9 million euros in the corresponding period of 2020.

Industry/Quarry Operating Segment

The Group, mainly via the fully owned by 100% subsidiary TERNA MAG (through the mining licenses and concessions it possesses), is active in the mining and processing of limestone and magnesium, as well as in its industrial processing for the production of caustic and refractory magnesia products of various qualities and chemical characteristics, which are being sold mainly to foreign customers.

The Turnover of the operating sector "Industry/Quarry", despite the various problems that emerged with regard to the transportation of goods abroad, amounted to 10.0 million euros in 2021 compared to 7.1 million euros in the corresponding period of 2020, recording an increase of 40.8%.

EBITDA plus non-cash items (adjusted EBITDA) amounted to minus 0.4 million euros in 2021 compared to minus 4 million euros in the corresponding period of 2020. The difference is due to the reduction of reorganization costs, as well as the recording of Other Operating Income that aren't recorded in Turnover.

Operating Results before interest and taxes (EBIT) amounted to minus 3.7 million euros compared to minus 13.2 million euros in the corresponding period of 2020. The significant positive difference is due to the above-mentioned improvement of EBITDA, as well as the non-existence impairments in 2021 versus the previous year.

Holding Operating Segment

EBITDA plus non-cash items (adjusted EBITDA) amounted to minus 14.0 million euros in 2021 compared to minus 8.7 million euros in the corresponding period of 2020. The change is mainly due to increased costs by 3.7 million euros from the exercise of stock options compare to the comparative period.

Operating Results before interest and taxes (EBIT) amounted in 2021 to minus 15.9 million euros compared to minus 11.7 million euros in the corresponding period of 2020, negatively affected by the above factors.

Intersegmental Transactions

During the year 2021, the Turnover of the intersegmental transactions amounted to 122.7 million euros compared to 28.2 million euros in the period of the year 2020. The significant increase in Turnover is due to the higher construction works related to investments in the energy segment.

EBITDA, plus non-cash items (adjusted EBITDA), amounted to minus 11.8 million euros in 2021, compared to minus 0.2 million euros in the corresponding period of 2020, mainly negatively affected by the increase in construction of intersegment investments, particularly in the energy sector.

EBIT reached minus 10.0 million euros in 2021. compared to 4.4 million euros in the corresponding period of 2020, negatively affected by the above-mentioned reasons.

C. Significant Events after the end of the period 01.01 – 31.12.2021

From 01.01.2022 until the date of approval of the attached financial statements, the following significant events occurred:

- On 12.01.2022 the subsidiary company TERNA signed a contract with OURANIA INVESTMENT S.A. for the project "Demolition of a Building (gas station), Metal Roofs & Demolition of Asphalt / Construction of a New Complex of Office Buildings with 2 basements at 64, October 26 Street & Frixou Street in Thessaloniki" of an indicative contractual amount of 42.6 million euros with a planned duration of up to 30.06.2023.
- On 20.01.2021 the first phase of the corporate transformation was completed, i.e., the transfer to GEK TERNA KASTELI S.M.S.A. of the interests held by TERNA S.A. in the company under the name INTERNATIONAL AIRPORT HERAKLION CRETE CONCESSION S.A. and of the secondary subordinated debt bonds of the above company undertaken by TERNA S.A.
- On 25.01.2022, GEK TERNA informed the investor community that its main shareholder will take the necessary actions to allocate until 24.03.2022 the required number of shares in order for the above shareholder’s participation not to exceed the limit of the first section of par. 1 of article 7 of Law 3461/2006, taking into account the securities of paragraph 3 of the same article. To date, this required number of shares has been allocated.

- On 26.01.2022 the subsidiary company TERNA S.A. signed the contract for the construction of the 6th Electricity Generation Unit at the Vasilikos Power Plant, with the Cyprus Electricity Authority (CEA).

  The project, with a total budget of 149.8 million euros, includes the design, supply, installation, inspection and initial operation of the unit.

  The unit, with a total maximum capacity of 160 MW will consist of two gas turbines, two heat recovery boilers and a steam turbine and will run on natural gas as the main fuel, while it will be able to operate on diesel as an alternative fuel.

- On 31.01.2022, the amendment of the Public-Private Partnership (PPP) Agreement for the Integrated Waste Management of the Peloponnese Region was signed, between the Peloponnese Region and the company “Environmental Peloponnese”, member of TERNA ENERGY Group. The amendment makes feasible the initiation of the Transitional Management in the project units that have already been completed (Transitional Management Unit in Paleochouni Arcadia and Transfer Station in Nea Kios, Argolida). On 14.02.2022, the Transitional Waste Management in the Peloponnese Region commenced, which will serve Arcadia, Corinth and Argolida.

- On 11.02.2022 PIRAEUS TOWER S.A. and TERNA S.A. signed the contract for the 2nd phase of the Construction and electromechanical works for the completion of communal installations, basements, roofs and premises of Piraeus Tower.

  This agreement is an extension of the existing contract from 06.08.2021 (A’ Phase) with TERNA S.A. with budget of 15.4 million euros and provides for an additional construction project with a respective budget of 26.1 million euros and delivery on 30.06.2023. The total budget of the project (A’ & B’ Phase) amounts to 41.6 million euros.

- On 14.02.2022, in implementation of the agreement from 12.07.2021 for the acquisition of 75% and 50% of the shares of the companies HERON II VIOTIA S.A. and HERON ENERGY S.A., GEK TERNA acquired the additional 50% of the shares of HERON ENERGY S.A. After this acquisition, the total percentage of the Group amounted to 100%.

- On 15.03.2022 the Joint Venture APION KLEOS, in which TERNA participates with 28.7%, signed with the Concession company OLYMPIA ODOS S.A. the amendment of the Construction & Study Contract (CSC) of the project "Elefsina-Corinth-Patra-Pyrgos-Tsakona" for the re-inclusion of Patras-Pyrgos Road section in the project of Olympia Odos, with a contractual price of 295 million euros.

- On 31.03.2022 the Joint Venture TERNA - THEMELI, in which TERNA participates with 50%, signed with ATTICA METRO a contract for the execution of the project "Extension of a Tram depot to Elliniko", a contractual amount of 10.3 million euros.

D. Risk Factors and Uncertainties

The Group's operations are subject to various risks and uncertainties, such as the return of macroeconomic uncertainty, market risk, credit risk and liquidity risk, wind and weather conditions, the uncertainty of the results from the impact of emergency events (COVID-19) which may have a prolonged and unforeseen term.

1) Financial Risks

To address financial risks, there is management plan aiming to reduce the adverse impact on the financial results of the Group, arising from the inability to project financial markets and fluctuations in cost and sales variables.

The financial instruments used by the Group mainly comprise bank deposits, mainly long-term and secondarily short-term loans as well as derivatives, trade debtors and creditors, other accounts receivable and payable. The impact of the main risks and uncertainties on the Group's activities is analyzed below.

In order to address the effect of the extraordinary event of COVID-19, the Group implements a set of measures with the main focus on protecting the Group's staff and minimizing the economic consequences of the precautionary measures taken by the Greek State.

Credit risk

Credit risk entails a possibility that a counterparty will cause financial loss to the Group and the Company due to the breach of the counterparty’s contractual obligations.

The Group continuously monitors its receivables, either separately or per group and encompasses all the arising information into the credit audit. When deemed necessary, external reports or analyses related to effective or potential clients are used.

The Group is not exposed to significant credit risk arising from trade receivables. This is attributed, on one hand, to the Group’s policy, which is focused on cooperation with reliable clients and, on the other hand, to the nature of the Group’s operations.

In particular, total receivables, whether related to the narrow or the broader public sector, or private sector clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, their financial sizes regardless of whether they are a broader public or private entity, for potential implications, in order to take the necessary measures to minimize any adverse effects for the Group.

The credit risk regarding cash and cash available and other receivables is considered limited given that the counterparties are reliable Banks with high quality capital structure, the Greek State and the broader public sector and strong Groups of companies.

The Management assumes that all the financial assets, for which necessary impairment is calculated, are of high credit quality.

Foreign exchange risk

Foreign exchange risk arises when the fair value or future cash flows of a financial instrument are subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Group, from foreign exchange differences at the valuation and conversion into the Group’s currency (Euro) of financial assets, mainly financial receivables, and financial liabilities, related to transactions that are carried out in a currency other than the operating currency of the Group’s entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Group operates in Greece and Eastern Europe for investments in renewable energy and selectively in the undertaking of construction projects, and therefore may be exposed to foreign exchange risk that may arise from Euro exchange rate with other currencies. To manage this risk category, the Group’s Financial Management Department uses financial instruments and offset the Group's exposure to foreign exchange risk on the basis of specific policies.

Regarding the Group's transactions with foreign companies, these are usually carried out with European Groups where the settlement currency is the euro. To reduce this risk, the Group utilizes the locally produced cash available in local currency to pay the expenses incurred, minimizing the creation of foreign exchange risk.

Interest rate risk

Interest rate risk entails the probability that fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Group's policy is to minimize its exposure to the interest rate risk of long-term financing. Under this policy, medium-term loans are mainly in Euro, with fixed spread and a floating base interest rate linked to Euribor. In order to reduce the interest rate risk associated with long-term financing and to reduce the consequent volatility of financial expenses, the Group implements specific policies that include Interest Rates Swaps.

The biggest component of the Group's short-term debt is in Euro at a floating base interest rate linked to Euribor. Short-term loans are mainly issued as a bridge financing in order to cover temporary needs during the implementation phase - construction of investments (Wind Parks) of the Group. The Group's policy is to convert these loans into long- term fixed spreads linked to Euribor and, where deemed necessary due to repayment time, to implement approved interest rate risk management policies through Interest Rate Swaps.

On 31.12.2021, 41.05% of the Group’s total debt bares fixed interest rate, 29.20% bares floating interest rate that have been offset through derivatives, with which future fixed interest rate payments are exchanged, against floating receivables, while 29.75% of the Group’s loans bare floating rate based on the Euribor or wibor on a per case basis.

These loans are repaid either through collections of trade receivables, or during the collection of the relevant state grants or through the operating cash flows from the Group's operations.

Sensitivity analysis of interest rate risk

The following table presents the sensitivity of profit or loss for the period against the Groups short-term debt and deposits, towards a change in variable interest rates amounting to +20% –20% (2020: +/-20%). The changes in interest rates are estimated to be logical in relation to the current market conditions and until now they have been consistent with the previous year.

(Amounts in thousands Euro, unless otherwise stated)

	2021		2020	
	20%	-20%	20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(437)	437	(237)	237
Net earnings after income tax (from interest earning assets)	15	(15)	49	(49)

The Group is not exposed to other interest rate risks.

<u>Market risk analysis</u>

The Group is not exposed to market risk regarding its financial assets.

<u>Liquidity risk analysis</u>

Liquidity risk entails the risk that the Group or the Company will be in no position to meet their financial obligations when required. The Group maintains its liquidity risk at low level.

The Group's liquidity, in particular, is considered satisfactory, as in addition to cash available, the cash flows generated by the Concessions of the motorways and the operating wind farms, are ongoing.

The Group manages liquidity needs by closely monitoring the progress of long-term financial obligations, as well as the payments made daily. Liquidity needs are monitored in different time zones, on a daily and weekly basis as well as in a rolling period of 30 days. Liquidity needs for the next 6 months and next year are determined on a monthly basis.

The Group maintains cash and cash available in banks to meet liquidity needs for periods of up to 30 days. The funds for the medium-term liquidity needs are released from the Group's time deposits and if deemed necessary, bank credits are also being used.

<u>Risks arising from existing financial conditions prevailing in Greece and from the global economy</u>

The performance of the Greek economy for 2021 was positive since the achieved growth rate was at a rate of 8.3%.

Despite the significant increase in the GDP growth in Greece and in the world economy, as early as August 2021, there were signs of an impending energy crisis, the duration and magnitude of which were uncertain.

The energy crisis in Greece created a significant impact on rising prices for raw materials, fuel, transport, and all consumer products, given that most of the energy consumables are imported.

With these data, the initial estimations for the growth of the economy was expected to be 4.5% per year, with a simultaneously increase in the disposable income of the households.

The ongoing energy crisis, aided by recent geopolitical conditions to resolve geopolitical issues, has created new conditions indicating lower growth in 2022 which is expected to settle at 3%.

The main sources of uncertainty regarding the course of domestic economic activity for the year 2022 and the following years, which could have a negative impact on the achievement of growth objectives, as well as the upgrading of the investment rating which would result in higher investment inflows, can be summarized as follows:

- The delay in reducing the public debt ratio along with the resolution of the ongoing quality issues on assets of the domestic banking sector.
- The lack of acceleration towards the structural reforms and the government's inability for the timely disbursement of European funds and any obstacles in the implementation of the investment plans.
- The impact of high energy costs in production costs and profitability of corporates, and the postponement or cancellation of their investment plans.
- Increase of interest rates as long as inflation continues to be high; this in turn would act as a deterrent to a potential credit expansion that otherwise would be needed for the smooth operation of companies.
- The impact of the rising inflation on energy prices and consumables goods will produce the real disposable income and purchasing power of households and to create the need for adoption of fiscal measures to support the income of vulnerable groups.
- The reduction of the initially estimated receipts from Greek tourism, due to a) a possible resurgence of the duration of COVID-19 and its mutations, b) the cessation of tourist flows from the war-affected countries and c) the weakening of the disposable income of households in several countries, mainly in the European Union, from which the vast majority of tourists originate.
- The impact of geopolitical conditions on foreign direct investments, as increased uncertainty adversely affects the investment risk of a country that has not yet reached investment grade.

Despite the new conditions that have been formed, the Group's operations continue as smoothly as possible, given that the main areas of the Group's operations (RES and Concessions) present significant defensive characteristics. The Management continuously assesses the conditions and the possible effects from the regular operation as well as from extraordinary events, in order to secure that all necessary and possible measures and actions are taken in time to minimize any impact on the Group's operations. The Group's Management objective is to immediately inform the investors about any significant effect that the current conditions may bring.

2) Public Health Crisis caused by Coronavirus Pandemic (COVID-19)

GEK TERNA Group is one of the most significant Greek business groups, which holds a leading position in the segment of infrastructure, clean energy, electricity generation, and concessions. The position of the Management is that the Group operates in the segments that are more defensive during the phases of the economic cycle and which investors recognize as "safe havens" that provide stable repeatable cash flows even in times of turmoil and uncertainty, such as the current. Furthermore, the Group has already proved during the Greek financial crisis, (namely the most difficult and longest financial crisis in Europe), its ability to develop and strengthen its position in the market.

Following the rapid spread of COVID-19 cases and its mutations worldwide in 2020, the World Health Organization declared COVID-19 a Pandemic. In addition to the significant number of deaths, the pandemic led to an unprecedented crisis in the global health and economy. Specifically, in 2020 the negative effects resulted into a decrease of GDP by 6% in the world economy and by 8.2% in the Greek economy.

The global impact of the pandemic has resulted in the European Union being forced to approve 1,824 billion euros in funding to help its member states deal with the effects of COVID-19 on the European economy. From all this funding, Greece is expected to raise 72 billion euros, of which 31 billion euros through the Recovery and Resilience Fund (18 billion euros in grants, 13 billion euros in loans) and 40 billion euros through the ESPA Cohesion Fund for the period 2021-2027.

Although the problems of the COVID-19 pandemic and its mutations were not eliminated in 2021, the experience gained in protecting the population from coronavirus infections, as well as finding effective vaccines for at least a certain period of time, ensured the protection of a significant proportion of those vaccinated, either as a whole or by minimizing the complications of the disease.

The significant increase in the percentage of vaccinated people in all developed countries has enabled the free transportation of populations, significantly improving the functionality of economies worldwide. At the same time the restrictions in products transportation have been lifted, aimed to prevent transmission of the virus from one region to another.

The increase in the percentage of the vaccinated people in Greece resulted in the partial and / or total lifting of travel restrictions, which resulted in the first signs of recovery during the first half of 2021. During the second half of 2021, the lift of transportation restrictions of tourists significantly affected the Greek economy, which attained a record GDP growth of 8.3% in year 2021.

The Group’s Management, applying an extremely high sense of responsibility, towards its customers, employees, suppliers, partners, and investors, monitors the developments regarding the coronavirus pandemic (COVID-19), studying the possible risk factors that could affect the financial position, operations and results of the Group.

(i) Group Organizational Planning

The Group, faithful to its development strategy and the implementation of its vision, constantly improves and modernizes its structures and operating systems, carefully selects the executives needed from the market, trains its staff in modern digital systems and the obligation compliance with the provisions of the corporate governance system, the other provisions of the Internal Regulation of Operation, as well as the rules imposed by the competent bodies of the State for the relations of companies with the members of their Board of Directors. Also, reacting quickly and sensitively to its human resources, it took all the necessary measures, set up a special committee to deal with the coronavirus and made sure that ALL of its employees have the absolute protection and care against COVID-19 and its mutations. The Committee systematically monitors the development of the pandemic, is immediately informed of each critical factor of its spread and guides the necessary actions to be taken by the Management and each employee throughout the Group in order to minimize the risks of the phenomenon and their impact on the course of the company.

Extremely strict operating regulations have been introduced at all points of presence and operation of the Group in Greece and abroad, in order to constantly confirm the highest possible level of security for all.

(ii) Effects arising from the coronavirus pandemic (COVID-19) per key operating segment of the Group and their mitigation measures

The Group has taken all the necessary measures in order to continue seamlessly the development of its core operations, continuing its construction activity, the exploitation of RES and Concessions and implementation of its investment plan in the energy and concession segments, strengthening the stabilizing efforts of the Greek economy and employment. More analytically per segment:

- **Construction Operating Segment**

In the Construction Operating Segment some small delays occurred, however none of the existing signed contracts were canceled and at the same time the tender procedures were completed, and new construction contracts were signed. In this context, the construction works continued smoothly within the year 2021 as well, but without achieving the rate of execution envisaged under the original program.

Regarding the delays occurred, the Group does not face the risk of non-compliance with the contractual schedules, as the relevant deadlines are extended respectively. It is to be noted that the construction contracts also include relevant terms regarding force majeure events, providing an additional conventional level of security regarding the progress of the projects and their performance/compensation.

The need to boost the economic recovery following the COVID-19 crisis, according to the competent Minister of Infrastructure and Transport, requires the initiation of major projects, which is one of the immediate priorities of the Greek Government. To this end, the Greek Government has modernized the legal framework of the tender procedures, in order to speed up the licensing and acceptance of large infrastructure projects in the law of strategic investments, which exceed 30 billion euros. It is noted that a significant part of the above projects is expected to be executed by GEK TERNA Group.

The subsidiary TERNA SA is at advantageous position due to (a) its dominant position in the construction industry in combination with the experienced and fully proven effective management team, and (b) the strong financial position of the company that is required in order to support the timely completion of all projects it has currently in the backlog and / or will undertake.

- **Electric Energy Operating Segment (Electricity Generation from Renewable Energy Sources [RES])**

In the segment of electricity from RES, in Greece there was no interruption or other adverse impact on the activity of the Group's facilities that are in operation. As far as the RES facilities under construction are concerned, until today no delays have been caused due to the coronavirus pandemic (COVID-19) and the estimated time of completion and launching of the projects has not changed.

Regarding revenues collection by the Group, no delays were found in 2021.

The Group has taken all the necessary measures in order to continue the development of its core operations, continuing the exploitation of RES and implementation of its investment plan in the energy segment, strengthening the efforts aimed at stabilizing the Greek economy and improving prospects of employment.

In particular, the Management examined the specific conditions that could have a significant impact on the business activities of the RES operating segment as well as the risks to which it is exposed. Based on current events and conditions regarding the COVID-19 pandemic, such issues are analyzed as follows.

In direct, continuous, and systematic cooperation with the Risk Managers and the executives of the Group, the Management plans and implements measures to deal with any identified risk in order to limit its negative effects to the minimum possible. The organizational efficiency of the Group and the continuous efforts of the Management to use its managers by project and specific issue depending on the required ability and experience, have created a proven capable, flexible, and effective mechanism for dealing with any possible crisis in any company of the Group whenever it appears. Due to this fundamental principle is the immediate response of Management and the above mechanism for dealing with the epidemic crisis with prudence, balance, and strategic perspective.

The impact from COVID-19 was not significant for the RES segment of the Group.

- **Operating Segment of Electricity Generation from Thermal Energy Sources - Sale of electricity**

In the Operating Segment of Electricity Generation from Thermal Energy Sources in 2021, the Group continued smoothly the production activity of the Thermal Power Plants of 435 MW and of the smaller-scale power unit of 147 MW in Viotia, as well as the commercial activity which was carried out through subsidiary companies of the Group.

The nature of this business activity is not directly affected by the impact of COVID-19, while it could be indirectly affected by the reduction of energy consumption, as well as any emerging inability paying for the amount of electricity and gas produced or sold.

- **Real Estate Operating Segment**

The Group continues to maintain a conservative approach towards investment activities in the domestic real estate market. Taking into account the current financial conditions, the Group considers the option to disinvest regarding a part of its property portfolio. At the same time, it is considering alternative scenarios for the exploitation of a part of its investments, and it will add new acquisitions and investments when deemed appropriate. The nature of the particular business activity is not being affected by the Covid-19 pandemic.

- **Concession Operating Segment – Self/co-financed projects**

In Concession operating segment there are mainly included motorway concession companies (NEA ODOS S.A. CONCESSION COMPANY and CENTRAL GREECE MOTORWAY CONCESSION COMPANY S.A.) and the concession for the airport at Kastelli (INTERNATIONAL AIRPORT OF CRETE SA CONCESSION).

The Hellenic State, for the limitation of COVID-19 pandemic spread, since February 2020 has taken extraordinary measures, through the issuance of a number of Legislative Content Acts (LCA), as well as Joint Ministerial Decisions (J.M.D.), measures which directly affected the traffic in the Projects of the Motorway Concession Companies (MCC). In particular, restrictive measures were imposed on specific periods of traffic with a total ban on travelling within the territory, as well as with foreign countries.

The ban on the travelling of the population within the territory was not substantially normalized in its entirety within the first semester, however such normalization took place in the second half of 2021.

As a result of the above, the Motorway Concession Companies, made the notifications provided for in the relevant Concession Agreements and submitted claims for compensation for loss of revenues to the Greek State, pursuant to relevant terms of the concession agreements. The State acknowledged that the traffic restriction measures it has taken constitute Permitted State Intervention which adversely affects the operation and exploitation of the Motorway Concession Companies and in accordance with the relevant articles of the Concession Agreements applied the relevant contractual clauses.

During the second half of 2021, the respective restrictions were lifted, and as a result the traffic on the motorways in terms of vehicle crossings returned to normal.

In implementation of the provisions of the Concession Agreements, the aforementioned companies of the Group submitted to the State claims for compensation for the loss of revenues due to Covid-19 pandemic suffered within the first half of 2021 totaling to 13.9 million euros. The amounts of revenue losses were recognized in the consolidated Statement of Comprehensive Income for the reporting period ended 31.12.2021 and are included in the item "Other income / (expenses)".

It should be noted that the concession contract in Kastelli is structured to protect the Concessionaire from unforeseen events (force majeure events), such as COVID-19, providing an additional conventional level of security regarding the development of the project and its performance.

- **Quarry / Industry Operating Segment**

The segment's activity in extracting and processing whitewash and subsequent production of magnesium products, which are almost entirely exported to various countries, has decreased significantly due to the COVID-19 pandemic, as a result of the problems created in the transportation of goods to the customers' countries.

The activity of the sector decreased in terms of the production of limestone products for 2020 and for the first half of 2021, pending the normalization of the market, while at the same time it restructured the production process for the optimal use of the existing equipment for the extraction of stocks of limestone. In the second half of 2021, the above operating segment increased production to some extent, expecting the gradual normalization of the market in which these products are used.

Summary

The coronavirus pandemic (COVID-19) continues to negatively, although with decelerating intensity, affect the global economy, the consequences of which, unless a new variant emerges that is not covered by the existing drugs and vaccines, will allow for a positive outlook in relation to dealing with the pandemic. The Management estimates that the operation, the financial performance, the cash flows and the financial position of the Group will not be significantly affected.

3) Other risks and uncertainties

<u>Geopolitical risk</u>

The existence of disputes between states over the interpretation of existing international conventions on the exploitation of land or subsoil creates the need for increased costs related to defence equipment, which would otherwise be channelled into welfare funds or productive investment initiatives through the annual budgets of the states.

The non-peaceful settlement of disputes, even in countries that do not border directly with our country, can create problems in the Greek economy due to the globalization of the markets main concerns, as well as due to the lack of produced raw materials - goods, which are essential elements for the proper functioning of the economy.

The Greek economy, which started with a strong dynamic and improved expectations for the year 2022, was faced in mid-February with a new incremental risk which might have a negative impact on its GDP growth potential. The additional risk stems from the recent geopolitical conditions in Ukraine, which have caused a significant increase in prices for certain consumables (fuel, wheat, fertilizers, etc.), resulting into a substantial burden on the economies of the European Union including the Greek economy.

In the context of the reassessment of GDP growth of the Greek economy, the impact from the energy crisis and the geopolitical conditions, led to a reduced rate of GDP growth from 4.8% to 3.8% for the baseline scenario for the year 2022 and to 2.8% for the unfavourable scenario.

It should be noted that the impact from Greek State's supportive actions towards the income of vulnerable households, mainly towards the reduction of the costs of the energy crisis, has already been calculated into the above forecasts.

The magnitude of the above impact on the GDP growth of the European Union and consequently of the Greek economy will depend on the level of its escalation and duration, as well as on the cost required for substituting consumable and products that will not be exported by the parties involved in the geopolitical disputes.

The Group continuously evaluates the geopolitical risks to which it is exposed, having formulated specific policies and procedures in order to mitigate the respective risk to the greatest possible extent.

Backlog of the construction contracts

The backlog of the construction contracts does not necessarily constitute an indication of future revenues from the Group's operations in this segment. Although the backlog of these contracts represents projects that are considered certain, no guarantee can be given that cancellations or adjustments will not be performed.

The backlog of the Group's construction contracts may fluctuate in connection with the delays in the project's implementation and/or receivables or inability to fulfill contractual obligations.

Tender procedures' evolution

Law 4782/2021, published on 09.03.2021, reformed the existing regulatory framework for public procurement under Law 4412/2016, which incorporates in the Greek Legislation Directives 2014/24/EU (L 94/65) and 2014/25/ EU (L 94/243) as well as Laws 3433/2006 (A' 20), 3883/2010 (A' 167) and 3978/2011 (A '137) which regulate the issues of public procurement in defense and security sectors. According to the explanatory memorandum, Part A' reforms provisions of Law 4412/2016 that constitutes the existing regulatory framework for issues of public procurements, services and projects in order to simplify and clarify the legal provisions, reduce bureaucracy, increase the effectiveness of public procurement and projects implementation, expand the use of electronic means (e-procurement), increase participation of small and medium-sized enterprises in public procurement procedures and address irregularities, such as the issue of excessively low bids and excessive attachment to formality to the substance of the bids. Law 4412/2016 presented a number of problems that contracting authorities as well as the economic operators had identified. The attempt to address such irregularities was fragmented and, quite often, insufficient. It is symptomatic that the provisions of Law 4412/2016 had been amended more than 300 times. However, the current economic conditions have generated the need to increase the efficiency of the procedures for preparation, assignment, and implementation of public procurements in order to speed up the relevant procedures, while improving the quality of goods, services and projects supplied by the State without jeopardizing the issues of transparency and integrity. Moreover, the effectiveness of the public procurement system is expected to reinforce the capacity of the Greek State in public investments, as well as in faster absorption and utilization of EU funds and financial facilities, in particular, in view of NSRF 2021-2027 program period and the Recovery of and Resilience Fund (RRF) aimed at supporting reorganization and improving resilience to crises of the economies of the European Union Member States. Realization of the above objectives will be evident through the implementation of the above institutional framework.

It is noted that with Law 4903/2022 (Part A', articles 1 to 14 thereof), a framework for the submission, evaluation and approval of innovation proposals was established, at the initiative of the private sector, regarding large infrastructure projects which exceed the amount of two hundred million (200,000,000) euros (without VAT), which characteristics of innovation and complexity, promote regional development, contribute to the national economy and are to be implemented through contracts, concessions and public-private partnerships (P.P.P.). This legislation regulates the minimum content of an innovation proposal (minimum level of maturity), incentives for the submission of innovation proposals, as well as procedures aimed at respecting the principles of transparency and equal treatment of tenderers, at the stage of tendering projects, which have been proposed in the context of the submission of an innovation proposal.

Climate change risk

The Group owns and operates in Greece and abroad Wind Parks, operates two major highways, where the effects of climate change in recent years consist of intense weather phenomena and long-term natural turnarounds (increased snowfall, frost, fires, floods, etc.).

Taking into account the extreme natural phenomena that have occurred in recent years, the Group takes all necessary measures to eliminate or minimize the problems that may arise, in addition to insurance coverage for the risks that are insurable.

Cyber Security Risk

Potential violations in the security of networks, information, and operating systems, threaten the integrity of the Group's data, sensitive information, as well as the smooth operation of its business activities. Such a breach could adversely affect the Group's reputation and competitive position. Also, a possible occurrence of damages, release of fines, or loss of business (including restoration costs) could have a significant negative impact on our financial position and operating results. In addition, managing cybersecurity breaches may require a significant investment of time by the management.

In order to avoid the Cyber Security risks, GEK TERNA Group has established and implements Cyber Security Policies and Procedures, with which all the executives and the external collaborators of the Group must comply. In cases where it is deemed necessary, the IT Department provides additional instructions and guidance.

The Group is in continuous cooperation with companies providing specialized Cybersecurity services as well as with experienced consultants in the field, in order to provide full technical and organizational coverage in terms of Cybersecurity in close collaboration with its various departments. Some of the technical measures taken include the following areas:

- Perimeter Security (Firewall)
- The security of the Group's network
- The security of executives' computers (Firewall and Antivirus)
- The technological security of the Servers (Specially configured restricted areas, Antivirus,) where the data are stored
- Secure remote access for users (use of secure VPN channel)
- The monitoring of Cybersecurity events in real time by specialized external partners
- The availability of services through the existence of Disaster Recovery Plan (DRP)
- The continuous training and information of the executives in matters of Cyber Security
- Supervision and coordination of Cybersecurity issues by experienced external partners (CISO chief information security officer)
- Strong password and user authentication policies
- Protect email from Phishing and Spam attacks

E. Outlook & Prospects

GEK TERNA – the parent company of the Group (www.gekterna.com) is listed on Athens Stock Exchange (FTSE / Athex Large Cap / Athex ESG) and is one of the largest business groups in Greece, with selective presence in Central and Southeastern Europe, and Middle East.

GEK TERNA Group with a Turnover of 1.144 million euros is active in the following sectors:

a) infrastructure, b) the production of electricity from Renewable Energy Sources (RES), c) the production of electricity with natural gas fuel and the trade of electricity, d) the construction and operation of the Concessions, as well as the construction and joint operation co-financed projects (PPPs) and waste management projects, e) mining activities and f) real estate management and sale of properties.

The Group in the field of construction activities has an outstanding construction backlog amounting on 31.12.2021 to approximately 2,5 billion euros. By the date of preparation of the financial statements, new contracts amounting to 287 million euros have been signed whereas the Group expects to sign contracts for new projects that it has been awarded, amounting to 2.1 billion euros.

The total installed capacity of the Group's RES projects in operation amounts to 895.3 MW, while it has under construction or ready for construction RES facilities with a total capacity of 406 MW that are part of the existing investment plan of 2 billion euros.

The Group owns and operates two (2) power generation units with natural gas fuel with a total installed capacity of 588 MW, while it also participates in the construction and operation of one (1) unit of 877 MW capacity with a 50% participation stake. At the same time, it is active inside and outside Greece, in the trade of electricity.

In the field of Concessions, the Group owns 100% of the Motorway Concessions NEA ODOS SOCIETE ANONYME CONCESSION and CENTRAL GREECE MOTORWAY SOCIETE ANONYME CONCESSION, 17% of the Concession Company OLYMPIA ODOS SOCIETE ANONYME CONCESSION, as well as 32.46% of the Concession Company of Kasteli Airport INTERNATIONAL AIRPORT HERAKLION CRETE SOCIETE ANONYME CONCESSION, whereas at the same time the Group participates in major co-financed projects (PPPs) in which it holds either 100% or a significant percentage. The participations of GEK TERNA in the field of Concessions and PPPs are significantly strengthened with the addition of the emblematic concession projects of Egnatia Odos, the Integrated Tourist Complex with Casino in Hellinikon and the proclamation of the Group, through the association of companies in which TERNA ENERGY participates, as a temporary contractor for the project ULTRA-FAST BROADBAND based on a PPP scheme.

Finally, the Group is active in the management and sale of real estate assets, owning commercial properties with a total estimated value of approximately 95 million euros and in the quarry / industrial segment through the extraction and processing of limestone and magnesium.

The Group, for the existing business activities in 2021, employed more than 3,700 employees (directly 3,336 and in its proportion through joint ventures 364) worldwidly.

Total investments amounted to 246 million euros, with the energy sector being the main contributor. In recent years, investments have exceeded 2.5 billion euros, actively supporting the Greek economy, but also the country's banking system, constantly maintaining all the Group's assets from operations in Greece in Greek banks.

Despite the fact that the Greek economy at the end of the year 2020 had posted a decline in GDP of 8.2%, in 2021 and especially in the second half, the relevant progress in vaccinations helped to stem the pandemic wave and allowed the gradual lifting of restrictions in terms of movement of population and goods, and the lifting of social distancing measures, thus allowing the Greek economy to restart. Real GDP expanded by 8.3% thanks to the strong growth in exports of goods and services, especially in the sector of tourism, and due to a recovery realized in private consumption.

For the year 2022, the positive growth prospects for the economy which were initially indicating a growth rate of 4.8%, are surrounded by new uncertainties, influenced by rising energy costs and recent geopolitical developments. At the same time the impact of COVID is still in place however with decelerating intensity. On the other hand, there are other factors that have a positive effect, including the increase in employment and the accumulation of bank savings that took place in the previous period. As a result of the new uncertainties, the new estimate for growth has been reduced for 2022 to 3.8% in the basic scenario of the Bank of Greece and to 2.8% in the unfavourable scenario.

An important component towards the growth of the economy in 2022, is the contribution of the Fund for Recovery and Resilience, which is estimated that in the coming years (until 2026) will contribute over 30.0 billion euros in total, through grants and loans on favourable terms. This in turn will further solidify the Greek banks as well as the Greek economy and its competitiveness in general, as the largest percentage of funds is expected to be absorbed in the areas of green investments, digital transition, and social cohesion.

The further growth of the Greek economy is estimated to lead to the recovery of the country’s "investment grade" which will result in the inflow of new investment funds, which will work positively towards an even greater growth potential.

According to Bank of Greece's baseline scenario for 2022, with regard to harmonized inflation in Greece, inflation is expected to accelerate to 5.2%, which has been evaluated in terms of its impact on the growth rate of the Greek economy. De-escalation is expected for 2023, provided that the supply chains are fully restored, and energy prices fall.

Despite the prevailing uncertainty, the outlook for the Greek economy remains positive in the medium term, in view of a number of conditions that could facilitate the change in the pattern of economic growth, which is expected in turn to derive from investment spending to an even greater extent.

In this changing economic and geopolitical environment, GEK TERNA Group, which is one of the most important Greek corporate groups and holds a leading position in the fields of infrastructure, clean energy, electricity production and concessions, implements and expands its investment plan (mainly in the fields of Renewable Energy Sources, Concessions and Infrastructure), as its capital structure remains strong while the Group continues to have a selective presence in countries outside Greece. Furthermore, GEK TERNA Group has already proved during the Greek financial crisis (i.e. the most difficult and longest financial crisis in Europe) its ability to expand and further solidify its market position.

It is worth noting, however, that the strengthening of investment activity in the segments which GEK TERNA Group activates in (RES, Concessions, Construction, Infrastructure) constitute a priority of both the Greek State and the European Union in the effort for economic recovery and along the broader strategy of dealing with the financial consequences of the COVID-19 pandemic. The State has recently established a new framework for accelerating the implementation of investments in RES, while at the same time in the field of infrastructure there is also an acceleration of tenders for new public projects, concessions, and PPPs. Infrastructure projects, through the multiplier effect, contribute significantly to GDP growth and comprise a sufficient condition to boost employment.

In 2022, GEK TERNA Group will continue to implement its strategy for continuous development in the Greek and international markets in the fields of infrastructure, production, supply, and trading of electricity and in the concessions in the field of RES, Concessions in general and in the Construction sector. The objective is to maintain its leading position in the Greek market and to pursue its sustainable development in the international markets in order to achieve a satisfactory diversification of corporate risk and to maintain return on equity at satisfactory levels.

The Group's investment plan continues intensively in all areas of its activity (infrastructure, concessions - PPPs, energy production and storage, circular economy - environmental projects), with the total investments planned or in which the Group participates, in the medium term, expected to exceed the value 6.5 billion euros.

With the investments that are in progress and those that will follow, we create thousands of well-paid jobs, giving the opportunity to the Greek scientific workforce, to our young men and women to live with dignity and optimism for the future in their homeland, but also to those who left we provide the incentive to gradually return back to the country.

The prospects for achieving the targets for 2022 and beyond are positive given that:

In the Construction Operating Segment:

The Group, mainly through its 100% subsidiary TERNA S.A., has been operating in the construction segment for almost half a century, both in the Middle East and Southeast Europe, executing a wide range of large and complex public and private projects, of high budgets and complex know-how, such as construction of motorways and rail networks, buildings, hospitals, museums, industrial facilities, hydroelectric projects, dams, industrial facilities, power plants, etc.

The prospects for the coming years are in favor of improving the financial performance of this operating segment, while the backlog of construction objects is maintained at high levels, amounting to approximately 2.5 billion euros on 31.12.2021 whereas at the date of preparation of the financial statements with the new agreements signed or to be signed this backlog stands at 4.9 billion euros.

In addition, the prospects of the construction sector in Greece are particularly positive, as in the coming years the budget of new projects to be auctioned will exceed the level of 30 billion euros, of which a significant part is estimated to be executed by the Group

In order to achieve this objective, the Greek Government has altered the institutional framework of tender procedures, in order to speed up the licensing and be able to include the large infrastructure projects under the provisions of the law of strategic investments.

It should be noted that the Greek State, as an initiative for the practical support of the Greek economy, has intensified the program of tender procedures.

At the same time, the existence of synergies that will result from the execution of new investments within the Group (Concession of Egnatia, development of the Integrated Tourist Complex with Casino in Hellinikon, implementation of the investment program in the RES sector, as well as the construction of large pumping projects) will further boost the potential financial size of the particular sector.

It should be noted that the execution of the above projects will deliver significant positive multiplier results to the Greek Economy.

The Group, with the consistency and the high sense of corporate social responsibility that distinguishes its actions for years now, will remain a leader in the construction sector and will seek to increase the financial size of the particular market segment, while generating satisfactory earnings to the benefit of its shareholders, according to its business plan, and despite the temporary adverse conditions that emerged from the energy crisis, the recent geopolitical developments in early 2022, as well as the impact of the de-escalating COVID-19 pandemic.

(Amounts in thousands Euro, unless otherwise stated)

In the Energy Operating Segment:

Both in the international economic environment and in Greece, the political leaders have recently confirmed their interest in the development of Renewable Energy Sources and the fastest possible replacement of traditional, thermal sources (lignite, coal, etc.) by Wind, Photovoltaic energy sources, etc. in order to effectively address the continuous burden on the natural environment.

Particularly in Greece, the repercussions of a number of decisions of the Greek Government, such as the gradual removal of lignite-based installations and the general replacement of fossil fuels from clean energy sources, the privatization of DEPA Commerce (with the participation of the Group in the relevant tender process in progress) and of DEPA Infrastructure, as well as the privatization of HEDNO and the sale of 49% of IPTO, have led to significant developments. Therefore, the rapid adaptation will become a critical factor for market restructuring and the redistribution of the role and share of the main competitors which are active in the sector.

Electricity production from RES

International developments and their impact on the global and domestic energy market, confirm the need for a speedy decoupling of the country from imported energy and acceleration of investments in domestic Renewable Energy Sources, both for reasons of national and energy security, and for reasons of economic nature, without of course excluding the critical issue of the lurking burden on the natural environment. It is clear that RES, in addition to the significant reduction they bring in energy costs, are the only solution to remove the impasse which is caused exclusively by geopolitical factors. The great investment interest recorded internationally for the RES sector is another proof of the correctness of the Group's strategic decision to invest dynamically in the field of Renewable Energy Sources. TERNA ENERGY sub-Group has on 31.12.2021 more than 1,300 MW in operation, under construction or ready for construction in Greece, Central and Eastern Europe. Specifically, the total installed capacity of the sub-Group in Greece and abroad amounts to 895.3 MW and is analysed as follows:

	TOTAL	**GREECE**	**POLAND**	**BULGARIA**
WIND FARMS	**866.4**	734.4	102	30
HYDROELECTRIC	**17.8**	17.8		
PHOTOVOLTAIC	**8.5**	8.5		
BIOMASS	**2.6**	2.6		
TOTAL	**895.3**	**763.3**	**102**	**30**

At the same time, TERNA ENERGY sub-Group has under construction or ready for construction RES facilities with a total capacity of 406 MW in Greece. A new generation of investments is already being planned, which will follow, before the completion of the existing investment plan of 2 billion euros and the Group's goal is the total installed capacity to reach 6.4 GW by 2029.

In this context, new wind projects with a total capacity of 2,200 MW are in the phase of licensing maturity (having already secured a production license), photovoltaic parks (terrestrial and floating) with a total capacity of 1,700 MW are being developed and planned, while hybrid and storage systems (mainly pumping storage) are being promoted with a total capacity of about 3,750 MW, as well as about 200 MW of projects of other technologies (hydroelectric, biogas, biomass, etc.). At the same time, the Group has been positioned itself in time in the market of offshore wind farms, where in a joint venture with OCEAN WINDS it plans to develop wind farms in the Greek seas.

The Group, through its subsidiary TERNA ENERGY, utilizing its dominant position and know-how in RES and appreciating the favourable environment in the field, continues its investment program.

Electricity production from thermal energy sources

The Group, in the context of its strategic decision to increase its investments in the field of Thermal Energy Sources and electricity trading, has become a 100% shareholder, acquiring:

a) 75% of the shares of the company HERON II VIOTIA from the ENGIE and Qatar Petroleum Groups, which operates a power plant with natural gas fuel and an installed capacity of 441 MW (acquisition completed within 2021), and

b) 50% of the shares of the company HERON ENERGY from the ENGIE Group, which operates a plant for the production of electricity with natural gas fuel and an installed capacity of 147 MW (acquisition completed within 2022).

HERON ENERGY is one of the largest providers of electricity in Greece, having more than 280,000 customers (households and businesses). Contributing dynamically to the promotion of green energy and to the effort to achieve the goals set at European and national level for dealing with the climate crisis, HERON promotes in the Greek market a series of green plans and electrification plans, such as EcoUP and EcoDrive. Through these plans, households, businesses, and owners of electric cars are given the opportunity to consume electricity, which is produced 100% from Renewable Energy Sources (RES). Given that GEK TERNA Group is the main shareholder of TERNA ENERGY, the largest Greek company in the field of production and storage of clean energy, the partnership of companies HERON and TERNA ENERGY will contribute new innovative products to the customers of HERON exclusively based on clean energy produced from RES. With the acquisition of 100% of the shares of the companies HERON II VIOTIA and HERON ENERGY, GEK TERNA will further strengthen its financial performance, as it will now consolidate the financial results of the companies HERON II VIOTIA (from 11.10.2021 it will be fully consolidated) and HERON ENERGY (it will be fully consolidated within 2022). At the same time, the Group will expand its leading presence in the field of energy with the objective of accelerating on the one hand the transition to a future with less carbon and on the other hand with the aim of providing integrated services and products of both electricity and natural gas to an ever-expanding clientele.

GEK TERNA Group and MOTOR OIL Group announced their collaboration for the joint development, construction, and operation of the new state-of-the-art Combined Cycle Gas Turbine Station, based on natural gas and installed with a combined capacity of 877 MW in the industrial area of Komotini. KOMOTINI THERMOELECTRIC, a company in which MOTOR OIL RENEWABLE ENERGY (MORE) and GEK TERNA Group jointly participate with a percentage of 50% each, is one of the most important investments in the Greek energy market, amounting to 375 million euros. This investment is expected to create about 500 jobs during the construction period and about 100 jobs during the operating period.

The technology of the main equipment that has been selected for the Station is the most modern one and will lead to very high degrees of overall net efficiency. The construction of the new unit started in 2021, in order to be placed into commercial operation at the beginning of 2024. The construction works were undertaken by the subsidiary company TERNA. The construction of the new state-of-the-art Station is of strategic importance, as it comes to cover the increased needs for electricity in our country, needs that which will be created due to the gradual removal of lignite production units. It is a breath of fresh air for the development of the particular area, but also for the energy security of the country.

The Group, with the consistency and the high sense of corporate social responsibility that distinguishes its actions towards the reduction of air pollution, will remain a pioneer in the field of natural gas investments and will seek to maintain the growth rate of the Group, while creating satisfactory earnings and returns for its shareholders according to its business plan. This is expected to occur despite the temporary adverse conditions that emerged from the energy crisis, the recent geopolitical developments in early 2022, as well as the impact of the de-escalating COVID-19 pandemic.

In the Concession Operating Segment - Self/co-financed projects:

The Group has a dominant presence in the financing, management, and commercial operation of concession projects. The ever-expanding portfolio of concession projects and PPPs, as analysed below, makes GEK TERNA Group the largest Group of concessions in the country and currently one of the most important concession portfolio managers at European level.

The Group owns 100% of the Motorway Concessions NEA ODOS SOCIETE ANONYME CONCESSION and CENTRAL GREECE MOTORWAY SOCIETE ANONYME CONCESSION, 17% of the Concession Company OLYMPIA ODOS SOCIETE ANONYME CONCESSION, as well as 32.46% of the Concession Company of Kasteli Airport INTERNATIONAL AIRPORT HERAKLION CRETE SOCIETE ANONYME CONCESSION, whereas at the same time the Group participates in major co-financed projects (PPPs) in which it holds either 100% or a significant percentage.

TERNA ENERGY sub-group participates in the commercial operation:

a) With a percentage of 70% in the Electronic Ticket Service Provider - HELLAS SMARTICKET S.A., which has undertaken the operation of the automatic fare collection system for public transport in Athens, Greece. The operations commenced in the first half of 2017 and the term of concession will be set at 10 years after the construction period.

b) With a percentage of 100% in the Waste Management Unit of Epirus. The operation started in the first quarter of 2019 and has an operating horizon of 25 years.

c) With a percentage of 100% in the Integrated Waste Management Unit of Peloponnese, the construction of which started on 29.01.2021, has a duration of 2 years and a period of operation of 26 years. The Transitional Waste Management commenced on 14.02.2022.

The Group expects the signing of additional concession contracts as per below:

a) The proclamation of the Association of GEK TERNA SA (75%) - EGIS PROJECTS S.A. (25%), as a Preferred Investor for the concession of the right to commercially operate Egnatia Odos highway and its three vertical road axes for a period of 35 years, an extremely positive and important development, with numerous benefits for the Group and its shareholders. In particular it includes in its ever-expanding portfolio of concessions the largest highway in the country and one of the largest in Europe, with a total length (including the three vertical roads) of 883 km. The total portfolio of highways of the GEK TERNA Group will now exceed 1,500 km. This is the largest portfolio of highways in the country and one of the largest in Europe, further strengthening the ability of the Group to generate significant, stable, and recurring revenues in the longer run. The binding offer amounts to 1,496 million euros, with the start of the concession being estimated in 2022.

b) On 22.10.2021, the Hellenic Gaming Commission (HGC or EEEP) proceeded to the amendment of the final award of the project "Granting of a Casino Operating License (EKAZ) for a wide range of activities in the Metropolitan Area of Hellinikon - Agios Kosmas" that has been granted to the Association of Companies with the distinctive title ATHENS IRC, which is an evolution of the original Contractor INSPIRE ATHENS following the changes that occurred in the shareholder composition of the latter. At the same time, the HGC made some minor modifications to the draft concession contract for this project, which had already been agreed with all stakeholders in the previous period. The relevant decisions and additional supporting documents were forwarded to the Court of Audit for the completion of the pre-contractual audit. Subsequently, the Court of Audit forwarded the Act 647/2021 to the Hellenic Gaming Commission on 21.12.2021, by which the Court of Audit ruled that: «The signing of the draft contract on the subject of the "Granting of a Casino Operating License (EKAZ) for a wide range of activities in the Metropolitan Area of Hellinikon - Agios Kosmas" is not hindered». The Hellenic Gaming Commission, in collaboration with the Tender Committee, is expected to carry out those formal procedures and actions to complete the conclusion of the concession agreement and its legislative ratification. Meanwhile, the members of the contractor Association of Companies MGE Hellinikon B.V – MGGR LLC - GEK TERNA S.A. with the distinctive title ATHENS IRC established on 06.04.2022 the societe anonyme with the name BUSINESS CASINO WIDE RANGE HELLINIKON S.A. with the distinctive title EKAZ HELLINIKON S.A. and with an initial share capital of 1.0 million euros. The commencement of the concession works is estimated in 2022.

At the same time, the Group participates in the tender process of emblematic concession projects such as the Northern Road Axis of Crete, the Submarine Link Salamina - Perama, as well as various Public & Private Sector Partnerships (PPPs). The successful initiation of these projects will contribute to the dynamic development of the Greek economy through the high multiplier effect on GDP demonstrating the investment interest and confidence of large international investors towards the Greek economy. This in turn will facilitate more foreign direct investment, in view of the prospect of an upgrade that could be granted with regard to the country's credit rating.

The commercial operation of the Motorway Concessions, the commercial operation of the Waste Management Units, the Operation of the Automatic Toll Collection System, and the future operation of Kasteli Airport after the completion of the construction, as well as the concession projects to be signed (of Egnatia Odos and of the Integrated Tourist Complex with Casino in Hellinikon) are expected to generate significantly improved results in the future.

At the same time, the Management continues to pursue new investments for the expansion of the Group's business activity in Greece and abroad, by constantly monitoring the developments in the Greek economy, collaborating with financial agents and expert analysts of the international markets.

The Group confirms its strategic decision to invest dynamically in the Concessions segment and in the field of PPPs, while creating satisfactory earnings and returns for its shareholders.

(Amounts in thousands Euro, unless otherwise stated)

<u>In the Real Estate Operating Segment:</u>

GEK TERNA Group is also engaged in real estate development, management and sale with a broad portfolio valued at 95 million euros in Greece, Bulgaria, and Romania, including business centers, industrial parks, entertainment parks, residential properties, hotels, etc. At the same time, the Group examines alternative scenarios for the exploitation of a part of the existing investments and wherever it deems appropriate, it will proceed into new investments.

<u>In the Quarry/Industry Operating Segment:</u>

The Group is also involved in extracting and processing whitewash and subsequent production of magnesium products through the subsidiary company TERNA LEFKOLITHI S.A., mainly focusing on export related activities (www.ternamag.com).

Despite the negative results in the current year, however significantly smaller than in the previous year in the particular segment, the company by having already restructured its operational activities in order to reduce production cost, estimates that the industrial sector will become a profitable business in the future.

F. Alternative Performance Measures (APMs)

In the context of implementing the Guidelines on “Alternative Performance Measures” of the European Securities and Markets Authority (ESMA/2015/1415el) effective as from July 3rd, 2016, in respect of Alternative Performance Measures (APMs).

The Group applies Alternative Performance Measures (“APMs”) under its decision regarding its financial, operational, and strategic planning as well as when evaluating and recording its performance. APMs facilitate better understanding of financial and operating results of the Group and its financial position. APMs should always be taken into account in conjunction with the financial results recorded under IFRSs and should under no circumstances replace them.

The following ratios are used to describe the Group’s performance per operating segment:

<u>«Net Debt/(Surplus)»</u>

It is a ratio, through which the Group’s Management assesses the cash position of an operating segment at any given time. The ratio is defined as total loan liabilities and bank leases less cash and cash equivalents. If restricted deposits are excluded from the aforementioned ratio, (note20) and grants to be repaid (note 31), are added, then the item of "Net Debt/(Surplus)" less restricted deposits and grants to be returned” will arise.

The ratio is recorded as follows in 2021 and 2020:

	GROUP	
	31.12.2021	**31.12.2020**
Long-term loans (Note24)	2,386,217	2,198,693
Liabilities from bank leases (Note 25)	217	526
Short-term loans (Note24)	95,557	116,505
Long-term liabilities payable during the next financial year (Note24)	114,064	109,958

(Amounts in thousands Euro, unless otherwise stated)

Total bank debt	**2,596,055**	**2,425,682**
Less: Cash and cash equivalents (Note23)	(1,364,351)	(1,108,417)
Net Debt / (Surplus) (Note6)	**1,231,704**	**1,317,265**
Less: Blocked bank deposit accounts (Note20)	(127,625)	(106,008)
Add: Approved and collected grants to be returned (Note31)	3,024	3,024
Net Debt / (Surplus) after restricted deposits and Grants to be repaid	**1,107,103**	**1,214,281**

<u>“Bank Debt to Total Capital Employed”</u>

It is a ratio, based on which the Management assesses the Group's financial leverage. **“Total bank debt”** is defined as the sum of Short-Term Loans, Long Term Loans, Bank lease liabilities and Long term liabilities payable during the next financial year. The **“Total Capital Employed”** is defined as the sum of Total Equity, Total bank debt and Equity investments equivalent to financial liabilities (Note 26), the repayment of which follows the repayment of primary debt of the corresponding Wind Farms and is performed only to the extent that the required return from their operation is met, the state grants minus the amount of cash and cash equivalents which are not subject to any limitation in use or to any commitment.

The ratio is recorded as follows in 2021 and 2020:

	GROUP	
	31.12.2021	**31.12.2020 ***
Total bank debt (Note6) (a)	2,596,055	2,425,682
Total equity	871,259	826,809
Equity investments equivalent to financial liabilities (Note26)	0	281,263
Grants (Note 29)	87,431	102,266
Sub total (b)	**3,554,745**	**3,636,020**
<u>Less:</u>		
Cash and cash equivalents (Note23)	(1,364,351)	(1,108,417)
Blocked bank deposit accounts (Note20)	(127,625)	(106,008)
Approved and collected grants to be returned (Note31)	3,024	3,024
Sub total (c)	**(1,488,952)**	**(1,211,401)**
Total Capital Employed (b+c)=(d)	**2,065,793**	**2,424,619**
Total Bank Debt / Total Capital Employed (a)/(d)	**125.67%**	**100.04%**

The comparative figures for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).

EBITDA (Earnings before Interest Taxes Depreciation & Amortization)

It is a ratio, based on which the Management of the Group assesses the operational performance of an operating segment. "EBITDA" is defined as Earnings before Interest& Taxes (EBIT), plus depreciation and amortization, less any equity-based grants as presented in the accompanying financial statements.

Adjusted EBITDA (Adjusted Earnings before Interest Tax Depreciation & Amortization)

"Adjusted EBITDA" is defined as EBITDA, plus any non-cash items.

EBIT (Earnings before Interest and Taxes)

Earnings before Interest and Taxes (EBIT) is defined as the Gross Profit less Administrative and Distribution Expenses, less Research and Development Expenses, plus/less Other Revenues/(Expenses) EBIT determinants. Other Revenues/ (expenses) EBIT determinants are defined as Other Revenues/(Expenses) apart from the items of Foreign Currency Translation Payment and Valuation Differences and Impairments/ (Reversals of Impairments) of fixed assets as presented in Note 39.

EBITDA and Adjusted EBITDA ratios in 2021 and 2020, per operating segment and as a total are presented below as follows:

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2021	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Gross profit	**61,931**	**136,805**	**30,738**	**289**	**(1,132)**	**36,181**	**308**	**(10,492)**	**254,628**
Administrative and distribution expenses	(27,014)	(22,308)	(1,173)	(593)	(3,700)	(10,270)	(17,840)	1,934	**(80,964)**
Research and development expenses	(1,432)	(4,967)	0	0	(140)	0	(148)	0	**(6,687)**
Other income/(expenses) attributable to EBIT	8,944	9,114	(1,626)	(247)	1,239	7,726	1,810	(1,409)	**25,551**
Results (EBIT) from continuing operations	**42,429**	**118,644**	**27,939**	**(551)**	**(3,733)**	**33,637**	**(15,870)**	**(9,967)**	**192,528**
Net depreciation	9,946	42,997	2,715	712	2,989	43,967	154	(1,883)	**101,597**
EBITDA from continuing operations	**52,375**	**161,641**	**30,654**	**161**	**(744)**	**77,604**	**(15,716)**	**(11,850)**	**294,125**
Non cash results	426	(93)	2,520	292	298	24,148	1,735	0	**29,326**
Adjusted EBITDA from continuing operations	**52,801**	**161,548**	**33,174**	**453**	**(446)**	**101,752**	**(13,981)**	**(11,850)**	**323,451**

Adjustments to non-cash results for 2021 relate to provisions for staff compensation 1,232, an expense recognized from the grant of stock options 1,979, impairments of investment properties 52, provisions for heavy maintenance 23,638, Impairments of receivables and inventories, other provisions, and earnings from elimination of liabilities amount 2,425.

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2020 *	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Gross profit	**35,404**	**113,755**	**515**	**(69)**	**(950)**	**35,768**	**(646)**	**3,392**	**187,169**
Administrative and distribution expenses	(31,184)	(21,179)	(366)	(604)	(4,155)	(10,897)	(11,714)	960	**(79,139)**
Research and development expenses	(1,145)	(2,716)	0	0	(160)	(479)	(16)	0	**(4,516)**
Other income/(expenses) attributable to EBIT	3,866	1,505	625	(272)	(7,909)	19,934	648	(956)	**17,441**
Results (EBIT) from continuing operations	**6,941**	**91,365**	**774**	**(945)**	**(13,174)**	**44,326**	**(11,728)**	**3,396**	**120,955**
Net depreciation	11,049	38,046	18	612	2,702	43,999	145	(3,628)	**92,943**
EBITDA from continuing operations	**17,990**	**129,411**	**792**	**(333)**	**(10,472)**	**88,325**	**(11,583)**	**(232)**	**213,898**
Non cash results	1,038	(37)	61	585	6,420	17,179	2,871	0	**28,117**
Adjusted EBITDA from continuing operations	**19,028**	**129,374**	**853**	**252**	**(4,052)**	**105,504**	**(8,712)**	**(232)**	**242,015**

Adjustments to non-cash results for 2020 relate to provisions for staff compensation 2,762, an expense recognized from the grant of stock options 3,257, impairments of investment properties 530, provisions for heavy maintenance 16,544, Impairments of receivables and inventories, other provisions, and earnings from elimination of liabilities amount 5,024.

* Amounts adjusted to include only continuing operations. The results from discontinued operations are disclosed independently and analyzed in a separate note (see Note 7.2.5), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".

In addition, the comparative figures for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).

G. Report of Payments to Governments

In accordance with the provisions of article 6 of Law 3556/2007 as effective, the Group, due to the mining activity of quarry products of its subsidiaries TERNA and TERNA LEFKOLITHI, paid to the Greek Government during the year ended 31.12.2021, an amount of 124.5 thousand euros.

H. Non-Financial Information Report 2021

Introduction

This Non-Financial Statement covers the fiscal year ending the 31st of December. The Statement has been prepared in accordance with the provisions of the Law 4403/2016, as outlined in Circular 62784, and in accordance with the EU Taxonomy Regulation 2020/852 and includes information on the performance of GEK TERNA Group regarding the following areas:

- Anti-corruption
- Supply chain issues
- Respect for human rights
- Social and labor issues
- Environmental and energy issues
- EU Taxonomy Report

The Statement presents information on the main risks related to the above areas and the Group's activities, the due diligence policies as well as other policies applied by the Group for each of the above areas. To provide better insight into the Group's performance, the results of these policies are presented, as well as relevant financial and non-financial performance indicators.

The Non-Financial Statement has been prepared taking into consideration the GRI Standards, the SASB Standard "Engineering & Construction Services, 2018" as well as the Athens Stock Exchange ESG Reporting Guide (2022).

In addition, in response to the recent Letter of the Hellenic Capital Market Commission dated 25.02.2022, the thematic aspect impacts of the COVID-19 pandemic on non-financial issues is included in the Statement.

GEK TERNA GROUP

GEK TERNA GROUP is one of the largest business Groups in Greece, operating in Central and Southeastern Europe, the USA, and the Middle East.

The Group has a leading position in the fields of infrastructure, electricity production from thermal sources and RES, supply and trade of electricity, concessions, waste management, real estate development and management, as well as mining activity.

GEK TERNA is listed on the Athens Stock Exchange (FTSE / Athex Large Cap) with a turnover of Euro 1,144 million. The backlog of construction work of the Group, including new agreements signed or to be signed, at the date of preparation of the Financial Statements amounts to 4.9 billion euros. The total installed capacity of the energy plants, RES and / or thermal energy, owned by the Group or to which it participates, in Greece and abroad, amounts to 1,483.6 MW, while it has under construction or ready for construction RES facilities amounting to 406 MW in Greece and 877 MW in the field of electricity generation from thermal energy sources with a percentage of the Group's participation at 50%. Also, the Group's investment program in RES is evolving at an intensive pace, aiming at the total installed capacity to reach 6.4 GW by 2029.

More information regarding the Group's presence and activities, will be published in the Sustainable Development Report of the GEK TERNA Group in June 2022.

Risk management and main non-financial risks

The risk management policy implemented by the Group aims to eliminate the negative impact on financial results but also on the wider strategic perspective of its operation, arising from uncertainty in financial markets and changes in costs and sales as well as the inability to predict the evolution of meteorological data.

The persistence of macroeconomic uncertainty, market risks (fluctuations in exchange rates, interest rates, market prices, etc.) credit risk, and liquidity risk are the most important financial risks for the Group. Furthermore, the Group has categorized its non-financial risks into three categories: risks related to **Governance, Environment and Society**. To address non-financial risks, the Group adopts mitigation policies.

More information on the identified non-financial risks and the relevant mitigation policies will be published in the Sustainable Development Report of the GEK TERNA Group, in June 2022.

Sustainable Development Policy and stakeholder engagement

The Group's Sustainable Development Policy is based on stakeholder dialogue and the identification and assessment of the most important economic, social and environmental impacts of its activities. At the same time, the strategy, which is constantly expanding and improving for the benefit of shareholders, investors, employees, and society at large, aims to enhance the positive impacts and reduce the negative ones, through best practices, sustainable initiatives, and reliable partnerships.

In 2021, the Group, following approval by the Board of Directors, adopted the Sustainable Development Policy. The Group's Sustainable Development Policy is inextricably linked to the material topics identified through the Materiality Analysis process so as the Group to be constantly aware of stakeholder needs (internal and external) but also take into account the existing socio-economic trends in relation to its impacts (positive or negative).

In the context of the Group's Sustainable Development Policy, corporate responsibility is in line with the ESG (Environmental-Social-Governance) criteria / principles and focuses on four (4) areas of activity:

1. Environmental protection,

2. Promotion of Human Value,

3. Strengthening the Social Footprint,

4. Development of a Responsible Market

Metric ATHEX C-S1: Stakeholder engagement

Metric ATHEX C-G3: Materiality

During the Group's history, relationships of trust have been built with all its stakeholders, remaining true to the principles governing its business operation:

- Respect for humans and the natural environment
- Value creation for employees, business partners, customers, and shareholders
- Contribution to society through targeted actions
- Honesty and reliability

On a daily basis, the Group strengthens and expands the stakeholder engagement process to build relationships of trust and enhance transparency. The Group identifies and prioritizes its stakeholders according to their degree of influence on the Group's operations and vice versa. More information on the main stakeholder categories, channels and stakeholder engagement methods, their frequency, as well as the main topics of interest, will be published in the Sustainable Development Report of the GEK TERNA Group, in June 2022.

In the context of its Sustainable Development Policy, the Group focuses on those issues that concern and affect its stakeholders as well as those that have impacts on the organization itself. More information on the material topics of the Group will be published in the Sustainable Development Report of the GEK TERNA Group, in June 2022.

Governance

Metric ATHEX C-G2: Sustainability Oversight

Corporate Governance is the set of principles, established rules and business practices applied by public limited companies for their organization, operation, management, and control, to ensure business continuity and therefore their ability to create value for their shareholders and other stakeholders. The responsible and good Corporate Governance that the Group promotes across the whole range of its activities, is reflected in the Greek Code of Corporate Governance that the Management has adopted.

As the higher governing body, the Board of Directors lays down the guidelines and ensures the effective implementation of the strategy, aiming at safeguarding and promoting the long-term interests of all shareholders, applying terms and methods that establish the company's credibility within the business community and the wider social environment, ensuring, at the same time, respect for and towards any businessperson.

The Group's Board of Directors is supported by Committees that have an advisory character and a special weight in its decision making. The Committees are as follows:

- Nominations Committee
- Remuneration Committee
- Investment Committee
- Audit Committee
- Regulatory Compliance Committee

- Strategic Planning Committee
- ESG Committee

As a socially responsible Group, GEK TERNA combines its business activity with long-term value creation, giving priority to people, the environment, and society.

In 2021, the ESG Committee was established by the Board of Directors to monitor the company's performance and suggest improvements regarding the topics of environment, society, and corporate governance. The work of the Committee includes, inter alia, monitoring the integration of non-financial factors in the business strategy and decision-making, in order to ensure the Group remains resilient and ready to manage changes in the environment where it operates.

The ESG Committee meets whenever required and consists of five (5) members:

- Sofia Staikou, Chairman- Independent- Non-executive member
- Aikaterini Delikoura- Independent- Non-executive member
- Pinelopi Lazaridou- Authorized Director/ Executive Member
- Konstantinos Lamprou- Executive Member
- Angelos Benopoulos- Authorized Director/ Executive Member

Data Privacy Policy and use of cookies

Metric ATHEX C-G6: Data Security Policy

For GEK TERNA Group, the protection of the personal data of individuals who interact in any way with its companies is of paramount importance. For this reason, the Group implements a policy for the protection of personal data and has developed and implements an Information Security Management System, certified according to the international standard ISO / IEC 27001.

For the purposes of conducting business activities, the Group processes personal data which results to identification relating to natural persons (such as, for example, the company's customers, suppliers, shareholders and investors, as well as ordinary users of the website), in accordance with the European legislation on the General Data Protection Regulation (GDPR 2016/679) and Law 4624/2019.

In the context of ensuring a level of security proportionate to the criticality and confidentiality of the moving data and information, a Head of Information Security Management System has been appointed who collaborates with the Group Chief Information Security Officer (CISO). In addition, the Board is regularly informed on issues relating to data security during its meetings.

Data Protection Principles

The processing of personal data of the Company must be carried out in accordance with the principles of personal data protection set out in Article 5 of the GDPR, which are:

- Personal data shall be processed lawfully, fairly and in a transparent manner.
- Personal data shall be collected for specified, explicit and legitimate purposes.
- Personal data shall be adequate, relevant, and limited to what is necessary in relation to the purposes for which they are processed.

- Personal data shall be accurate and kept up to date and every reasonable step must be taken to ensure that are erased or rectified without delay.
- Personal data shall be kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed.
- Personal data shall be processed in a manner that ensures appropriate security.
- The controller shall be responsible for and be able to demonstrate compliance with the rest of the GDPR principles (‘accountability’).

Anti-corruption

Due diligence and other policies

Metric ATHEX C-G5: Business ethics policy

IF-EN-510a.3: Description of policies and practices to prevent (1) bribery and corruption and (2) anti-competitive conduct in project bidding procedures.

Combatting corruption is a critical pillar of the Group's operation, while the Group is committed to demonstrating zero tolerance for such incidents by ensuring that transparency, business ethics, and regulatory compliance are diffused throughout the range of activities and dictate the professional behavior of its people. To this end, the Group acts through the establishment of policies and procedures, but also through the creation of control mechanisms and compliance with these policies. In particular the Group:

- Implements the Code of Ethics and Conduct.
- Implements a Regulatory Compliance and Anti-Bribery Management System according to the international standards ISO 37001 and ISO 19600.
- Defines specific Policies such as Regulatory Compliance and Corruption and Bribery Control Policy, Gift Policy, Donation and Sponsorship Policy, Travel and Hospitality Expenses Policy, Unhealthy Competition Policy, Conflict of Interest Policy, Affiliate Policy.
- Recognizes and evaluates risks of regulatory compliance, corruption and bribery and takes necessary precautionary measures where required.
- Monitors the proper implementation of the Code of Ethics and Conduct on a daily basis.
- Organizes targeted training and updates, with physical presence and through e-learning, on the Code of Ethics and policies and procedures to combat Corruption and Bribery for all employees.
- Provides the necessary communication channels for the submission of reports / complaints to all interest parties that ensure the anonymity and protection of the petitioner.
- Ensures the possibility of reporting to the Board of Directors regarding any deviations or concerns with the implementation of the Code.
- Implements due diligence actions to prevent and address issues of corruption and bribery.

- Evaluates partners, suppliers on issues of regulatory compliance, corruption and bribery.
- Evaluates discrepancies and takes the necessary legal action.

Code of Ethics and Conduct

The Group Code of Ethics and Conduct is a reference point for all its employees and associates (suppliers, subcontractors), as it is the basic framework of principles and values that should characterize their professional behavior. The Code reflects the fundamental principles, beliefs, corporate culture, business ethics, and voluntary ethical commitments that characterize the Group. Issues related to the fight against corruption and bribery are at the heart of the Code. The content of the Code is in accordance with the general principles provided by the International Regulations and Conventions as well as by the international standards ISO 9001, ISO14001, ISO 45001, ISO 39001, ISO 19600, ISO 37001, ISO 50001 and SA 8000. The Code's application extends to all companies and subsidiaries of the Group, nationally and internationally, concerns all areas of activity, and is taken into account in the partnerships and joint ventures in which it participates.

The Regulatory Compliance Committee and the Regulatory Compliance Unit, which report directly to the Board of Directors, monitor the implementation of the Code of Ethics and Conduct. In addition, the Group maintains a program of internal audits by the Head of Regulatory Compliance which aims to monitor the implementation of the Code of Ethics and Conduct and the Management System in all activities of the Company.

The Group organizes trainings and targeted updates of the staff on an annual basis that aim to raise awareness and continuously advise on issues and methods to combat corruption. From the first day of their employment, all employees are informed about the content of the Code, ratifying it by signing the employment contract, which includes an official report.

In the context of the correct use of the Code of Ethics and Conduct of the GEK TERNA Group, the following communication channels are available with the Regulatory Compliance Unit for reports of cases of fraud, corruption, bribery, conflict of interest, harassment at work, and deviations from the Code of Ethics and Conduct in general:

- Send e-mail to compliance@gekterna.com
- Use of the platform https://gekterna.integrityline.com/frontpage-
- Sending a letter to the address: "GEK TERNA SA" Mesogeion Ave 85, 115 26, Athens, in view of the "Regulatory Compliance Unit" of the Company with the indication "Confidential".

GEK TERNA does not show any tolerance in cases of retaliation against the employees who have made reports on the issues related to the Code. Retaliation can include threats, intimidation, exclusion, degrading treatment, malicious comments, and behavior, etc. In case such behavior comes to the notice of the Group, it is reported immediately utilizing the mechanisms mentioned above.

The Regulatory Compliance Officer is responsible for investigating and evaluating any complaint, taking the necessary corrective actions within the framework of current legislation and Group policies.

In case of deviations from the Code of Ethics and Conduct, the legal actions provided by the current institutional framework and the Labor Code, may include the termination of cooperation, the imposition of a fine and / or penalty, and the activation of civil and criminal proceedings.

Results of the above policies and non-financial performance indicators

ISO 37001: 2016 and ISO 19600: 2014 certification

The Group follows the standards relating to ISO 37001 for the fight against corruption and ISO 19600 for regulatory compliance. Certification was completed in May 2021 across its activities. The update of the Management System according to the ISO 37301: 2021 standard, which replaces ISO 19600:2014, is planned for the current year.

GRI 205-3: Confirmed Incidents of corruption and actions Taken

Metric ATHEX A-G2: Business ethics violations

IF-EN-510a.2: Total amount of monetary losses as a result of litigation related to (1) categories of bribery or corruption and (2) anti-competitive practices

During 2021, there were no confirmed cases of corruption, either through complaints or through the controls carried out by the Group itself in the context of preventing and combating any cases of corruption.

The communication channels for complaints and reports are the same as mentioned in the previous paragraph. The Company has an additional electronic platform for the management of complaints which is accessible to all of the company's internal and external stakeholders, where they can make named or anonymous reports / complaints.

In addition, there were no monetary losses incurred as a result business ethics violations.

Supply chain issues

Due diligence and other policies

The Group's business activities, throughout its supply chain, are carried out once the potential environmental, social, and economic impacts have been assessed in order to maximize the positive impact. To address the new challenges posed by supply chain issues, the Group incorporates new criteria into the supply chain management processes, such as new terms of cooperation with suppliers and the preference it gives toward domestic suppliers.

Mainly, proper supply chain management starts from the responsible attitude of the Group, towards all its stakeholders, meaning the adoption and implementation of the necessary policies and actions, in relation to:

- The relevant social insurance and labor legislation.
- The regulatory framework related to occupational Health and Safety.
- The principles regarding the protection of human rights.
- Internal policies, procedures, standards, and Management Systems.

Terms of cooperation with suppliers

Metric ATHEX C-S8: Supplier assessment

Responsible management of the supply chain is at the center of the Group's effort to create long-term value throughout its business operation, and through the establishment of responsible business relationships with its suppliers and partners. The Group recognizes that the responsible management of the supply chain requires responsible collaborations with mutual contribution and dialogue from all contracting parties.

In this direction, the Group communicates the minimum cooperation requirements and ensures that its cooperating suppliers comply with environmental, energy and social criteria, such as their certification to international standards, e.g. ISO 14001 and ISO 50001, the implementation of policies and procedures for the protection of the environment and society as a whole, the availability and use of materials and equipment which, in addition to their suitability and usability and with the least possible risk to the user and the environment, are environmentally friendly and belong to a high energy class of low energy consumption. Required cooperation terms, applicable to any supplier, are the full compliance with the regulatory framework for Health and Safety as well as the observance of the Group's Code of Ethics and Conduct.

The Code of Ethics and Conduct is the basic framework of principles and values that must characterize, among others, the suppliers, subcontractors, and business partners of the Group in order to maintain transparent and responsible business relations.

Preference for domestic suppliers

To date, the Group is active in Greece and abroad, with a steady course of growth and the ability to expand into new markets. Despite the international nature that characterizes its activities, the Group consistently chooses to cooperate with local suppliers. In this way, it strengthens its direct and indirect socio-economic footprint throughout the supply chain, by supporting the areas in which it operates and stimulating local economies. By choosing to work with local suppliers, the Group creates positive impacts beyond its direct activities, by creating new indirect jobs, while at the same time contributing to the strengthening of social cohesion and prosperity.

Human Rights

Due diligence and other policies

Metric ATHEX C-S6: Human rights policy

The Group has based its framework of principles and values on fundamental human rights. Respecting the entirety of its employees and associates, the Group ensures the prevention of the occurrence of violations of their rights, through the adoption of policies, actions, and control mechanisms which apply to all its activities, to all its subsidiaries, and to all the projects it undertakes.

To this end, the Group:

- Applies international standards and principles of Human Rights
- Implements control mechanisms through the Human Resources Department

Respect for international standards and principles

The Group applies and respects the international principles and standards of Human Rights, including: The Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact, and the UN Guiding Principles on Business and Human Rights. The high corporate values advocated by the Group, form a strict operating framework with respect for human rights, throughout its activities. The Group is committed to the timely prevention and detection of any action that is not in accordance with its operating framework for the protection of Human Rights. The Group defends the right of every human being to education and freedom of speech, to the freedom of association and to any other human right which may be violated as a result of or in the course of its business activities and therefore implements control procedures which ensure that there is no violation of fundamental human rights. The Group is in the process of developing a human rights policy.

Control mechanisms

The Group Human Resources Directorate ensures legal compliance in relation to employee age, overtime work, minimum wages, the protection of diversity in its wider field of activity, and observes the relevant provisions, ensuring that there is no violation of fundamental human and labor rights.

In particular, the Recruitment Policy and its relevant procedures, ensure diversity and establish that the recruitment process is based on objective criteria such as the professional profile, the abilities, and the skills of the employees. The decisions made by the Group regarding recruitment are not related to any kind of discrimination regarding gender, nationality, language, religion, political beliefs, disabilities, the employee's sexual orientation or other elements of diversity.

Results of the above policies and non-financial performance indicators

GRI 406-1: Incidents of discrimination and corrective actions taken

In 2021, no incidents of human rights abuses and / or violations were reported, nor any incidents of discrimination based on race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, across all Group's activities.

Social and Labor Issues

Due diligence and other policies

Through the adoption of responsible policies that aim to create shared value for all its stakeholders, GEK TERNA Group contributes in the development of the local communities in which it operates and with which it interacts, through continuous engagement and efforts to recognize and respond to real needs, and through its own activity.

GEK TERNA Group actively participates, supports, and considers the investment in its people to be a top priority, providing the necessary resources to promote the continuous improvement of the working environment.

The Group, for the management of social and labor issues:

- Increases its socio-economic footprint
- Implements Remuneration and Benefits Policy
- Enhances diversity
- Provides equal training and education opportunities
- Implements a Health and Safety Policy
- Implements a Personal Data Policy and a Cookies Policy

Direct and indirect social impacts

The Group ensures the continuous improvement of its direct and indirect socio-economic impacts. The multiplier benefits of its business activity translate into thousands of new jobs, the strengthening of the national economy and GDP through the payment of taxes and social insurance contributions, the strengthening of local communities through partnerships with local suppliers, service providers, and the implementation of Corporate Social Responsibility actions, as well as the optimization of the investment profile of our country abroad and to institutional investors.

The indirect positive impacts of the Group's activities in the local community in the fields of infrastructure, waste management, clean energy production, and real estate, are identified in transportation safety, upgrading of urban structures, access to art and cultural spaces, the improvement of people's quality of life, and the preservation and protection of the natural environment.

Remuneration and benefits

The Group manages human resources issues impartially and ensures that every employee is treated fairly and without discrimination. More specifically, the Group ensures equal pay between men and women for the same position and leaves no room for discrimination or preferential treatment in terms of pay or benefits based on gender or other characteristics of the employee. Providing equal opportunities and safeguarding human and labor rights promotes a fair working environment, a healthy corporate culture, and the development of beneficial working relationships.

The Remuneration Committee is responsible for the Remuneration Policy applied to the members of the Board of Directors and the Senior Managers of GEK TERNA Group. Within this framework, the Group operates with transparency and meritocracy regarding the provision of remuneration and benefits, applying objective criteria and evaluation indicators depending on the weighting of the role, roles and responsibilities of each position, educational background, skills, experience, the ability to achieve goals, and the level of performance and efficiency of the Senior Managers.

The Group, having examined the cost of living in the countries in which it operates, offers higher wages than the minimum set by the respective legal framework, proving its commitment to providing fair wages and a decent living. The majority of the Group's employees are compensated in excess of the minimum statutory remuneration. In addition, the Group offers additional benefits, such as private group health and life insurance to all employees, corporate vehicle, laptop, corporate mobile connection, etc., depending on the needs and requirements of the job.

Enhancing diversity

Due to the nature of the Group's activity, its workforce is primarily composed of men. However, it is a well-established policy to increase the proportion of women represented in its companies at all levels of employment. One step in this direction is to record and monitor the distribution of women by geographical area of activity, by age, and by job position. In this way, the increase of the percentage of women in the total number of employees is sought.

Training enhancement practices

The human capital of the Group is its main strength as it is responsible for the planning and implementation of its business activities. For this reason, for GEK TERNA Group, it is vital to continuously improve the scientific and technical knowledge of employees, to ensure their professionalism and to improve their productivity.

In this context, the Group, through the cooperation of the Human Resources Directorate with all the Teams, Departments, Construction sites, and Facilities of Group companies, has established a series of Training Development Practices to:

- ensure that all employees may participate in training activities, based on the principle of equal opportunity,
- promote a clear and understandable framework of planning, implementation, and evaluation processes of education and
- achieve the development of skills & the increase of the productivity of its Human Resources.

Health and Safety Policy

The strategy of GEK TERNA Group envisages the provision of Health and Safety at work as a prerequisite for every operational Group activity, which concerns employees, subcontractors, and the network of its business partners.

Safeguarding of Health and Safety is a Group priority, and as such, the Group is constantly improving the strategic framework for the management of issues related to the protection of Health and Safety of all its stakeholders.

The Group complies with the provisions of applicable national, European, and international legislation and through its adherence to a strict Health and Safety Management System, aims for the timely identification and minimization of risks related to all its activities. The Health and Safety Policy covers all Group activities, and all those, directly or indirectly, related to its business operations.

Strengthening the Health and Safety Policy and ensuring zero accidents is the result of objectives related to:

- the implementation of a certified Health and Safety Management System,
- the formulation of a corporate culture governed by the principles of Health and Safety,
- full compliance with legal and other national, European Community and international requirements, directives and regulations in the field of Health and Safety,
- the implementation, monitoring, evaluation, and improvement of Health and Safety activities,
- the identification of occupational hazards and the development of an integrated prevention methodology, the prevention of injuries, diseases, and adverse health and safety incidents,

- the preparation and implementation of emergency management plans,
- conducting measurements of harmful factors in the work environment (noise, particulate matter, etc.),
- the provision of appropriate, adequate training, and information on Health and Safety issues to all employees, suppliers, partners and visitors,
- compliance and strict adherence to H&S procedures of all stakeholders,
- the immediate investigation of each accident / incident to assess its cause and to take precautionary measures,
- the integration of technologies, good practices, and operating procedures that guarantee safety conditions to employees, subcontractors and third parties.

Corporate Social Responsibility Program

GEK TERNA Group is always close to society with an extensive Corporate Social Responsibility program. From the beginning of the COVID-19 pandemic, the Group was and remains a supporter of the work of the National Health System, through a large support program. Notably, its action for 2021 focused on supporting health centers and hospitals in various parts of the country, both through the provision of equipment and through construction works at no cost, to modify a department into an intensive care unit – simulation room at Evangelismos Hospital.

A particularly important social project implemented also in 2021, was the donation to Damasi Tyrnavos, where TERNA constructed a new, modern school in just four months after the catastrophic earthquake hit the area (March 2021), so that students could start the new school year on time.

In addition, in 2021, the implementation of the large donation of TERNA ENERGY for the conversion of the 115th Compat Wing in Souda into a "green" facility commenced, covering its energy needs by 100% from Renewable Energy Sources.

As every year, the Group in 2021 continued to support cultural and educational initiatives throughout Greece in the form of sponsorships. Among them, stands out its support for the second year of the underwater archaeological excavation works carried out in the sea area of Kasos by the Ephorate of Marine Antiquities of the Ministry of Culture and Sports, in collaboration with the Institute of Historical Research of the National Research Foundation, which has already brought to light particularly important findings for the cultural heritage of Greece.

Finally, responding to the emergencies created by the devastating summer fires in Varybobi and Evia, the Group sided with the affected areas, providing construction machinery to both the Civil Protection and the Fire Brigade, supporting the areas. In addition, a program has been launched for the support of professionals in the primary sector in the Municipality of Mantoudi- Limni-Agia Anna in Evia, which will continue during 2022.

Results of the above policies and non-financial performance indicators

The Group's social support program for 2021 exceeded 3.5 million euros. The Group’s sponsorship actions and donations focused on the development of infrastructure projects that improve the daily lives of citizens but also on the practical support of schools, the new generation, Authorities and Local Government Bodies, cultural and sports associations, NGOs, hospitals, and Health Centers.

Moreover, the practical commitment of the Group in matters of Health and Safety is evidenced by the implementation of a certified Health and Safety Management System, in accordance with the requirements of the international ISO 45001 standard. More specifically, the Health, Safety and Environment Management System covers the following areas in which the Group operates:

- Development, execution, operation, maintenance, operation, and management of real estate, self-financed or co-financed projects, private or public projects and facilities (Infrastructure, Energy, Construction) and mining & quarrying activities.
- Development and running of investment activities of the Group in the country or abroad.

(Amounts in thousands Euro, unless otherwise stated)

GRI 2-7: Employees
GREECE

GRI 2-7: Employees[2]		2021					2020				
		Female	Male	Other[1]	Not disclosed	Total	Female	Male	Other[1]	Not disclosed	Total
GREECE	Number of permanent employees	756	1,703	0	0	2,459	670	1,559	0	0	2,229
	Number of temporary employees	7	38	0	0	45	8	36	0	0	44
	Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
	Number of full-time employees	759	1,737	0	0	2,496	661	1,581	0	0	2,242
	Number of part-time employees	4	4	0	0	8	17	14	0	0	31
	Number of freelancers	121	449	0	0	570	108	408	0	0	516
	Number of employees (incl. freelancers) (Total)	884	2,190	0	0	3,074	786	2,003	0	0	2,789
	Number of employees (excl. freelancers) (Total)	763	1,741	0	0	2,504	678	1,595	0	0	2,273

[1]The gender as determined by the employees themselves.
[2]The number of employees has been calculated using the Headcount method.

(Amounts in thousands Euro, unless otherwise stated)

GRI 2-7: Employees
ABROAD

GRI 2-7: Employees[2]		2021					2020				
		Female	Male	Other[1]	Not disclosed	Total	Female	Male	Other[1]	Not disclosed	Total
ABROAD	Number of permanent employees	40	196	0	0	236	51	308	0	0	359
	Number of temporary employees	3	23	0	0	26	4	34	0	0	38
	Number of non-guaranteed hours employees	0	0	0	0	0	0	0	0	0	0
	Number of full-time employees	37	213	0	0	250	49	340	0	0	389
	Number of part-time employees	6	6	0	0	12	6	2	0	0	8
	Number of freelancers	0	0	0	0	0	0	0	0	0	0
	Number of employees (Total)	43	219	0	0	262	55	342	0	0	397

[1]The gender as determined by the employees themselves.
[2]The number of employees has been calculated using the Headcount method.
*Employees from subsidiaries ICON BOROVETS EOOD and ICON OOD based in Bulgaria have not been included in the data.

(Amounts in thousands Euro, unless otherwise stated)

GRI 2-8: Workers who are not employees

GREECE

GRI 2-8: Workers who are not employees	2021[1]
Workers who are not employees and whose work is controlled by the organization	
TOTAL	**42**

[1]Includes all trainees and third party workers. The number of employees who are not workers for abroad, is zero.

Metric ATHEX C-S2: Female employees

GREECE

ATHEX C-S2: Female employees	2021	2020*
Percentage of female employees	**28.76%**	**30%**

*The percentage of women has been restated for 2020, having included in the calculation the percentages of female employees of HERON I & II.

ABROAD

ATHEX C-S2: Female employees	2021	2020
Percentage of female employees	**16.41%**	**13.85%**

(Amounts in thousands Euro, unless otherwise stated)

Metric ATHEX C-S3: Female employees in management positions

GREECE

ATHEX C-S3: Female employees in management positions	2021	2020
Percentage of female employees at the top 10% of employees by total compensation	12.1%	29.30%

ABROAD

ATHEX C-S3: Female employees in management positions	2021	2020
Percentage of female employees at the top 10% of employees by total compensation	3.45%	5.41%

(Amounts in thousands Euro, unless otherwise stated)

401-1: New employees hires and employee turnover

Metric ATHEX C-S4: Employee turnover
GREECE

GRI 401-1: New employee hires and employee turnover		2021														
		<30 years old					30-50 years old					>50 years old				
		Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclosed	Total
GREECE	Number of new employee hires	69	39	0	0	108	252	99	0	0	351	101	30	0	0	131
	Rate of new employee hires (%)	47%	50%	0	0	48%	18%	15%	0	0	17%	16%	20%	0	0	17%
	Number of voluntary employee exits	20	15	0	0	35	404	259	0	0	663	27	44	0	0	71
	Employee voluntary turnover rate (%)	14%	19%	0	0	16%	28%	40%	0	0	32%	4%	29%	0	0	9%
	Number of forced employee exits	15	4	0	0	19	57	32	0	0	89	36	6	0	0	42
	Employee involuntary turnover rate (%)	10%	5%	0	0	8%	4%	5%	0	0	4%	6%	4%	0	0	5%
	Total number of turnover	35	19	0	0	54	461	291	0	0	752	63	50	0	0	113
	Total employee turnover rate (%)	24%	24%	0	0	24%	32%	45%	0	0	36%	10%	33%	0	0	15%

(Amounts in thousands Euro, unless otherwise stated)

401-1: New employees hires and employee turnover

Metric ATHEX C-S4: Employee turnover

GRI 401-1: New employee hires and employee turnover		2020														
		<30 years old					30-50 years old					>50 years old				
		Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclosed	Total
GREECE	Number of new employee hires	78	16	0	0	94	156	56	0	0	212	70	16	0	0	86
	Rate of new employee hires (%)	62%	28%	0%	0%	51%	14%	11%	0%	0%	13%	19%	16%	0%	0%	18%
	Number of voluntary employees exits	18	8	0	0	26	45	23	0	0	68	11	10	0	0	21
	Employee voluntary turnover rate (%)	14%	14%	0%	0%	14%	4%	4%	0%	0%	4%	3%	10%	0%	0%	4%
	Number of forced employee exits	52	7	0	0	59	138	76	0	0	214	115	21	0	0	136
	Employee involuntary turnover rate (%)	42%	12%	0%	0%	32%	13%	15%	0%	0%	13%	31%	21%	0%	0%	29%
	Total number of turnover	70	15	0	0	85	183	99	0	0	282	126	31	0	0	157
	Total employee turnover rate (%)	56%	26%	0%	0%	46%	17%	19%	0%	0%	17%	34%	31%	0%	0%	33%

(Amounts in thousands Euro, unless otherwise stated)

401-1: New employees hires and employee turnover

Metric ATHEX C-S4: Employee turnover

ABROAD

GRI 401-1: New employee hires and employee turnover		2021														
		<30 years old					30-50 years old					>50 years old				
		Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclosed	Total	Female	Male	Other	Not disclose d	Total
ABROAD	Number of new employee hires	5	2	0	0	7	18	5	0	0	23	21	2	0	0	23
	Rate of new employee hires (%)	38%	67%	0	0	44%	14%	17%	0	0	15%	27%	22%	0	0	26%
	Number of voluntary employee exits	3	0	0	0	3	38	5	0	0	43	17	0	0	0	17
	Employee voluntary turnover rate (%)	23%	0	0	0	19%	30%	17%	0	0	27%	22%	0	0	0	19%
	Number of forced employee exits	18	2	0	0	20	103	8	0	0	111	37	3	0	0	40
	Employee involuntary turnover rate (%)	138%	67%	0	0	125%	80%	27%	0	0	70%	47%	33%	0	0	45%
	Total number of turnover	21	2	0	0	23	141	13	0	0	154	54	3	0	0	57
	Total employee turnover rate (%)[1]	162%	67%	0	0	144%	110%	43%	0	0	97%	68%	33%	0	0	65%

[1]The high percentage of employee turnover rate occurs due to the completion of a large part of the projects under construction during the year, in relation to the total number of people at the end of the year.

(Amounts in thousands Euro, unless otherwise stated)

401-1: New employees hires and employee turnover
Metric ATHEX C-S4: Employee turnover

GRI 401-1: New employee hires and employee turnover		2020														
		<30 years old					30-50 years old					>50 years old				
		Female	Male	Other[1]	Not disclosed	Total	Female	Male	Other	Not disclosed	Total	Female	Male	Other[1]	Not disclosed	Total
ABROAD	Number of new employee hires	29	5	0	0	34	53	19	0	0	72	22	10	0	0	32
	Rate of new employee hires (%)	91%	63%	0%	0%	85%	24%	41%	0%	0%	27%	28%	45%	0%	0%	32%
	Number of voluntary employee exits	21	11	0	0	32	105	47	0	0	152	4	1	0	0	5
	Employee voluntary turnover rate (%)	66%	138%	0%	0%	80%	47%	102%	0%	0%	57%	5%	5%	0%	0%	5%
	Number of forced employee exits	72	4	0	0	76	286	18	0	0	0	32	4	0	0	36
	Employee involuntary turnover rate (%)	225%	50%	0%	0%	190%	128%	39%	0%	0%	0%	41%	18%	0%	0%	36%
	Total number of turnover	93	15	0	0	108	391	65	0	0	456	36	5	0	0	41
	Total employee turnover rate (%)[1]	291%	188%	0%	0%	270%	175%	141%	0%	0%	170%	46%	23%	0%	0%	41%

[1]The high percentage of employee turnover rate occurs due to the completion of a large part of the projects under construction during the year, in relation to the total number of people at the end of the year.

(Amounts in thousands Euro, unless otherwise stated)

Metric ATHEX C-S4: Employee turnover

GREECE

ATHEX C-S4: Employee turnover	2021			2020		
	Male	Female	Total	Male	Female	Total
Employee voluntary turnover rate	21%	36%	25%	5%	6%	5%
Employee involuntary turnover rate	5%	5%	5%	19%	15%	18%

ABROAD

ATHEX C-S4: Employee turnover	2021			2020		
	Male	Female	Total	Male	Female	Total
Employee voluntary turnover rate	26%	12%	24%	39%	78%	46%
Employee involuntary turnover rate	72%	31%	65%	117%	34%	27%

(Amounts in thousands Euro, unless otherwise stated)

GRI 404-1: Average hours of training per year per employee
Metric ATHEX C-S5: Employee training
GREECE

Greece								
Employee training **GRI 404-1 Average hours of training per year per employee**	**2021**				**2020**			
Gender	**Male**	**Female**	**Other***	**Not Disclosed**	**Male**	**Female**	**Other***	**Not Disclosed**
By employee level								
Employees in the top 10% of employees by total compensation	**1.3**	**7.5**	**0**	**0**	**3.9**	**10.1**	**0**	**0**
Employees in the bottom 90% of employees by total compensation	**5.9**	**4.5**	**0**	**0**	**6.1**	**4.3**	**0**	**0**
TOTAL	**5.4**	**4.6**	**0**	**0**	**5.9**	**4.8**	**0**	**0**
Gender	**Male**	**Female**	**Other***	**Not Disclosed**	**Male**	**Female**	**Other***	**Not Disclosed**
By function								
Administrative staff	**9.7**	**6.5**	**0**	**0**	**5.4**	**6.1**	**0**	**0**
Technicians	**4.3**	**1.9**	**0**	**0**	**9.1**	**17.6**	**0**	**0**
Rest of workers	**4.2**	**0.5**	**0**	**0**	**7.0**	**4.4**	**0**	**0**
TOTAL	**5.4**	**4.6**	**0**	**0**	**5.9**	**4.8**	**0**	**0**

*Gender as determined by the employees themselves

(Amounts in thousands Euro, unless otherwise stated)

GRI 404-1: Average hours of training per year per employee
Metric ATHEX C-S5: Employee training

ABROAD

Abroad								
Employee training **GRI 404-1 Average hours of training per year per employee**	**2021**				**2020**			
Gender	**Male**	**Female**	**Other***	**Not Disclosed**	**Male**	**Female**	**Other***	**Not Disclosed**
By employee level								
Employees in the top 10% of employees by total compensation	2.5	0	0	0	0.8	0.0	0	0
Employees in the bottom 90% of employees by total compensation	3.6	5.7	0	0	1.8	0.7	0	0
TOTAL	3.5	5.6	0	0	1.7	0.0	0	0
Gender	**Male**	**Female**	**Other***	**Not Disclosed**	**Male**	**Female**	**Other***	**Not Disclosed**
By function								
Administrative staff	1.6	6.4	0	0	2.2	0.8	0	0
Technicians	6.4	2.0	0	0	2.6	0.0	0	0
Rest of workers	4.3	0	0	0	0.5	0.0	0	0
TOTAL	3.5	5.6	0	0	1.7	0.7	0	0

*Gender as determined by the employees themselves

Environmental and energy issues

Due diligence and other policies

IF-EN-160a.2: Discussion of procedures for the assessment and management of environmental hazards related to project design, installation, and construction

Environmental protection is an integral part of the Group's strategy and becomes visible through its policies, strategies, business decisions and actions. The Group acts purposefully and takes measures that lead to the reduction of the environmental and energy footprint through the responsible management of the energy and natural resources it uses (e.g., water, energy, materials), the response to climate change, and the protection and conservation of biodiversity.

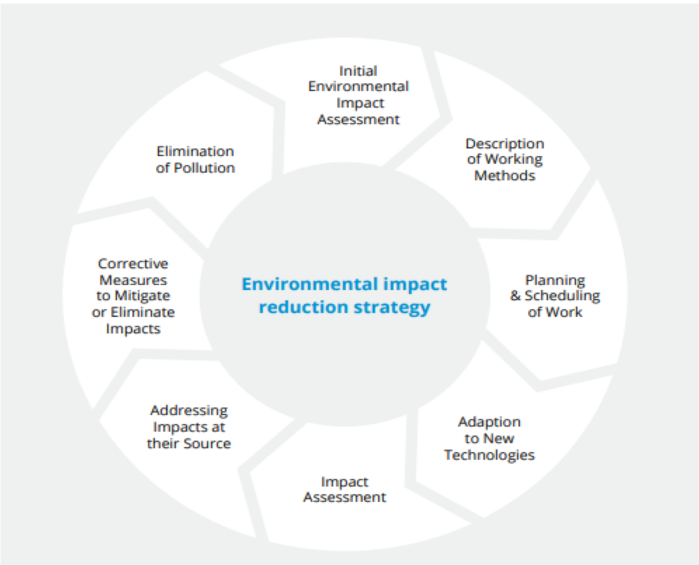
In particular, the Group's environmental and energy strategy includes:

- setting environmental and energy goals and achieving them through approved programs,
- securing adequate resources to achieve environmental and energy goals,
- implementing of an Environmental and Energy Management System,
- contributing to responsible energy management,
- contributing to tackling climate change,
- protecting and conserving biodiversity,
- responsible waste management.

Environmental and Energy Management System

By implementing a modern and integrated Environmental and Energy Management System, the Group keeps track of the environmental impact of its activities and is therefore able to take the timely necessary measures, in order to reduce its environmental and energy footprint and achieve continuous improvement of its environmental performance.

We implement a modern and integrated Environmental and Energy Management System:



GEK TERNA Group conducts annual internal audits, in all its operational activities, in order to ensure that the approved environmental terms are met, as they apply per installment / operating activity, the legal and special requirements, applicable in each case, as well as the provisions as defined in the procedures of the internal systems and the corresponding standards (ISO). Internal audits aim at:

- the assessment of the degree of compliance with the requirements of current legislation,
- the evaluation of the degree of response to the requirements of the Group's customers,
- the evaluation of the degree of compliance with the requirements of the Environmental and Energy Management Systems of the Group companies,
- the assessment of the degree of compliance with the requirements of the international standards ISO 14001:2015 and ISO 50001:2018,
- identifying areas that need improvement and strengthening,
- improving the implementation of Management and Risk Management Systems.

Responsible energy management

Regarding its operation, the Group understands that only through the systematic recording and monitoring of energy consumption in offices and construction sites, will it be able to assess its energy needs and proceed to mitigate the energy consumption of its activities. For this reason, TERNA and TERNA ENERGY, proceeded with certification according to the international standard ISO 50001:2018 to achieve, not only the above, but also to further rationalize energy management of their operations. Furthermore, the Group invests in the renewal and maintenance of its machinery, aiming to improve energy efficiency as well as to increase the service life-time.

Infrastructure

IF-EN-410a.1: Number of projects (1) commissioned in 2021 and (2) active and certified by third-party multi-attribute sustainability standards.

The main goal of the Group is to participate in and undertake bioclimatic design projects, that are certified according to such standards, that certify that the buildings are designed based on environmentally innovative practices aimed at energy saving. One such example is the completion of the construction of a nine-storey office-shop building, including car park on 115 Kifissias Avenue. This building received the Leed v4 for Core & Shell certification at the Platinum level.

Environmental and energy training of workers

The development of a wider environmental and energy culture is a necessary condition for better energy management and the improvement of the overall energy footprint. The Environmental Managers of the projects or the Environmental, Health and Safety Department of the Group’s HQ, plan and implement training activities on an annual basis, both in environmental - energy and in social issues, in order to properly inform and systematically train the employees. These activities take into consideration both the needs and requirements of the projects, as well as the roles and duties of the employees.

Climate change mitigation

Metric ATHEX A-E2: Climate change risks and opportunities

The Group, through its activity, contributes to climate change mitigation, by designing, and implementing a series of projects and planned investments, such as:

- Development and operation of wind farms.
- Development and operation of hydroelectric projects.
- Development and operation of waste treatment plants and biogas production plants.
- Development and operation of photovoltaic parks.
- Development of pumped storage projects that will ensure the security of energy supply.
- Development of offshore wind farms that will utilize the very large wind potential of the Aegean sea.
- Development of infrastructure projects that minimize their energy footprint.

The Group focuses on the transition to an economy that will be less dependent on fossil fuels and will ensure sustainable cities and societies for all its stakeholders. GEK TERNA Group has the know-how and the will to play a leading role in the areas of Sustainable Development and Green Economy, with activities that can contribute both to the Group's financial development and the mitigation of climate change's negative impacts.

The Group acknowledges the increase in the frequency of severe weather events occurrence. The change and variability of wind data can significantly affect the business planning of wind energy projects and therefore the relevant risks and potential opportunities are considered during the project design phase, through scientific studies, which aim towards mitigation of the impact of the relevant risks, but also the recognition and exploitation of potential business opportunities. More information on the climate change risks and opportunities will be published in the Group's Sustainable Development Report in June 2022.

Monitoring and mitigation of gaseous emissions

The Group's business model is strategically oriented towards climate change mitigation. The Group's activity in the production of clean energy through the TERNA ENERGY Group, reduces the release of carbon dioxide emissions into the atmosphere. Furthermore, through proper waste management, the Group contributes to the prevention of the release of methane emissions into the atmosphere, which are more harmful and have a significant contribution to the greenhouse effect.

The Group systematically monitors the greenhouse gas emissions from its operation as an integral part of its environmental and energy policy and for this reason, captures and communicates the impact of its activities, through the available media (Sustainable Development Report, website, press releases, etc.), to all stakeholders.

Protection and conservation of biodiversity

Metric ATHEX SS-E4: Water management

Many of the Group's activities (e.g., wind farm development, infrastructure development, highway construction) take place within areas of high biodiversity value and for this reason it is imperative to develop initiatives and policies related to the protection and conservation of biodiversity.

To this respect, the Group implements certified systems, conducts trainings for its employees and site visitors regarding the protection of biodiversity, undertakes initiatives for the promotion and protection of local ecosystems and constantly ensures that it operates beyond legal requirements, using mechanisms to monitor and record its impacts on the wider natural environment.

Among other, during the construction and operation of its projects (e.g. RES projects of TERNA ENERGY and infrastructure projects of TERNA), the Group, conducts, in collaboration with specialized scientists and bodies Environmental Impact Assessments (EIA), Special Ecological Assessment Studies, Special Ornithological Studies as well as Monitoring Programs in order to obtain and utilize the necessary information to ensure the protection of local ecosystems, by taking appropriate protection and impact restoration measures.

In particular, to preserve biodiversity and mitigate the negative impacts of the projects on the environment, the EIAs and the relevant approved Environmental Terms of the projects, define measures to ensure the protection of ecosystems. Indicative examples are: the construction of fauna passes or tunnels for the unimpeded movement of wildlife, planting projects, slope formations utilizing excess excavation materials of the project, works to ensure the continues flow of surface water, risk assessment studies for pollution prevention in case of potential leakage of hazardous liquid waste, elaboration of hydraulic studies that will determine the erosion protection measures for the natural slopes of the wider project area, installation of automatic stations for measuring atmospheric pollution and wind, as well as noise protection measures for adjacent areas.

In addition, the construction of waste treatment plants, but also their operation through Public Private Partnerships (PPPs) schemes, such as "AEIFORIKI OF EPIRUS" and “PERIVALLONTIIKI OF PELOPONNESE", helps reduce the pollution of the above ground (lakes, rivers, seas, and air) and groundwater (aquifer) natural environment, improving sanitation for local communities and social groups at risk of waste and enhancing citizens' environmental and ecological awareness.

Responsible waste management

The Group ensures its cooperation with licensed bodies for the collection, recovery, treatment, reuse and / or disposal of its waste. With the adoption of the principles of the circular economy, significant quantities of produced non-hazardous waste is reused (e.g., excavation, construction, and demolition materials) to meet the necessary quantities of inert materials that its projects may need.

In relation to hazardous waste management, the Group's activities often produce waste with high concentrations of toxic substances, which makes them hazardous to the environment and public health. The Group plans and takes all necessary measures to eliminate the risk of possible pollution of the natural environment, such as the use of certified UN-type barrels, to ensure the transport of hazardous waste and more specifically for the collection and storage of lubricating oils used for its equipment.

At all offices and construction sites of the Group, a holistic recycling system of paper, aluminum, glass, plastic, electronic and electrical equipment, lamps, and batteries is implemented, with the use of special collection bins and in collaboration with certified partners for the further handling/management and reuse of collected recyclable materials. Special emphasis is given to electrical and electronic equipment waste which is recycled in properly licensed units where precious metals and materials are recovered and as such, the leakage of dangerous heavy metals into the environment is prevented.

The materials and raw materials supplied by the Group play a catalytic role for the quality of the works it delivers as well as to the extent of its environmental and energy footprint. The Group ensures the selection of materials and raw materials that will be able to operate even during adverse, severe weather events. The adoption of the principles of the circular economy, through the methods of recovery and reuse of materials, allows the Group to reduce the use of natural resources while ensuring the resilience of its infrastructure and its long-term sustainability.

Results of the above policies and non-financial performance indicators

IF-EN-160a.1: Number of cases of non-compliance with environmental permits, standards and regulations

The Group implements an Environmental Management System certified according to ISO 14001 standard for the majority of its subsidiaries: TERNA, TERNA ENERGY, TERNA MAG, NEA ODOS, KENTRIKI ODOS HELLAS, HERON, GEK SERVICES, and ILIOXORA. During 2021 there were no incidents of non-compliance with environmental permits, standards, and regulations.

Moreover, through TERNA ENERGY, which at the end of 2021 had an installed capacity of 895.26 MW*, 2,284,254 MWh of clean energy were produced, preventing the release of 1,350,589 t CO_2 eq emissions into the atmosphere.

**The capacity of wind farms in the United States of America is not calculated for the reporting year 2021 due to the disinvestment of the Group from its participation in the three (3) Wind Farms of the Group in Texas Fluvanna 1, Fluvanna 2 / Gopher Greek and Bearkat I-total power 510MW (see in detail Note 7.1 Financial Statements TERNA ENERGY).*

(Amounts in thousands Euro, unless otherwise stated)

GRI 302-1: Energy consumption within the Organization*

Metric ATHEX C-E3: Energy consumption and production

ATHEX C-E3 Energy consumption and production GRI 302-1: Energy consumption within the organization	2021**	2020***
Fuel consumption within the organization from non-renewable sources (in GJ)	14,015,847	9,208,395
Electricity consumption (in MWh)	110,148	102,450
Total energy consumption inside the Group (in GJ)	14,514,031	9,693,848
Total energy consumption inside the Group (in MWh)	4,031,675	2,677,735
Percentage of electricity consumed (in MWh)	2.95%	4%
Percentage of energy consumed from renewable sources (in MWh)	0.62%	1%

*In 2021 the group deployed a strategic program to further enhance the energy consumption and GHG emissions reporting, in terms of completeness and quality of the data, in alignment with GHG Protocol's "A Corporate Accounting and Reporting Standard". These improvements have been applied from 2021 onwards (with the exemption of TERNA ENERGY), therefore indicators values between 2021 and 2020 are not comparable.

**For 2021, energy consumption includes a) the operating subsidiaries controlled by the Group: GEK TERNA, TERNA, TERNA OVERSEAS, TERNA ENERGY, HERON I & II, NEA ODOS, KENTRIKI ODOS, TERNA MAG, GEK Services, b) the companies in which the Group participates with a percentage: 50% in the Casino City of Dreams, Marina Ayia Napa, 49% Nicola Tesla Airport construction in Serbia

***For 2020, energy consumption includes the operating subsidiaries controlled by the Group: TERNA, TERNA OVERSEAS, TERNA ENERGY, HERON I & II, TERNA MAG, NEA ODOS, KENTRIKI ODOS, ALSOS PARKING, GEK SERVICES, Icon Borovets.

(Amounts in thousands Euro, unless otherwise stated)

Metric ATHEX C-E1: Scope 1 emissions*

GRI 305-1: Direct GHG emissions (Scope 1)

Metric ATHEX C-E2: Scope 2 emissions

GRI 305-2: Energy indirect GHG emissions (Scope 2)

Metric ATHEX C-E1 Scope 1 emissions GRI 305-1: Direct (Scope 1) GHG emissions	2021**	2020
Total gross direct (Scope 1) GHG emissions (in CO_2e)	826,670	516,987***
Biogenic CO_2 emissions (in CO_2e)	4,318	3,747
Metric ATHEX C-E2 Scope 2 emissions GRI 305-2: Energy indirect (Scope 2) GHG emissions	**2021**	**2020**
Location-based emissions (in t CO_2e)	69,925	3,180****
Market-based emissions (in t CO_2e)	66,460	3,180****
Which gases have been included in the calculation of indirect emissions (e.g., CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, or all)?	ALL	CO_2, CH_4
GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	**2021**	**2020**
Emissions of NO_x (The scope of NOx includes NO and NO2, but excludes N2O) (in t)	188	172
Emissions of SO_x (The scope of SOx includes SO2 and SO3) (in t)	2.73	38
Emissions of non-methane volatile organic compounds (VOCs) (in t)	N/A	12
Emissions of hazardous air pollutants (HAPs) (in t)	N/A	N/A

*In 2021 the group deployed a strategic program to further enhance the energy consumption and GHG emissions reporting, in terms of completeness and quality of the data, in alignment with GHG Protocol's "A Corporate Accounting and Reporting Standard". These improvements have been applied from 2021 onwards (with the exemption of TERNA ENERGY), therefore indicators values between 2021 and 2020 are not comparable.

**For 2021, the total direct greenhouse gas emissions (in CO_2e tons) includes a) to the operating subsidiaries controlled by the Group: GEK TERNA, TERNA, TERNA OVERSEAS, TERNA ENERGY, HERON I & II, NEA ODOS, KENTRIKI ODOS, TERNA MAG, GEK Services, b) the companies in which the Group participates with a percentage: 50% in the Casino City of Dreams, Marina Ayia Napa, 49% at the Nicola Tesla Airport construction in Serbia

*** For 2020, the total direct greenhouse gas emissions (in CO_2e tons) include HERON I & HERON II, TERNA ENERGY and TERNA MAG.

**** For 2020, location-based emissions (in CO_2e tonnes) and market-based emissions (in CO_2e tonnes) include TERNA ENERGY.

(Amounts in thousands Euro, unless otherwise stated)

GRI 306-3: Waste generated

GRI 306-4: Waste diverted from disposal

GRI 306-5: Waste diverted from disposal

GRI 306-3: Waste generated***	Unit	2021*			2020**		
	t	Waste generated	Waste diverted from disposal	Waste directed to disposal	Waste generated	Waste diverted from disposal	Waste directed to disposal
Hazardous Waste	t	**283.9245**	**225.48**	**58.45**	**173.74**	**173.74**	**0.40**
Non-hazardous Waste	t	**443508.2552**	**362122.38**	**81385.87**	**127787.87**	**127787.87**	**39.11**

GRI 306-4: Waste diverted from disposal		2021			2020		
Hazardous Waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Preparation for reuse	t	0	59.46	59.46	0	83.29	83.29
Recycling	t	0	158.08	158.08	0	81.81	81.81
Other recovery methods	t	0	7.942	7.942	0	0	0
Fuel materials	t	0	0	0	0	8.24	8.24
Total	t	**0**	**225.48**	**225.48**	**0**	**173.34**	**173.34**
Non-hazardous Waste		Onsite	Offsite	Total	Onsite	Offsite	Total
Preparation for reuse	t	287654.66	142.01	287796.67	80288.61	0.00	80288.61
Recycling	t	932.87	2784.54	3717.41	0	47460.15	47460.15

(Amounts in thousands Euro, unless otherwise stated)

Energy recovery (20 03 01)	t	0	66.40	66.40	0	0	0
Recovery	t	0	2198.90	2198.90	0	0	0
Other recovery methods	t	0	68343.008	68343.01	0	0	0
Total	t	**288587.53**	**73534.85**	**362122.38**	**80288.61**	**47460.15**	**127748.76**
GRI 306-5: Waste directed to disposal		**2021**			**2020**		
Hazardous Waste		**Onsite**	**Offsite**	**Total**	**Onsite**	**Offsite**	**Total**
Incineration (with energy recovery)	t	0	0	0	0	0	0
Incineration (without energy recovery)	t	0	44.45	44.45	0	0.40	0.40
Landfilling	t	0	0	0	0	0	0
Special Disposal	t	0	14.00	14.00	0	0	0
Total	t	**0**	**58.45**	**58.45**	**0**	**0.40**	**0.40**
Non-hazardous Waste		**Onsite**	**Offsite**	**Total**	**Onsite**	**Offsite**	**Total**
Incineration (with energy recovery)	t	0	0	0	0	0	0
Incineration (without energy recovery)	t	0	0	0	0	0	0
Landfilling	t	0.00	81333.53	81333.53	0	39.11	39.11
Special Disposal	t	0.00	52.34	52.34	0	0	0
Total	t	**0**	**81385.87**	**81385.87**	**0**	**39.11**	**39.11**

*For 2021, the table includes a) the operating subsidiaries controlled by the Group: GEK TERNA, TERNA, TERNA Overseas, TERNA ENERGY, HERON I & HERON II, TERNA MAG, , KENTRIKI ODOS, NEA ODOS, b) the companies in which the Group participates with a percentage: 50% in the Casino City of Dreams, Marina Ayia Napa, 49% the Nicola Tesla Airport construction in Serbia

**For 2020, the table includes the additional entities: GEK TERNA, TERNA, TERNA OVERSEAS, TERNA ENERGY, HERON I & II, TERNA MAG, , ILIOCHORA.

*** Disclosure data between 2021 and 2020 are not comparable, as the Group's data for 2021 include also the subsidiaries KENTRIKI ODOS, NEA ODOS, 50% Casino City of Dreams, 49% the Nicola Tesla Airport construction in Serbia

(Amounts in thousands Euro, unless otherwise stated)

ATHEX A-E3 Waste management

		2021	
ATHEX A-E3 Waste management		**Hazardous**	**Non-hazardous**
Percentage of waste by type of treatment			
Total amount of waste generated	t	283.92	443508.26
Recycling	%	55.68%	0.84%
Preparation for reuse	%	20.94%	64.89%
Landfill	%	0%	18.34%
Incineration (with energy recovery)	%	0%	0%
Incineration (without energy recovery)	%	15.65%	0%
Special Disposal	%	4.93%	0.01%
Energy recovery (20 03 01)	%	N/A	0.01%
Recovery	%	N/A	0.50%
Other recovery methods	%	2.80%	15.41%

(Amounts in thousands Euro, unless otherwise stated)

		2020*	
ATHEX A-E3 Waste management		**Hazardous**	**Non-hazardous**
Percentage of waste per disposal method			
Waste diverted from disposal			
Total waste generated	**t**	**173.74**	**127787.87**
Preparation for reuse	**%**	**48.05%**	**62.85%**
Recycling	**%**	**47.20%**	**37.15%**
Fuel materials	**%**	**4.75%**	**0**
Waste directed to disposal			
Incineration (with energy recovery)	**%**	**0**	**0**
Incineration (without energy recovery)	**%**	**100%**	**0**
Landfilling	**%**	**0**	**100%**

*The table shows the published percentages of the 2020 Sustainable Development Report, which were calculated for the categories "waste directed to disposal" and "waste diverted from disposal" separately.

Impact of the COVID-19 pandemic on non-financial issues

The actions of the GEK TERNA Group during the period of the public health crisis

At a time when the country needed the social contribution of companies at its side more than ever, GEK TERNA Group was again at the forefront, taking immediate measures to ensure the health and safety of its employees, supporting the National Health System, and ensuring its smooth operation, always with an eye to the future.

The holistic Business Continuity Plan of the Group

Demonstrating increased response, GEK TERNA Group immediately implemented the integrated Business Continuity Plan, which had already been prepared to ensure the proper operation of the Group in case of crisis, placing the health and safety of its people as a top priority.

Following closely the developments on the pandemic front and taking into account the increase of COVID-19 cases and the instructions of the State, the Group provided and continues to provide free diagnostic molecular detection tests of the virus to all its human resources.

Thus, from 01.01.21 to 31.12.21 for the control of the COVID-19 spread in the workplace of the central offices (M85, M109, K124) and the Construction sites of GEK TERNA group the following took place:

A. DIAGNOSTIC TEST (RAPID & PCR) at the Group's Headquarters
During the period 01.09.21 to 31.12.21: 263 rapid tests were performed During the period 01.01.21 to 31.12.21: 452 PCR diagnostic tests were performed
B. CASE AND CONTACT MANAGEMENT OF COVID-19 CENTRAL OFFICES AND CONSTRUCTIONS
During **01.01.21 to 31.12.21** The Health & Safety Department and the Incident Management Team (IMT), in collaboration with the Head Physician, the Site Occupational Physicians and the COVID-19 managers reported: **752 cases COVID-19:** **194 confirmed cases and** **558 contacts of confirmed cases** in the work, family or social environment.

Based on the current health protocols of EODY, the following actions were taken:

- **Positive cases and contacts of confirmed cases** were immediately placed under "quarantine" for 14 days from the day the employee had symptoms or came in contact with a confirmed case.
- **Diagnostic molecular tests were performed, as provided**
- **Return to work** after 14 days from the onset of symptoms AND 24 hours after the complete remission of any fever (without taking antipyretics) and test performed with a negative result.

The Business Continuity Plan of GEK TERNA Group includes strict operating rules in all points of its presence in Greece and abroad, with its implementation being monitored daily by a dedicated working group, set up to handle the pandemic and in which Group executives and specialized scientific collaborators participate. The Plan envisages, inter alia, a program of remote or shift work, special care for vulnerable employees, drastic reduction of trips to those absolutely necessary, as well as meetings and / or physical events, making use of all capabilities offered by technology, drafting procedures for the protection of personnel during their work during the period of COVID-19 (Operating Procedures), as well as the supply of sufficient quantities of personal protection measures such as masks, gloves, antiseptics for all personnel.

It is worth noting that from the first instance of the health crisis, in addition to the measures proposed by the Authorities which were followed strictly and with absolute success in all facilities around the world, the Group ensured the safe repatriation of hundreds of its executives and employees that were working in its projects outside Greece, even with designated chartered flights, where this was deemed necessary.

Taxonomy Report

Taxonomy Regulation 2020/852/EU

The EU Taxonomy Regulation ("the Regulation") is one of the tools established under the European Green Deal, which sets the goal of the European Union's climate neutrality by 2050. The Regulation establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable, for the purposes of establishing the degree to which an investment is environmentally sustainable. The Regulation creates a common language that investors can use when investing in projects and economic activities that have significant positive impact on climate and the environment.

For an economic activity to qualify as environmentally sustainable, it should:

- contribute substantially to at least one of the following six environmental objectives:
  1. *Climate change mitigation*
  2. *Climate change adaptation*
  3. *The sustainable use and protection of water and marine resources*
  4. *The transition to a circular economy*
  5. *Pollution prevention and control*
  6. *The protection and restoration of biodiversity and ecosystems*
- not significantly harm (Do No Significant Harm - DNSH) any of the other five environmental objectives,
- respect minimum safeguards, as set in the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in

the eight fundamental conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights
- comply with the technical screening criteria established by the European Commission.

Compliance with the Regulation 2020/852/EU – Methodology and accounting policy

Article 8(1) of Regulation 2020/852/EU provides that companies required to publish non-financial information (in accordance with Directive 2013/34/EU), should disclose additional information on how and to what extent their activities are associated with economic activities that qualify as environmentally sustainable, as defined by the Regulation.

Notably, under Delegated Regulation (EU) 2021/2178 (Article 10, paragraph 2) on disclosures to be made in the year 2022, relating to the financial year 2021 (without the obligation to provide comparative information for 2020), there is an obligation for non-financial undertakings to disclose the proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities:

- Turnover ("**Turnover**"),
- Capital expenditure ("**CapEx**"), and
- Operating expenditure ("**OpEx**''),

in their total turnover, capital, and operating expenditure.

For disclosures to be made in year 2023 referring to 2022 financial year, the obligations will be extended, as the companies will have to disclose - among other things - whether their eligible economic activities are aligned with the technical criteria of the Regulation.

Accounting policy for the determination of Key Performance Indicators (KPIs)

Turnover

The proportion of turnover referred to in point (a) of Article 8(2) of Regulation (EU) 2020/852 shall be calculated as the proportion of the net turnover derived from products or services, including intangibles, linked to Taxonomy-eligible economic activities (numerator), divided by the net turnover (denominator) as defined in point (5) of Article 2 of Directive 2013/34/EU. Turnover shall cover revenues recognized in accordance with International Accounting Standard (IAS) article 1(82), point (a), as approved by Commission Regulation (EC) No 1126/2008[1].

Turnover does not include any intragroup transactions.

Capital expenditure (CAPEX)

The proportion of capital expenditure referred to in point (b) of Article 8(2) of Regulation (EU) 2020/852 shall be calculated as the numerator divided by the denominator as defined in points 1.1.2.1 and 1.1.2.2 of Annex I of the Delegated Regulation (EU) 2021/2178.

<u>Denominator</u>

The denominator cover additions to tangible and intangible assets during the financial year considered before depreciation and amortization and any remeasurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible, fixed use rights, and intangible assets arising from business combinations.

Leases that do not lead to the recognition of a right of use over the asset are not counted as capital expenditures.

<u>Numerator</u>

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

a) relating to assets or processes that are associated with Taxonomy-eligible economic activities.

b) part of a plan to expand Taxonomy-eligible economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan') under the conditions specified in the second subparagraph of the point 1.1.2.2;

Operating expenditure (OPEX)

The proportion of OpEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 shall be calculated as the numerator divided by the denominator as specified in points 1.1.3.1 and 1.1.3.2 of Annex I of the Delegated Regulation (EU) 2021/2178.

The denominator covers direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

<u>Numerator</u>

The numerator equals to the part of the operating expenditure included in the denominator that is any of the following:

a) related to assets or processes associated with Taxonomy-eligible economic activities, including training and other human resources adaptation needs, and direct non-capitalized costs that represent research and development.

b) part of the CapEx plan to expand Taxonomy-eligible economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a predefined timeframe as set out in the second paragraph of the point 1.1.3.2 of Annex I of the Delegated Regulation (EU) 2021/2178.

Eligible economic activities

The GEK TERNA Taxonomy eligible economic activities for the financial year 2021 are:

(Amounts in thousands Euro, unless otherwise stated)

A. "4.1 Production of electricity using solar photovoltaic technology"

B. "4.3 Production of electricity from wind energy"

C. "4.5 Production of electricity from hydroelectric power"

D. "4.8 Production of electricity from bioenergy"

E. “6.15 Infrastructure enabling road transport and public transport”

F. “7.1 Construction of new buildings”

	KPI	KPI	KPI
Economic activity	% Turnover	% Capital Expenditure	% Operating Expenditure
Eligible economic activities	**41.52%**	**56.63%**	**33.64%**
4.1 Electricity generation using solar photovoltaic technology	0.29%	0.69%	0.27%
4.3 Electricity generation from wind power	18.56%	55.87%	3.37%
4.5 Electricity generation from hydropower	0.48%	0.07%	0.24%
4.8 Electricity generation from bioenergy	0.14%	0%	0.09%
6.15 Infrastructure enabling road transport and public transport	21.26%	0%	28.48%
7.1 Construction of new buildings	0.79%	0%	1.20%
Non-eligible economic activities	**58.48%**	**43.37%**	**66.36%**
TOTAL	**100%**	**100%**	**100%**

This section is included for the first time in the non-financial statement of the Annual Financial Report 2021, following the provisions of EU regulations 2020/852, 2021/2178 and the letters 2615 / 10.11.2021 and 209 / 31.01.2022 of the Hellenic Capital Market Commission. In this regard, it has interpreted the relevant directives and as the relevant legislation governing the European Taxonomy is constantly evolving, the Group monitors any changes in order to properly adapt its approach and the disclosures it will publish to the general public.

I. Treasury Shares

On 31.12.2020, GEK TERNA held directly and indirectly through its subsidiaries a total of 6,550,269 treasury shares, i.e., a percentage of 6.3335% of the Share Capital.

Within the year, the number of treasury shares held by the parent company increased by 2,489,485 shares and the number of treasury shares held by its subsidiaries increased by 20,500. Also, the number of treasury shares was reduced by 1,876,000 as a result of exercising part of the stock options plan of company by the beneficiaries.

On 31.12.2021 the Company held directly or indirectly through its subsidiaries a total of 7,184,254 treasury shares, i.e., a percentage of 6.9465% of the share capital. It is noted that the Company holds a total of 5,858,714 treasury shares, the subsidiary TERNA S.A. holds a total of 708,705 treasury shares, i.e., a percentage of 0.6852% of the share capital and the subsidiary company ILIOCHORA S.A., holds 616,835 treasury shares, i.e., 0.5964% of the share capital.

Stock Options:

The Extraordinary General Meeting of GEK TERNA S.A. held on 09.12.2019 approved the Company's Remuneration Policy, in accordance with Articles 110 and 111 of Law 4548/2018. In the context of drawing up the Remuneration Policy, a new stock option plan (abolishing the previous one approved on 27.06.2018 by the General Meeting) was introduced to provide stock options up to the limit of 4,000,000 shares of the Company for the five-year period 2019-2023, which will address up to 20 executives. In particular, it was proposed that 50% of the stock options should be allocated to the Chief Executive Officer, 30% to senior executives and members of the Board of Directors of the Company and the companies of the Group and 20% to other executives holding managerial or general managerial positions or positions of responsibility in Group’s companies. The plan will be implemented, provided that the objectives set by the BoD are fulfilled, through the issue of new shares or allocation of treasury shares, in accordance with article 113 par. 2 of Law 4548/18. The share distribution price offered to the beneficiaries is proposed to stand at Euro 2.00 per share. The Board of Directors has been authorized to determine the beneficiaries, the way the stock option is exercised as well as the rest terms of the plan and settle all the relevant regulatory issues for the implementation of the decision.

As of 20.02.2020, during the meeting of the Company’s Board of Directors the sale price of the shares to the beneficiaries at the amount of 2.00 euro per share was adopted and the Board of Directors initially appointed 16 executives to be included in the Plan, as well as defined the specific terms and conditions of the plan, mainly related to the fulfillment of performance conditions, not related to the market (e.g. EBITDA of operating segments, distributions in the parent company, etc.). On 08.07.2020, at a new meeting, the Board of Directors approved further terms and conditions of the plan, related to meeting the terms and conditions of market performance (share price). At the meeting held as of 23.12.2020, the Board of Directors determined the final beneficiaries of the plan and the allocation percentage according to the proposal of the Nomination and Remuneration Committee (hereinafter "NRC").

According to the decision of the Board of Directors dated 27.04.2021, the options were secured for the 16 beneficiaries appointed by decision of the Board of Directors, to whom a total of 1,876,000 treasury shares were allocated, for a total price of 3,752,000 euros. The exercise of the rights took place through an OTC transaction on 11.06.2021.

In order to proceed with the Plan’s measurement, the Company applied the requirements of IFRS 2 "Share-based Payments”.

The data regarding the Stock Option Plan are presented below as follows.

(Amounts in thousands Euro, unless otherwise stated)

				No. Stock Options	
Year	**Rights Exercise Period**	**Expiration date**	**Exercise price**	**31.12.2021**	**31.12.2020**
2020	2019-2023	31.12.2023	2 € per share	2,116,853	3,992,853

During the fiscal year 2021, 1,876,000 stock options from this program were exercised and therefore the remaining balance of stock options amounts to 2,116,853.

For the valuation of the shares related to the Company's share price (VWAP), the fair value of the stock options was calculated using the Monte Carlo Black – Scholes simulation as the most appropriate method in projecting the probability of different results when random variables intervene. The entry data in this model are the share price at the announcement date, the exercise price, the dividend yield 0%, the discount rate or risk-free return (-0.447%) and the volatility of the share price standing at 49.824%. Based on the above, the fair value was determined within the range of 3.57 to 3.95.

For the valuation of shares related to other non-market equity (KPIs), the fair value was determined using the Black-Scholes valuation model. The entry data in this model are the share price, standing at 6.20 euros on the announcement date, the exercise price (2.00 euros), the discount rate or risk-free return (-0.447%) and its volatility share price, standing at 49.824%. Based on the above, the fair value was determined within the range of 4.20 to 4.34.

The benefits in equity securities recognized in the income statement for the year ended 31.12.2021, amounted to 8,040 for the Group and 6,432 for the Company.

J. Transactions with Related Parties

The Company's and Group's transactions and balances with its related parties for the period 1.1-31.12.2021, are presented below as follows:

(Amounts in thousands Euro, unless otherwise stated)

Sales-Inflows of the Company

	Participation type	Total	Revenues from Goods/Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Share capital reductions	Received Loans
TERNA SA	Subsidiary	**11,594,321**	133,321	1,813,819	389,806	0	2,998,781	0	6,258,594
TERNA ENERGY SA	Subsidiary	**15,144,959**	0	221,365	203,522	14,720,072	0	0	0
CHIRON CONCESSIONS S.A	Subsidiary	**247,880**	0	48,760	0	199,120	0	0	0
IOANNINON S.A.	Subsidiary	**161,248**	0	36,095	0	0	30,113	0	95,040
MONASTIRIOU SA	Subsidiary	**980,868**	0	0	0	0	149,096	0	831,772
GEK SERVICES SA	Subsidiary	**86,459**	0	2,000	0	0	17,155	0	67,304
ILIOHORA SA	Subsidiary	**40,880**	0	2,000	38,880	0	0	0	0
VIPATHE SA	Subsidiary	**105,444**	0	0	0	0	105,444	0	0
TERNA MAG SA	Subsidiary	**14,232**	0	9,989	0	0	4,243	0	0
STROTIRES SA	Subsidiary	**95**	0	95	0	0	0	0	0
NEA ODOS SA	Subsidiary	**38,452,170**	38,452,170	0	0	0	0	0	0
CENTRAL GREECE MOTORWAY SA	Subsidiary	**13,644,261**	13,644,261	0	0	0	0	0	0
J/V CENTRAL GREECE MOTORWAY SA E-65	Subsidiary	**171,690**	0	171,690	0	0	0	0	0
GEK TERNA MOTORWAYS SINGLE MEMBER SA	Subsidiary	**11,915,894**	0	334,694	1,200	8,517,362	0	3,062,638	0
GEK TERNA KASTELI SINGLE MEMBER SA	Subsidiary	**16,358**	0	15,158	1,200	0	0	0	0
CONSTRUCTION JOINT VENTURES	Subsidiary	**26,789**	0	26,289	500	0	0	0	0
J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	**1,200**	0	0	1,200	0	0	0	0
HST SA	Subsidiary	**893,510**	0	1,010	0	892,500	0	0	0
AVLAKI I BV	Subsidiary	**47,558**	47,558	0	0	0	0	0	0
AVLAKI II BV	Subsidiary	**47,579**	47,579	0	0	0	0	0	0
AVLAKI III BV	Subsidiary	**47,747**	47,747	0	0	0	0	0	0

(Amounts in thousands Euro, unless otherwise stated)

AVLAKI IV BV	Subsidiary	**47,873**	47,873	0	0	0	0	0	0
KASSIOPI BV	Subsidiary	**47,873**	47,873	0	0	0	0	0	0
GEK TERNA CONCESSIONS SA	Subsidiary	**202,846**	0	8,268	1,200	0	193,378	0	0
KIFISIA PLATANOU SQ. CAR PARK SA	Subsidiary	**567**	0	567	0	0	0	0	0
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Subsidiary	**190,792**	0	0	0	0	190,792	0	0
TERNA ENERGY OMALIES SINGLE MEMBER S.A.	Subsidiary	**279,458**	0	0	0	0	279,458	0	0
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Subsidiary	**252,438**	0	8,688	0	0	243,750	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**24,380**	0	24,380	0	0	0	0	0
PARKING OUIL SA	Joint Venture	**62,471**	0	601	0	61,871	0	0	0
POLIS PARK SA	Joint Venture	**1,190**	0	0	0	0	1,190	0	0
HERON ENERGY S.A.	Joint Venture	**7,420**	0	7,420	0	0		0	0
THERMOELECTRIC KOMOTINIS SINGLE MEMBER S.A.	Joint Venture	**106,767**	0	106,767	0	0	0	0	0
KEKROPS SA	Associate	**42,616**	0	2,060	0	0	40,556	0	0
		94,907,832	**52,468,383**	**2,841,713**	**637,508**	**24,390,925**	**4,253,955**	**3,062,638**	**7,252,710**

<u>*Company's Receivables*</u>

	Participation type	Total	From revenue	From Loans and Interest	From Dividends and related earnings	From share capital reductions
TERNA SA	Subsidiary	**92,034,835**	1,794,835	90,240,000	0	0
TERNA ENERGY SA	Subsidiary	**134,855**	134,855	0	0	0
IOANNINON S.A.	Subsidiary	**540,000**	0	540,000	0	
MONASTIRIOU SA	Subsidiary	**3,264,113**	0	3,264,113	0	0
GEK SERVICES SA	Subsidiary	**362,480**	2,480	360,000	0	0
ILIOHORA S.A.	Subsidiary	**12,550**	12,550	0	0	0
VIPATHE S.A.	Subsidiary	**2,891,381**	0	2,891,381	0	0

(Amounts in thousands Euro, unless otherwise stated)

TERNA MAG SA	Subsidiary	**145,485**	20,025	125,460	0	0
NEA ODOS SA	Subsidiary	**6,347,933**	6,347,933	0	0	0
CENTRAL GREECE MOTORWAY SA	Subsidiary	**1,889,419**	1,889,419	0	0	0
GEK TERNA MOTORWAYS SINGLE MEMBER SA	Subsidiary	**213,563**	213,563	0	0	0
GEK TERNA KASTELI SINGLE MEMBER SA	Subsidiary	**140,063**	140,063	0	0	0
AVLAKI I BV	Subsidiary	**68,132**	68,132	0	0	0
AVLAKI II BV	Subsidiary	**68,484**	68,484	0	0	0
AVLAKI III BV	Subsidiary	**68,603**	68,603	0	0	0
AVLAKI IV BV	Subsidiary	**69,736**	69,736	0	0	0
KASSIOPI BV	Subsidiary	**70,682**	70,682	0	0	0
GEK TERNA FTHIOTIDAS SINGLE MEMBER S.A.	Subsidiary	**20**	20	0	0	0
GEK TERNA CONCESSIONS SA	Subsidiary	**36,577,538**	12,160	36,565,378	0	0
J/V CINTRA-GEK-IRIDIUM HELLAS TOLLS	Subsidiary	**1,884,625**	71,277	0	1,813,348	0
J/V CENTRAL GREECE MOTORWAY SA E-65	Subsidiary	**82,275**	82,275	0	0	0
CONSTRUCTION JOINT VENTURES	Subsidiary	**126,916**	126,916	0	0	0
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Subsidiary	**50,192,375**	0	50,192,375	0	0
TERNA ENERGY OMALIES SINGLE MEMBER S.A.	Subsidiary	**90,279,458**	0	90,279,458	0	0
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Subsidiary	**34,780,468**	10,773	34,769,695	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**4,960**	4,960	0	0	0
POLIS PARK SA	Joint Venture	**70,930**	0	70,930	0	0
HERON ENERGY S.A.	Joint Venture	**5,921**	5,921	0	0	0
THERMOELECTRIC KOMOTINIS SINGLE MEMBER S.A.	Joint Venture	**132,391**	132,391	0	0	0
PARKING OUIL SA	Joint Venture	**35,000**	0	0	35,000	0
KEKROPS SA	Associate	**849,989**	0	849,989	0	0
		323,345,179	**11,348,054**	**310,148,778**	**1,848,348**	**0**

(Amounts in thousands Euro, unless otherwise stated)

Purchases - Company's Outflows

	Participation type	Total	Purchases of goods	Revenues from Consulting services	Purchases of administrative services	Lease expenses	Interest expenses	Share capital increases	Granted Loans
TERNA SA	Subsidiary	**12,632,618**	11,250,567	1,240,247	111,804	30,000	0	0	0
IOANNINON S.A.	Subsidiary	**415,331**	0	0	0	0	0	415,331	0
NEA ODOS SA	Subsidiary	**4,779,970**	4,576,965	203,005	0	0	0	0	0
CENTRAL GREECE MOTORWAY SA	Subsidiary	**1,664,603**	1,643,995	20,609	0	0	0	0	0
GEK TERNA MOTORWAYS SINGLE MEMBER SA	Subsidiary	**790,506**	0	0	0	0	207,141	0	583,366
GEK TERNA FTHIOTIDAS SINGLE MEMBER S.A.	Subsidiary	**400,000**	0	0	0	0	0	400,000	0
SAROKO CAR PARK SA	Subsidiary	**20,000**	0	0	0	0	0	20,000	0
GEK SERVICES SA	Subsidiary	**1,252,375**	0	1,252,375	0	0	0	0	0
GEK TERNA CONCESSIONS SA	Subsidiary	**36,397,000**	0	0	0	0	0	25,000	36,372,000
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Subsidiary	**50,000,000**	0	0	0	0	0	0	50,000,000
TERNA ENERGY OMALIES SINGLE MEMBER S.A.	Subsidiary	**90,000,000**	0	0	0	0	0	0	90,000,000
HERON II THERMOELECTRIC STATION OF VIOTIA SA	Subsidiary	**34,520,000**	0	0	0	0	0	0	34,520,000
HERON ENERGY S.A.	Joint Venture	**539,124**	170,515	0	368,500	0	109	0	0
POLIS PARK SA	Joint Venture	**109,744**	0	0	0	0	0	40,004	69,740
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**81,394**	0	0	0	0	0	81,394	0
ATHENS CAR PARK S.A.	Joint Venture	**99,671**	0	0	0	0	0	99,671	0
METROPOLITAN ATHENS PARK SA	Joint Venture	**41,666**	0	0	0	0	0	41,666	0
KEKROPS SA	Associate	**2,997**	0	0	2,997	0	0	0	0
		233,747,000	**17,642,041**	**2,716,236**	**483,301**	**30,000**	**207,250**	**1,123,066**	**211,545,106**

(Amounts in thousands Euro, unless otherwise stated)

Company's Liabilities

	Participation type	Total	From purchases	From Loan and interest	From dividends and Joint-Ventures results	From share capital increases
TERNA SA	Subsidiary	**3,558,691**	3,558,691	0	0	0
TERNA ENERGY SA	Subsidiary	**68,816**	68,816	0	0	0
NEA ODOS SA	Subsidiary	**4,999,237**	4,999,237	0	0	0
CENTRAL GREECE MOTORWAY SA	Subsidiary	**1,704,579**	1,704,579	0	0	0
GEK SERVICES SA	Subsidiary	**489,128**	489,128	0	0	0
GEK TERNA MOTORWAYS SINGLE MEMBER SA	Subsidiary	**6,961,643**	0	6,961,643	0	0
HERON ENERGY S.A.	Joint Venture	**486,305**	486,305	0	0	0
THESSALONIKI CAR PARK S.A.	Joint Venture	**-0**	-0	0	0	0
		18,268,399	**11,306,756**	**6,961,643**	**0**	**0**

Sales - Inflows of the Group

	Participation type	Total	Revenues from Goods/Consulting services	Revenues from administration support services	Income from leases	Income from dividends and related profits	Income from interest and related profit	Share capital reductions	Received Loans
HERON ENERGY S.A.	Joint Venture	**4,770,995**	4,762,613	8,381	0	0	0	0	0
INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.	Joint Venture	**30,278,644**	30,091,597	133,287	53,760	0	0	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**24,380**	0	24,380	0	0	0	0	0
POLIS PARK SA	Joint Venture	**1,190**	0	0	0	0	1,190	0	0
PARKING OUIL SA	Joint Venture	**102,471**	0	601	0	61,871	0	40,000	0

(Amounts in thousands Euro, unless otherwise stated)

THERMOELECTRIC KOMOTINIS SINGLE MEMBER S.A.	Joint Venture	**75,157,216**	74,231,955	723,695	1,520	0	200,046	0	0
KEKROPS SA	Associate	**42,616**	0	2,060	0	0	40,556	0	0
		110,377,512	**109,086,165**	**892,404**	**55,280**	**61,871**	**241,791**	**40,000**	**0**

Receivables of the Group

	Participation type	Total	From revenue	From Loan and interest	From dividends and Joint-Ventures results	Share capital reductions
HERON ENERGY S.A.	Joint Venture	**117,087,687**	87,087,687	30,000,000	0	0
INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.	Joint Venture	**1,239,897**	1,239,897	0	0	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**4,960**	4,960	0	0	0
PARKING OUIL SA	Joint Venture	**-5,000**	0	0	35,000	-40,000
THERMOELECTRIC KOMOTINIS SINGLE MEMBER S.A.	Joint Venture	**61,080,491**	24,508,445	36,572,046	0	0
POLIS PARK SA	Joint Venture	**70,930**	0	70,930	0	0
KEKROPS SA	Associate	**849,989**	0	849,989	0	0
		180,328,954	**112,840,990**	**67,492,965**	**35,000**	**-40,000**

Purchases - Outflows of the Group

	Participation type	Total	Purchases of goods	Revenues from Consulting services	Lease expenses	Share capital increases	Granted Loans
HERON ENERGY S.A.	Joint Venture	**211,048,351**	174,159,996	6,834,959	53,396	0	30,000,000
INTERNATIONAL AIRPORT OF HERAKLION	Joint Venture	**277.485**	0	277.485	0	0	0
POLIS PARK SA	Joint Venture	**152,116**	0	42,373	0	40,004	69,740

(Amounts in thousands Euro, unless otherwise stated)

THERMOELECTRIC KOMOTINIS SINGLE	Joint Venture	**36,372,000**	0	0	0	0	36,372,000
METROPOLITAN ATHENS PARK SA	Joint Venture	**41,666**	0	0	0	41,666	0
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Joint Venture	**81,394**	0	0	0	81,394	0
ATHENS CAR PARK S.A.	Joint Venture	**99,671**	0	0	0	99,671	0
KEKROPS SA	Associate	**2,997**	0	2,997	0	0	0
		248,075,681	**174,159,996**	**7,157,815**	**53,396**	**262,735**	**66,441,740**

Liabilities of the Group

	Participation type	Total	From Purchases and Advances	From Loan and interest
HERON ENERGY S.A.	Joint Venture	**9,551,519**	9,551,519	0
INTERNATIONAL AIRPORT HERAKLION CRETE CONCESSION SA	Joint Venture	**108,268,473**	108,268,473	0
ATTIKAT SA	Associate	**5,658**	5,658	0
		117,825,651	**117,825,651**	**0**

(Amounts in thousands Euro, unless otherwise stated)

The remuneration of the members of the Board of Directors and senior executives of the Group and the Company for 2021 as well as the relative balances on 31.12.2021, are as follows:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Remuneration for services rendered	4,396	5,463	584	347
Remuneration of employees	1,300	814	371	295
Remuneration for participation in Board meetings	2,157	1,863	995	990
Stock options expense (Note 34)	8,041	3,257	6,432	2,778
Total	**15,894**	**11,397**	**8,382**	**4,410**
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Liabilities	103	373	101	180
Receivables	11	15	0	0

(Amounts in thousands Euro, unless otherwise stated)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is prepared in application of the provisions of articles 152 and 153 of Law 4548/2018, as a special section of the Management Report of the Board of Directors, providing the following information:

1. Governance documents

1.1. Corporate Governance Code

The Company applies in all its activities and operations all the established rules and procedures by the legislative, supervisory, and other competent authorities without deviations. In addition, it has adopted internal rules and business practices, which contribute to the observance of the principles of transparency, professional ethics, and sound management of all resources of the Company at every level of management for the benefit of its shareholders and related parties.

The Company has adopted the Hellenic Corporate Governance Code ("HCGC") of the Hellenic Corporate Governance Council, as revised in 2021 and in force, with the deviations listed in the table below explaining the reasons for non-compliance. HCGC is located at the following electronic address https://www.esed.org.gr/web/guest/code-listed. With the implementation of HCGC and the individual thematic regulations, the Management ensures the effective management and utilization of the Company's resources and promotes corporate responsibility as a key value of the Group's development course.

Deviations from the HCGC and explanation of the reasons for non-compliance

Subsection	HCGC Text	Explanation
2.4.7	The Chairman of the Board of Directors may be a member of the Remuneration Committee, but he/she may not chair it unless he/she is independent. In case the Chairman of the Board of Directors is a member of the remuneration committee, he/she cannot participate in the determination of his/her remuneration. The member of the committee to be appointed as its Chairman must have served on the committee as a member for at least one year, unless the committee has been established or has operated in the previous year.	The Remuneration Committee operated for the first time as a separate committee in 2021. The Chairman of the Remuneration Committee, having been a member for many years and meets the necessary conditions and as a member of the Audit Committee was deemed to have the necessary experience for this role.
2.4.13.	The vesting of the stock options is defined in a period of not less than three (3) years from the date of their granting to the executive members of the Board of Directors.	The remuneration policy includes the approved stock option plan by the General Assembly of 2019, with a potential vesting of less than three (3) years.

1.2. Internal Rules of Operation

The Company has an Internal Rules of Operation ("IRO"), which was approved and entered into force by the decision of 16.07.2021 of the Company's Board of Directors. IRO is in accordance with the current legislation on corporate governance and specifically with Law 4706/2020, as well as the relevant instructions and decisions of the Hellenic Capital Market Commission. The Internal Rules of Operation of the Company has the minimum content provided in article 14 of Law 4706/2020.

Every new relevant provision, measure, rule, etc. is incorporated in the IRO and other regulations in order to maintain the required completeness and to adapt immediately to the changing conditions of the economic, social, and business environment of the Company.

2. Board of Directors

The Board of Directors of the Company shapes the vision of the Group, draws up its development strategy and ensures its effective implementation, aiming to preserve and promote the long-term interests of its Shareholders.

To ensure transparency and effective management of business risks, the Board of Directors, through the Committees it has established, facilitates its communication with the responsible executives on a daily basis in order to gain an immediate perception of these risks and to proceed in a timely manner and dynamically in taking the necessary decisions and corrective measures.

The operation of the Board of Directors is governed by the Rules of Operation.

The Board of Directors, as a collective body, administers the Company and manages its affairs, making the necessary decisions on all matters that fall within its competence based on the Company's Articles of Association, the decisions of the General Assembly and the relevant legislation. It is responsible towards the General Assembly of Shareholders for securing their interests and for the overall efficiency and operation of the Company. Decides on all corporate matters, except those for which, based on the legal framework and the Articles of Association of the Company, the General Assembly of Shareholders is responsible.

In particular, in the responsibilities of the Board are included:

Convening General Assemblies

Carries out all the actions for the legal convening of the General Assemblies (regular or extraordinary) and determines the issues of their agenda. It refers to the shareholders of the Company and submits proposals for increase or decrease of the share capital, for conversion of the Company, as well as for its termination before the expiration of its term provided in the articles of association.

Corporate Governance

- Defines and supervises the implementation of the corporate governance system based on the provisions 1 to 24 of Law 4706/2020.
- Monitors and evaluates every three (3) financial years the implementation and effectiveness of the corporate governance system and takes appropriate action to address deficiencies.

- Takes the necessary measures to ensure compliance with the conditions of independence for the independent non-executive members of the Board.

Strategic planning

- Defines the values and strategic orientation of the Company, as well as the continuous monitoring of their observance.
- Ensures that the values and strategic orientation of the Company are in line with the corporate culture, as that the values and purpose of the Company influence the practices, policies and behaviors within the Company at all levels.
- Monitors the implementation of strategic directions and goals and ensures the existence of necessary resources.
- Decides the entrance of the Company in other fields of activity with the acquisition or establishment of companies.

Financial Statements

Approves the annual and semi-annual financial statements and annual reports in accordance with the current provisions of Law 4548/2018 and Law 3556/2007. It submits the annual financial statements to the regular General Assembly for approval. Proposes at the same time the depreciation to be incurred on the installation costs, the necessary deductions for the regular reserve, ensures that the annual financial statements, the annual management report and the corporate governance statement, the consolidated financial statements, the consolidated management reports and any consolidated corporate governance statement, as well as the remuneration report of article 112 of Law 4548/2018 are prepared and published in accordance with the provisions of the legislation, proposes the dividends to be distributed, supervises the realization of the publicity provided by articles 12 and 13 of Law 4548/2018 as in force.

Internal Control System

- Ensures the adequate and efficient operation of the Company's Internal Control System including the risk management system and regulatory compliance.
- Ensures that the operations that constitute the Internal Control System are independent of the business sectors they control and that they have the appropriate financial and human resources, as well as the powers to operate them effectively, as required by their role. The lines of reference and the allocation of responsibilities are clear and properly documented.

Risk Management

Understands the risks of the company and their nature and determines the extent of the company in the risks it intends to take in the context of its long-term strategic goals. Ensures the existence of policies for the identification, prevention and treatment of conflicts of interest between its Members or between its Members and / or persons to whom the Board of Directors has delegated its powers, with the interests of the Company. The policy is based on clear procedures, which define the manner of timely and complete notification to the BoD of any of their interests in transactions between related parties or any other potential conflict of interest with the Company or its subsidiaries. Measures and procedures are evaluated and updated to ensure their effectiveness.

(Amounts in thousands Euro, unless otherwise stated)

Regulatory Compliance

- Ensures the existence of regulatory compliance policy.
- Ensures the compliance of the Company with the current institutional and supervisory framework, as well as the internal regulations governing the operation of the Company.

Internal Control

- Ensures the efficient organization and operation of the Internal Control Unit.
- Appoints the head of the Internal Control Unit upon the proposal of the Audit Committee.
- Approves the Rules of Operation of the Internal Control Unit.

The Board of Directors of the Company was elected by a decision of the Ordinary General Assembly on 01.07.2021, with a four-year term.

It was formed on 01.07.2021 as a 13-member and then after the approval of the amendment of article 16 of the Company's Articles of Association, according to which the maximum number of the Board of Directors' members was increased to 15, it was re-formed as a 15-member BoD in body as follows:

2.1. Composition of the Board of Directors

	NAME	STATUS	COMMENCEMENT OF TERM	ENDING OF TERM
1	Peristeris Georgios	Chairman and Chief Executive Officer	1/7/2021	1/7/2025
2	Tamvakakis Apostolos	Vice-Chairman of BoD, Independent Non-executive Member, Lead Independent Director	1/7/2021	1/7/2025
3	Gourzis Michael	Vice-Chairman, Executive member	1/7/2021	1/7/2025
4	Lazaridou Penelope	Executive Director, Executive member	1/7/2021	1/7/2025
5	Benopoulos Angelos	Executive Director, Executive member	1/7/2021	1/7/2025
6	Antonakos Dimitrios	Executive member	1/7/2021	1/7/2025
7	Lamprou Konstantinos	Executive member	19/7/2021	1/7/2025
8	Moustakas Emmanouil	Executive member	1/7/2021	1/7/2025

(Amounts in thousands Euro, unless otherwise stated)

9	Perdikaris Georgios	Executive member	1/7/2021	1/7/2025
10	Afentoulis Dimitrios	Non- Executive member	1/7/2021	1/7/2025
11	Apkarian Gagik	Independent Non- Executive member	1/7/2021	1/7/2025
12	Delikoura Aikaterini	Independent Non- Executive member	1/7/2021	1/7/2025
13	Kapralos Spiridon	Independent Non- Executive member	1/7/2021	1/7/2025
14	Skordas Athanasios	Independent Non- Executive member	19/7/2021	1/7/2025
15	Staikou Sofia	Independent Non- Executive member	1/7/2021	1/7/2025

During the exercise of their duties and their meetings within 2021, the Members of the Board of Directors showed "diligence of a prudent businessman", devoted all the time required for the effective management of the Company and acted with integrity, responsibility and discretion, avoiding actions that could jeopardize the Company's competitiveness or conflict with its interests. They also maintained the confidentiality of the information they preferentially possessed and ensured the timely and simultaneous information of all shareholders and interested investors on issues that could affect their decision to make any transaction in the company's shares.

The Board of Directors held twenty (20) meetings in 2021.

The dates of the meetings were planned in advance in order to ensure the maximum possible quorum.

The members of the Board of Directors participated in the meetings as follows:

NAME	NUMBER OF MEETINGS DURING HIS/HER TERM	NUMBER OF MEETING PARTICIPATED	NUMBER OF MEETINGS BEING REPRESENTED	NUMBER OF MEETING ABSENT AND NOT BEING REPRESENTED	PARTICIPATION PRECENTAGE IN MEETINGS
Peristeris Georgios	20	20	-	-	100%
Tamvakakis Apostolos	20	20	-	-	100%
Gourzis Michael	20	16	4	-	100%
Lazaridou Penelope	20	20	-	-	100%
Benopoulos Angelos	20	20	-	-	100%
Antonakos Dimitrios	20	19	1	-	100%
Lamprou Konstantinos**	10	10	-	-	100%
Moustakas Emmanouil	20	20	-	-	100%

(Amounts in thousands Euro, unless otherwise stated)

Perdikaris Georgios	20	20	-	-	100%
Afentoulis Dimitrios*	12	11	-	1	92%
Apkarian Gagik	20	18	2	-	100%
Delikoura Aikaterini *	12	12	-	-	100%
Kapralos Spiridon	20	19	1	-	100%
Skordas Athanasios **	18	18	-	-	100%
Staikou Sofia *	12	11	1	-	100%
Vavaletskos Konstantinos ***	8	7	1	-	100%
Vrailas Emmanouil ***	8	8	-	-	100%

** Member of GEK TERNA BoD as of 01.07.2021*

*** Member of GEK TERNA BoD until 30.06.2021 and as of 19.07.2021*

**** Member of GEK TERNA BoD until 01.07.2021*

During the meetings and the work of the BoD, the Members were supported by the Corporate Secretary Mrs. Dimitra Chatziarseniou.

Chairman of the Board of Directors

The Chairman is the main lever for the implementation of the Corporate Governance Principles in the Company, having the responsibility, among other things, for the effective operation of the Board of Directors and the active participation of all its members in making and supervising the implementation of business decisions, as well as for the smooth communication of the Company with its shareholders.

In the responsibilities of the BoD's Chairman are included:

- The coordination and direction of the meetings and in general the operation of the Board of Directors. The Chairman presides over the meetings of the BoD, directs its work, has the responsibility of convening a meeting, ensures the good organization of the BoD's work, but also the effective conduct of its meetings.
- The drafting of the agenda of the BoD's meeting with the support of the Corporate Secretary, based on the needs of the Company and relevant requests from the other Members of the BoD.
- The care for the effective coordination and the seamless communication between all the members of the Board of Directors, as well as between the Company and the shareholders-investors so that all the Members of the Board of Directors are fully informed both for the internal evaluation of its operation and efficiency, and for its image in the directly connected, but also in its wider external environment.

- Ensuring that the above communication is based on timely, clear and reliable information of the BoD's members on all the activities and operations of the Company.
- Ensuring the smooth integration of the other members in the Board of Directors and motivating them to participate actively and effectively in corporate affairs and business decision making.
- The care and responsibility of evaluating the effectiveness of the Board of Directors as well as that of the Committees that support its work and the proposal for remedial measures in case of identified weaknesses.

Chief Executive Officer

The Chief Executive Officer (CEO) is the main lever for the implementation of the Company's policies and strategy. Has the responsibility for the elaboration and submission of the relevant suggestions to the BoD and the decision-making on issues on which he/she has been authorized by the BoD.

His/her duties include:

- The supervision of the business and financial policy of the Company.
- The suggestion to the BoD for the development of the Company's actions in new sectors of activity and markets.
- The participation, as a Member of the BoD, in the making of the strategic decisions of the Company and the suggestion of the guidelines of the strategic and business planning of the Company.
- The review of the annual budget of the Company and the submission of a relevant proposal to the BoD.
- The review of new business plans and investment plans of the Group companies in collaboration with the heads of business units and the General Directorate of Business Development.
- The overview of the implementation course of the business plans, investment plans and budgets of the Group companies.
- The establishment and closure of Management Committees that assist in his work.
- The management and coordination of the Company's employees having the main responsibility for the selection, appointment and periodic evaluation of the general managers and their executives based on merit criteria and the degree of effectiveness in their duties and the goals they undertake to achieve. Optionally and at his discretion, he can also suggest to the BoD recruitment for managers of important positions, in order for the selection and recruitment to be decided by the BoD.
- Ensuring the implementation of uniform policies for issues concerning all the companies of the Group.

- Regular communication with the Heads of business units, executive and central and support functions to provide guidelines, coordinate actions, resolve issues and review the implementation of their business plans and action plans.
- The constant communication with the executives of the Company and the responsibility for the management of the corporate affairs, in accordance with the Legislation, the Articles of Association, the Code of Corporate Governance, the Code of Ethics & Conduct, the Internal Operating Regulation and the respective decisions of the Company's BoD.
- The appointment or assignment of all or part of the organizational and operational responsibilities of executive or central and support services provided by law and the Articles of Association and / or activities, to bodies or executives of the Company or the affiliated companies of the Group.
- The control of the daily operations of the Company and the supervision of the way in which each unit performs its duties.
- The more specific responsibilities defined in the Internal Rules of Operation.
- The monitoring and accountability before the General Meeting of shareholders for the financial results and profitability of the Company as a whole and per activity.
- The responsibility of representing the Company in the General Assembly of the shareholders of each affiliated Company by himself or through his representative.
- The representation of the Company in its relations with the Government and other Public Authorities.

Chairman of the BoD and Chief Executive Officer of the Company is Mr. Georgios Peristeris.

Vice-Chairman of the Board of Directors (Lead Independent Director)

The Independent Non-Executive Vice Chairman of the Board of Directors replaces the Chairman when the latter is absent or incapacitated. He also chairs the meetings of the non-executive members of the Board of Directors and monitors and ensures the smooth and effective communication between the Committees of the Board of Directors and the Board of Directors. He coordinates the non-executive members of the Board of Directors, including the independent members, in the fulfilment of their obligations. He is available and attends the General Assemblies of the Company's Shareholders in order to discuss corporate governance issues with them if they arise.

Independent non-executive Vice-Chairman of the Board of Directors and Head of the Independent and Non-Executive Members is Mr. Apostolos Tamvakakis.

Executive Vice-Chairman of the Board of Directors

The executive Vice-Chairman of the BoD can exercise managerial responsibilities, as they are assigned by the Board of Directors.

Executive Vice-Chairman of the Board of Directors is Mr. Michail Gourzis.

(Amounts in thousands Euro, unless otherwise stated)

Executive Directors

The Executive Directors are Members of the BoD, appointed by the BoD and their capacity is not incompatible with any other managerial position. They are senior executives of the Company, with distinct responsibilities and are reported to the CEO.

The Executive Directors within the framework of their administrative responsibilities after a relevant decision of the BoD may assume any special responsibilities and to the extent of responsibilities assigned to them by the BoD.

Executive Directors are Mrs Pinelopi Lazaridou and Mr. Angelos Benopoulos, who jointly represent and bind the company against any natural or legal person, of Private or Public Law, the Greek State, the Banks as well as in general against any person and any Authority, domestic or foreign, in all its activity.

Independent non-executive members of the Board of Directors

The independent non-executive Members of the BoD are the non-executive members of the Company's BoD that during their appointment or election and throughout their term meet the criteria of independence provided in article 9 of Law 4706/2020, as applicable.

The following members of the Board of Directors are independent non-executive:

Name	Independence criteria
Tamvakakis Apostolos	The members meet (a) the criteria of independence of par. 1 of article 9 of L.4706/2020, namely they do not hold shares in a percentage greater than 0.5% of the Company's share capital and (b) they do not have any relation of dependence with the Company or persons related to it, such as the said conditions of independence are described in particular on the one hand in article 4 par. 1 of law 3016/2002 (Government Gazette A 110/17.05.2002), which is still valid until 17.07.2021, on the other hand, in article 9 par. 2 of law 4706/2020 (Government Gazette A 136/17.07.2020). In addition, the members also meet the criteria of Suitability Policy.
Apkarian Gagik	
Delikoura Aikaterini	
Kapralos Spiridon	
Skordas Athanasios	
Staikou Sofia	

2.2. Number of shares held by the members of the Board of Directors and the Executives of the Company

NAME	NUMBER OF SHARES HELD IN GEK TERNA COMPANY ON 31.12.2021	PERCENTAGE OF SHARES HELD IN GEK TERNA COMPANY ON 31.12/2021
Peristeris Georgios	32,890,291*	31.802 %*
Tamvakakis Apostolos	-	-
Gourzis Michael	378,709	0.366 %

(Amounts in thousands Euro, unless otherwise stated)

Lazaridou Penelope	91,574	0.089 %
Benopoulos Angelos	322,500	0.312 %
Antonakos Dimitrios	441,311	0.427 %
Lamprou Konstantinos	8,762	0.008 %
Moustakas Emmanouil	151,109	0.146 %
Perdikaris Georgios	120,000	0.116 %
Afentoulis Dimitrios	-	-
Apkarian Gagik	56,500	0.055%
Delikoura Aikaterini	-	-
Kapralos Spiridon	-	-
Skordas Athanasios	2,000	0.002 %
Staikou Sofia	-	-
Zarimpas Christos	2,400	0.002 %
Chatziarseniou Dimitra	-	-
Aligizakis Alexandros	-	-
Nika Aggeliki	-	-

* *It concerns the direct and indirect participation in the Company.*

2.3. BoD evaluation - findings and corrective actions

The BoD and its Committees collectively, as well as the Chairman and the members of the BoD individually, are evaluated annually for the effective performance of their duties. The evaluation process is headed by the Independent Non-Executive Vice Chairman in collaboration with the Nominations Committee. Its results are discussed at the BoD, where the areas for improvement are identified and remedial measures are proposed. This evaluation may be facilitated by an external consultant at least every three years.

During the period 17.01.2021 until 14.02.2022, the members of the BoD were invited to answer evaluation questionnaires of the BoD, its members, as well as the Corporate Secretary, in a specialized electronic platform for this purpose. Respectively, the members of each Committee answered questionnaires concerning the Committee in which they participate. The Nomination Committee in collaboration with the consulting firm KPMG, selected to assist in the evaluation process, identified the evaluation parameters and developed the questionnaires. Each questionnaire included closed-ended questions, while at the end there were open-ended questions or a box for recording additional comments in order for each participant to capture their thoughts / comments.

The questionnaires of the overall evaluation of the Board of Directors and its Committees consisted of three main evaluation modules which included: i) the composition of the BoD (size-composition-structure), ii) the role and responsibilities of the BoD and iii) the organization and the operation of the BoD. The BoD was evaluated by the 15 members of the BoD and each Committee by the members that make it up (members of the BoD and not). Individual evaluation questionnaires were developed into four main evaluation modules: i) technical knowledge and experience, ii) participation, contribution, and independence of judgement, iii) corporate governance and iv) strategy monitoring, expression of opinions and good reputation. The Chairman of the BoD & CEO, the Independent Non-Executive Vice Chairman and the other members of the Board were self-evaluated and were evaluated by the other 14 members of the BoD, while the Corporate Secretary was evaluated by the 15 members of the BoD.

The general conclusion from the evaluation was that the Board of Directors as a whole but also the members individually, has the knowledge, skills and experience required to exercise their responsibilities and provide the necessary time and attention to prepare and deepen into issues, as well as the support of the committees. The Board of Directors ensures the integrity of financial and non-financial information, provides adequate support to the Company's senior management and their relationship is characterized by the right balance between challenge and reciprocity. The members of the BoD cooperate effectively as a team and are consistently informed about the developments in the industry as well as in the regulatory framework.

The proposals for the improvement of the operation of the Board of Directors as a whole are the following:

- The optimization of the mechanisms for measuring the value offered to the main stakeholders
- Enhancing the effectiveness of the BoD by setting ever higher goals
- Monitoring the alignment of the strategic orientation according to the vision, the mission, the values, and the corporate culture through the assignment of specific roles to the members of the BoD.
- The best distinction of the duties and responsibilities of the senior executives in the various activities of the Group
- Enrichment of the initial information of the new members and intensification of the training of all the members during their term

As many new members joined the BoD in July 2021, who until the date of evaluation had an active role for less than six months, were individually identified for the members of the Board of Directors, room for improvement in terms of submitting proposals/counterproposals and formulating new ideas to the BoD and constructive feedback to the other members of the BoD, when needed.

3. BoD Committees

The Board It is supported by Committees, which have an advisory nature, but a special weight in its decision-making. These Committees are the following:

3.1. Audit Committee

The purpose of the Audit Committee is to assist the Board of Directors in carrying out its supervisory duties in relation to (i) the Financial Reporting process, (ii) the internal control system, (iii) internal control (iv), the external audit process, (v) the procedures of the GEK TERNA Group for the monitoring of the compliance with the laws, the regulations, and the Code of Ethics and (vi) the Corporate Governance System. The Committee has been set up and operates in accordance with all applicable laws and regulations.

Composition

The General Assembly of July 1, 2021, elected a new four-member Audit Committee with a two-year term, consisting of:

1. Apostolos Tamvakakis, independent non-executive member of BoD, who was appointed as Chairman of the Committee,
2. Spyridon Kapralos, independent non-executive member of the BoD
3. Dimitrios Afentoulis, non-executive member of the BoD and
4. Aggelos Tagmatarchis, who is the third independent person, non-member of the BoD.

The above composition of the Audit Committee is in accordance with the provisions of article 44 of Law 4449/2017, namely all members of the Audit Committee have sufficient knowledge in the field in which the Company operates.

In addition, Messrs Tamvakakis and Tagmatarchis possess sufficient knowledge in the field of auditing and accounting.

Operating conditions

The Audit Committee meets at least four times a year, with the jurisdiction to convene additional meetings if the circumstances so require in accordance with its action plan in order to carry out the tasks and responsibilities assigned to it.

The secretary of the Audit Committee, after communication with the Chairman and the other members of the Committee, the Head of the Internal Control Unit and other executives or third parties, if required, sends (himself or by another authorized executive) to the members of the committee, its issues agenda and an e-mail invitation to those expected to attend or an e-invitation via a video conferencing platform if the meeting is teleconferenced.

All members of the Audit Committee are expected to attend the meetings, either in person or by teleconference or video conference. Decisions are taken by a majority of the members present. The Committee may invite members of the Company's Management, executives of the Company or its subsidiaries, or another person (employee, associate, etc.) to participate in meetings and provide relevant information, where necessary.

It organizes meetings with the external auditors and meetings with the Executive Directors. If required, joint meetings may be held with the Audit Committees of the Group's subsidiaries. The agendas are prepared and provided in advance to the members, along with the appropriate information materials. Minutes are kept with a complete record of decisions and actions on the topics of discussion.

Every six (6) months or more regularly, if necessary, the Committee prepares and submits to the Board of Directors reports on its activities on important issues and once a year, a report of activities (including the evaluation of its work and the description of the Sustainable Development Policy implemented by the Company) which is addressed to the annual General Assembly of shareholders.

The Audit Committee will be evaluated periodically every 3 years.

The Rules of Operation of the Audit Committee, approved by the Board of Directors of the Company, is posted at the following link:

GEKTERNA_Audit_Committee_Charter_July_2021_GR.pdf

Responsibilities

The Audit Committee has the following, by section, key responsibilities:

- Monitors the process of preparation of the financial statements and other reports of financial information of the Company and examines their reliability. Informs the Board of Directors about the result of the mandatory audit. Monitors the financial information process and submits recommendations or proposals to ensure its integrity.
- Ensures the smooth conduct of internal audit work by providing support to the relevant Internal Control Unit and periodically evaluating the adequacy and reliability of the methods and procedures it uses to carry out its work. Its main goal is the timely diagnosis and analysis of business risks so that the Board of Directors can react quickly to address them.
- The Audit Committee receives the reports of the Internal Control Unit, evaluates their content, proposes to the BoD the head of the Service, evaluates its efficiency and effectiveness and on the basis of these suggests the continuation or cessation of the performance of his/her duties.
- Monitors the work of the regular auditor and evaluates whether it is in accordance with the relevant legal-regulatory framework, international standards, and best practices. It also researches and evaluates the adequacy of knowledge, professional consistency, independence, and effectiveness of the regular auditor, and based on these it suggests to the BoD the continuation or cessation of the performance of his/her duties.

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation. The Committee conducts an annual review of its work, a summary report of which is submitted to the BoD. This includes suggestions for improving its operation and efficiency.

Proceedings

The Audit Committee met thirteen (13) times in 2021.

(Amounts in thousands Euro, unless otherwise stated)

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Tamvakakis Apostolos	13	13	-	-	100%
Afentoulis Dimitrios (Member of the Committee as of 01.07.2021)	6	6	-	-	100%
Kapralos Spyridon	13	13	-	-	100%
Aggelos Tagmatarchis	13	13	-	-	100%

The topics of the meetings also included meetings with the Internal Control Unit, the Heads of the Financial, Administrative Services and other Directorates, the Risk Officer, the Compliance Officer, and the Certified Auditors of the company Grant Thornton.

More specifically, the activities of the Audit Committee are summarized in the following points:

Financial information

- Examined and evaluated the adequacy and effectiveness of all the policies, procedures and safeguards of the Company regarding, on the one hand, the internal control system and, on the other hand, the assessment and management of risks, in relation to financial information.
- Recommended to the Board of Directors the renewal of the appointment of the auditing company Grant Thornton and the amount of their remuneration after taking into account a) the existing good cooperation with the auditing company for 4 consecutive years b) the contribution of the auditing company, in its upgrade quality and integrity of the financial information and c) the absence of threats that alter the independence of judgment of the specific auditing company in relation to the Company.
- Regularly contacted the Certified Auditors, who participated in four (4) meetings of the Audit Committee within 2021 - in order to inform it regarding the planning, the evolution of the statutory audit of the financial statements of the Company and the Group and received the additional audit report of article 11 of Regulation 537/2014. It was informed about the findings (Key Audit Matters) and the results of the audits which it discussed with the Certified Auditors
- It was informed about the following sections, during the planning of the audit of the Financial Statements for the year 2021, by the Certified Public Accountants of the company:
    - Areas of audit interest
    - Audit Risks
    - Important events
    - Audit Schedule
    - Audit approach
    - Independence
    - Use of specialist work

- More specifically, the areas of audit interest that were discussed and analysed are a) the management override of controls, b) the impact of the COVID-19 pandemic, c) the disinvestment of wind farms in Texas of the USA by TERNA ENERGY, d) the acquisition of a percentage in the company IRON by GEK TERNA, e) the recognition of revenues from construction contracts, f) the impairment of non-current assets, g) provisions and possible liabilities from court cases, h) Hedge accounting, i) provisions for bad debts accounts and j) the possibility of recovering deferred tax assets.
- Holded meetings with the Financial Director of GEK TERNA and was informed about the significant items of the Financial Statements, about the significant changes in relation to the previous period and about the following issues:
  - The evaluation of the use of the going concern assumption,
  - The significant judgements, assumptions and estimates in the preparation of the financial statements,
  - The valuation of assets at fair value,
  - Assessing the recoverability of assets,
  - The accounting treatment of acquisitions,
  - The adequacy of the notifications for the significant risks faced by the company,
  - Significant transactions with related parties,
  - Significant unusual transactions.
- Followed the process of preparation by the Financial Management of the Group of the interim and annual financial statements of the Company and the Group which were prepared in accordance with the applicable accounting standards.
- Reviewed the annual and semi-annual financial statements of the Group and the Company, as well as the content of the Audit Report of the Certified Auditors before their submission for approval by the Board of Directors and received the necessary assurances regarding the completeness and consistency of these statements in relation to the information taken into account.
- Pre-approved all non-audit services provided by Grant Thornton in 2021 and aggregated total remuneration, non-audit services provided for 2021. It considered that the work carried out and the remuneration of the assigned non-audit services did not endanger the independence or objectivity of the Certified Auditors.

Internal Control Unit Operations

- Collaborated and co-worked systematically and throughout the year with the Internal Control Unit of the Company, providing the appropriate instructions for carrying out the internal audit work by topic and priority. The Internal Control Unit participated in 12 of the 13 meetings of the Audit Committee in the year 2021.
- Received from the Internal Control Unit all the audit reports produced during 2021. The total number of audit reports amounts to 15 out of which 3 related to the audit program of 2020. The Audit Committee reviewed and commented at the meetings on all audit reports (reports issued at the end of December were discussed at the first meetings of 2022). In addition, during 2021,

the Internal Control Unit carried out an additional 6 important tasks, such as 2 consulting projects related to a) compliance with the new law 4706/2020, b) implementation of the transition to SAP 4HANA, and other tasks for the organization of the Internal Control Unit and the Timeless Evaluation of Internal Audit Findings.

- Discuss the findings as well as the conclusions and the relevant suggestions with the Head of the Internal Control Unit of the Company. Where necessary, a meeting was scheduled with the participation of the Audit Committee, the head of the Internal Control Unit, the head of the department / project that was audited and, as the case may be, the heads of other departments who were involved in the audit.
- Monitored throughout the year the progress of the audit activities of the Internal Control Unit and the general operation of the Unit.
- Received the annual report of the work of the Internal Control Unit.
- Reviewed and approved the audit program for 2022 by the Internal Control Unit.
- Reviewed the Report of the Internal Control Unit for 2021 and the audit program of 2022 for the company TERNA ENERGY.
- Made decisions regarding the staffing of the Internal Control Unit. Decided and suggested to the BoD the enhancement of the Internal Control Unit with an additional member.
- Carried out the annual evaluation of the Head of the Internal Control Unit.
- Decided on the evaluation of the Internal Control Unit in the year 2022 in accordance with the International Standards on Internal Audit and the expression of opinion on compliance.

Risk Management

- Collaborated and co-worked with the Risk Officer of the Group. Received and reviewed - the Risk Management Report before submitting it to the Board of Directors. It was informed in detail about the new risks in the Group, which were identified due to the effects of the COVID-19 Pandemic.
- It was informed about the risks of the subsidiary TERNA ENERGY and was immediately informed about the effects on the Group from the extreme and intense weather phenomena that took place in the US state of Texas.

Regulatory compliance

Collaborated and co-worked with the Compliance Officer and received the inspection program as well as the Regulatory Compliance Report.

Internal Control System

- Discussed and monitored the new Law 4706/2020 on Corporate Governance and the relevant circulars by the Hellenic Capital Market Commission (Internal Control System).
- Revisioned and approved the new Rules of Operation of the Audit Committee that entered into force with the decision of the Audit Committee of 29.06.2021.

- Reviewed and approved the Revised Rules of Operation of the Internal Control Unit.
- The Audit Committee monitored the implementation of the Group's commitments regarding sustainable development and corporate responsibility, as the latter promote social prosperity, protect the environment and are the only sustainable business practice.

The Audit Committee constantly informed the Board of Directors of the company about its activities.

Sustainable Development

The Group's approach to Sustainable Development is based on dialogue with stakeholders, as well as the recognition and regular evaluation of the most important economic, social and environmental impacts of its activities. It aims to enhance the positive effects and reduce the negative ones, through best practices, sustainable initiatives, and reliable partnerships, looking forward to continuous improvement for the benefit of shareholders, investors, employees and society.

The Unit responsible for the development and updating of this policy is the Directorate of Strategic Communication, Press Office, CSR, and Sustainable Development.

3.2. Remuneration Committee

The main purpose of the Remuneration Committee is to formulate a proposal for the elaboration and periodic revision of the Remuneration Policy, to examine the information of the Company's Remuneration Report, to provide a relevant opinion and to formulate proposals regarding the remuneration range of persons covered by the Remuneration Policy. The above proposals / opinions of the Committee are submitted to the BoD, which decides on these issues or proposes to the General Assembly, where required.

The Committee is established following a decision of the Board of Directors.

The operation of the Remuneration Committee is governed by articles 10 and 11 of Law 4706/2020 as well as the Corporate Governance Code adopted by the Company, as applicable.

The Rules of Operation of the Remuneration Committee, approved by the Board of Directors of the Company, is posted at the following link:

Composition of the Committee

The Board of Directors of the Company in its meeting from July 1, 2021 established the Remuneration Committee with the following members:

1. Spyridon Kapralos, Independent non-executive member of the BoD who was elected Chairman of the Committee
2. Apostolos Tamvakakis, Independent, non-executive member of the BoD
3. Sofia Staikou, Independent, non-executive member of the BoD

Subsequently and after the inclusion of Mr. Skordas in the Board of Directors, the Committee in its meeting of 21 July 2021 was reconstituted into a body as follows:

1. Spyridon Kapralos, Independent non-executive member of the BoD who was elected Chairman of the Committee

2. Apostolos Tamvakakis, Independent, non-executive member of the BoD
3. Sofia Staikou, Independent, non-executive member of the BoD
4. Athanasios Skordas, Independent, non-executive member of the BoD

Operating conditions

The Committee meets at least two (2) times a year and whenever required by the circumstances.

The Chairman of the Committee is responsible for convening it and is responsible for scheduling and conducting the meetings. However, each member of the Committee shall have the right to ask the Chairman to convene a meeting of the Committee. Meetings are held either in person or remotely, through any technology that enables discussion or written exchange.

In order to make a decision, all members of the Committee are required to be present or represented, in person, either at the meeting place or elsewhere using technology. Decisions of the Committee shall be taken by a majority of at least 75% of the members of the Committee. In case one member of the Committee is absent without justification and without being represented by another member during the above, in two (2) meetings within the same year, this member is considered as resigned.

The minutes of the meetings shall be kept by a person appointed by the Chairman of the Committee as Secretary/Technical Adviser, who, in addition to keeping the minutes of the meetings, assumes the role of technical support and coordination of the Committee's work, performed either internally or outsourced. Legal support in the work of the Committee can be provided either by the Corporate Secretary, provided by the Internal Rules of Operation of the Company to be lawyer, or by another lawyer of the Group.

The Committee may receive scientific or technical support from executives of the Company or the Group, either by selecting and appointing them as Technical Advisers of the Committee or by invitation for the elaboration of a specific project. The Secretary/Technical Adviser of the Committee, the Technical or Scientific Adviser and the Legal Adviser are appointed by a Decision of the Committee recorded in the Minutes of the relevant meeting.

The Chairman of the Committee informs the BoD for the work of the Committee, reports important findings and submits proposals to the Board. The Committee conducts an annual review of its work, a summary report of which it submits to the Board. This includes proposals to the Board for the improvement of its operation and efficiency.

Responsibilities

The Committee makes proposals to the Board of Directors regarding the Remuneration Policy or its revision. Ensures that the Company has a clear, objective, well-documented and transparent Remuneration Policy in accordance with current legislation and is consistent with the Company's business strategy, market conditions, profile and risk-taking of the Company and it does not encourage excessive and short-term risks. In this context, it makes proposals to the Board of Directors regarding the range of remuneration of persons falling within the scope of the remuneration policy, in accordance with article 110 of Law 4548/2018, and regarding the remuneration of the Company's executives, and in particular the head of the internal control unit and makes a relevant proposal on them to the Board of Directors, which decides on them or proposes to the General Assembly, when required.

(Amounts in thousands Euro, unless otherwise stated)

It monitors the implementation of the Remuneration Policy. Examines the information contained in the final draft of the annual remuneration report, providing an opinion to the Board of Directors, before submitting it to the General Assembly.

Examines and submits proposals to the Board of Directors regarding the stock option plan, stock grant plan, additional pension plan and any other long-term reward program.

Evaluation Method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation. The Committee submits an annual summary report of its work to the BoD.

Proceedings

During 2021 the Committee met a total of seven (7) times. Until June, there was a joint Committee for Nominations and Remuneration.

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Kapralos Spyridon (Member of the Committee since 05.05.2021)	5	5	-	-	100%
Tamvakakis Apostolos	7	7	-	-	100%
Staikou Sofia (Member of the Committee since 01.07.2021)	4	4	-	-	100%
Skordas Athanasios (Member of the Committee since 21.07.2021)	3	3	-	-	100%
Perdikaris Georgios (Member of the Committee until 27.04.2021)	2	2	-	-	100%
Benopoulos Angelos (Member of the Committee until 27.04.2021)	2	2	-	-	100%
Gagik Apkarian (Member of the Committee until 30.06.2021)	3	3	-	-	100%

Stock option plan

The Committee is monitoring the approved stock option program. In this context, in collaboration with the General Directorate of Financial Services, the Financial Services Division of the Company and the

Shareholder & Corporate Announcements Manager, it gathered the relevant documentation material to secure rights that corresponded to the 20 target criteria that were achieved within 2021 and proceeded to the distribution of the granted rights to the beneficiaries.

Fixed remuneration

A study on the range of wage market levels was conducted in collaboration with expert Willis Towers Watson, according to which the Committee proposed to the Board of Directors new annual fixed remuneration.

Specifically, the Remuneration Committee recommended the total annual fixed salaries for the senior managers/executives of the Group, members of the Board or not of levels A, B, C, for the managing director, for the independent non-executive members and the non-executive members as well as for the members of the statutory, according to law, Committees of the BoD.

Remuneration Policy

In accordance with the above, the Remuneration Committee proceeded to the revision of the Remuneration Policy approved by 01.07.2021 General Assembly of the Company's shareholders. The Remuneration Committee also reviewed and approved the Remuneration Report for the year 2020.

As part of the project to comply with the new law 4706/2020 on corporate governance, the Committee approved its Rules of Operation, which is posted at the following link:

GEKTERNA_Regulation_of_Remuneration_Committee_July_2021_GR.pdf

3.3. Nomination Committee

The main purpose of the Nominations Committee is to assist the Board of Directors by proposing to it persons suitable for the gaining of the status of a member of the Board of Directors based on the principles and criteria, provided in the Suitability Policy.

Composition

The Board of Directors of the Company in its meeting from July 1, 2021 established the Nomination Committee with the following members:

1. Apostolos Tamvakakis, Independent non-executive member of the BoD who was elected Chairman of the Committee
2. Spyridon Kapralos, Independent non-executive member of the BoD
3. Katerina Delikoura, Independent non-executive member of the BoD
4. Gagik Apkarian, Independent non-executive member of the BoD

Operating conditions

The term of the members of the nomination committee coincides with the term of the Board of Directors, with the possibility of its renewal. In any case, their term in the committee will not exceed nine (9) years in total. The Committee meets at least three (3) times a year and whenever the circumstances require.

The Chairman of the Committee is responsible for convening it and is responsible for scheduling and conducting the meetings. However, each member of the Committee has the right to ask the Chairman to convene a meeting of the Committee or to add items to the agenda.

Meetings are held either in person or remotely, through any technology that enables discussion or written exchange. A member of the Committee may authorize another member in writing to represent it at a specific meeting and to vote on his/her behalf on the items of the agenda. No member can represent more than one other member of the Committee.

The Committee meets at least once a year to review the self-evaluation of the members of the BoD and the nomination of new candidate members if required. At least every three years, the evaluation of the Board of Directors, as well as of the Chairman, the Chief Executive Officer and the other members of the Board of Directors is facilitated by an external director. It also meets when it is decided to evaluate the members of the Board of Directors in terms of the effective fulfillment of their duties. In the latter case, the evaluation process is chaired by the Chairman of the Board of Directors in cooperation with the Nominations Committee. Regarding the evaluation of the performance of the Chairman of the Board of Directors, the evaluation process is headed by the Nominations Committee.

In order to make a decision, all members of the Committee are required to be present or represented, in person, either at the meeting place or elsewhere using technology. Decisions of the Committee shall be taken by a majority of at least 75% of the members of the Committee. In case one member of the Committee is absent without justification and without being represented by another member during the above, in two (2) meetings within the same year, provided that the meetings were convened on time, this member is considered as resigned.

Responsibilities

The main role of the Nominations Committee is to research and highlight the proposed candidacies for their election to the Board of Directors of the Company. It determines the Suitability criteria of the Board members, in order to ensure the individual and collective suitability. Prepares and updates the Suitability Policy, which it submits for approval to the Board of Directors, and which is then approved by the General Assembly when required.

It researches, proposes, and suggests suitable candidates for the election of the Board of Directors in accordance with the criteria set by the Company in the Suitability Policy it adopts, following the recruitment / selection process of senior executives and the process of appointing senior executives and granting authorizations.

Conducts periodic re-evaluations of the size and composition of the Board of Directors in accordance with the Company's Suitability policy to identify any gaps regarding the suitability of the Board members individually and collectively and submits proposals for improvements, when necessary.

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation.

(Amounts in thousands Euro, unless otherwise stated)

The Committee submits an annual summary report of its work to the BoD.

Proceedings

During 2021 the Committee met five (5) times. Until June, there was a joint Committee for Nominations and Remuneration.

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Tamvakakis Apostolos	5	5	-	-	100%
Kapralos Spyridon (Member of the Committee since 05.05.2021)	5	5	-	-	100%
Delikoura Aikaterini (Member of the Committee since 01.07.2021)	5	5	-	-	100%
Gagik Apkarian	5	5	-	-	100%
Perdikaris Georgios (Member of the Committee until 27.04.2021)	-	-	-	-	100%
Benopoulos Angelos (Member of the Committee until 27.04.2021)	-	-	-	-	100%

The Nominations Committee in 2021 proposed to the BoD of the Company the Suitability Policy, which determines the principles concerning the selection or replacement of its members, the criteria for assessing the suitability of members, the provision of diversity criteria, in accordance with the guidelines published on 18.09.2020 with a relevant circular from the Hellenic Capital Market Commission and aims to ensure the quality staffing and efficient operation of the BoD.

In order to comply with Law 4706/2020 on Corporate Governance, in conjunction with the expiration of the term of the Board of Directors in June 2021, the Committee initially proceeded to evaluate the existing composition of the Board of Directors, based on Law 4706/2020.

It was confirmed that all existing, at the date of the audit, members of the BoD meet the individual criteria set by the Suitability Policy, namely adequacy of knowledge and skills, guarantee of morality and reputation, absence of conflict of interest, independence of judgment, adequate time and the independent non-executive members meet the criteria of independence, as they are mentioned in paragraphs 1 and 2 of article 9 of law 4706/2020.

The Commission further proceeded with a series of workshops in order to compile a list of potential candidate members for the new Board of Directors, with the appropriate qualifications and experience, who meet the individual eligibility criteria set by the Suitability Policy and contribute to the diversity and collective suitability of the Board of Directors.

Taking into account the most appropriate candidacies based on the requirements of both the Group and the criteria required by the regulatory framework, including those set in accordance with art. 3 of Law 4706/2020, of no. 60/2020 Circular of the Hellenic Capital Market Commission, and of the Suitability Policy of Board of Directors' members, the Committee carried out a thorough audit of all candidate members (interviews, conflict of interest, etc.), verified the fulfilment of the conditions and suitability criteria and proposed the new members for the Board of Directors and the staffing of its Committees. The above were approved by the Ordinary General Assembly of 01.07.2021.

As part of the project to comply with the new law 4708/2020 on corporate governance, the Committee approved its **Rules of Operation**, which is posted at the following link:

GEKTERNA_Regulation_of_Nominations_Committee_July_2021_GR.pdf , as well as the following Policies and Procedures within the remit of the Committee:

1. The Suitability Policy (approved by the GM on 01.07.2021)
2. The Training Policy of the BoD members and senior executives
3. The recruitment/selection process of the Senior Management (IAS 24)
4. The Procedure for ensuring the independence of the Board Members and re-evaluating the conditions of independence
5. The Performance Evaluation Process of Senior Managers (IAS 24)
6. The Training Plan of Board Members and Senior Managers

According to the Greek Corporate Governance Code adopted by the Company, the Board of Directors must annually evaluate its effectiveness, as well as its Committees and the Chairman. In addition to the above in the context of best practices, the Committee has chosen to expand the scope of evaluation to include the Independent Non-Executive Vice Chairman and the Corporate Secretary. The Nomination Committee carried out, with the support of an external consultant, the company KPMG, an international Business Consulting Company, the evaluation of the Board of Directors. The determination of the evaluation parameters was set in collaboration with the Consultant in order to develop the relevant questionnaires. The questionnaires were distributed and processed on a specialized digital platform for this purpose in order to then compile the Evaluation Results Report of the Board of Directors of GEK TERNA.

The training of the members of the BoD is the responsibility of the Nominations Committee. The Committee approved the Training Plan of the Board Members and Senior Executives that it was developed by the working group of the project for the compliance with the new corporate governance act and KPMG Consultant. In this context, trainings were organized on issues of competence of the Board of Directors, both by external educational bodies and with the development of educational material by the corporate governance team of the group for the training of Board members on the new institutional framework of Corporate Governance of L. 4706/2020 which was implemented and the adoption by the Company of the Greek Code of Corporate Governance. The members of the BoD receive regular internal updates on cyber-security issues from the Group CISO and personal data issues from the Group DPO.

3.4. Investment Committee

The Investment Committee is established by the Board of Directors. Its main role is to assist in ensuring that new investments are in line with the Company's objectives and have a benefit the Company.

Composition

The Board of Directors of the Company on 1st July 2021 meeting established the investment committee with the following members:

1. Georgios Perdikaris, Executive member, Chairman of the Committee
2. Penelope Lazaridou, Executive member of the BoD
3. Emmanouil Moustakas, Executive member of the BoD

Operating conditions

The Committee meets after presenting investment proposals at the invitation of its Chairman. The invitation shall specify the agenda, place, and time of the meeting. Meetings are held either in person or remotely through any technology that enables discussion or written exchange.

A quorum of 80% of the members of the Committee is required in order to take a decision in person, either at the meeting place or at another place using conference technologies. Decisions of the Committee shall be taken by unanimity of the members present or represented. The Committee appoints a secretary who keeps the minutes of the meetings or is assisted by the Corporate Secretary or another lawyer of the Company.

Responsibilities

- Ensuring that new investments are in line with the approved strategy of the Company or that they constitute new decisions approved by the Board of Directors. Specifically, in the BoD are promoted for approval all the decisions of the committee for investments over 10 million euros, as well as investment decisions of strategic importance which are not included in the approved strategy of the Company, regardless of the amount. For investments approved by the Committee of up to the amount of € 10 million and not characterised as of strategic importance, the Committee recommends their approval to the Chief Executive Officer, who makes the final decision.
- Evaluation of the return on realized investments.
- Monitoring the performance of the Company per business activity in terms of achieving goals.
- Examination of new investments and submission of a relevant proposal to the competent bodies of the Company / to the Board of Directors of the Company regarding:
  - the capital adequacy of the Company for the implementation of the investment,
  - the assessment of the business risks associated with the implementation of each investment proposal,
  - the documentation of its expediency and confirmation that the implementation is part of the approved strategy of the Company or leads to the development of new market segments
- Examines partnerships of subsidiaries aimed at establishing new companies or strategic joint ventures with third parties, mergers, and acquisitions of companies.

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation.

(Amounts in thousands Euro, unless otherwise stated)

Proceedings

During 2021, the Committee met three (3) times to form a committee to approve its Rules of Operation and to consider new major investments.

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Perdikaris Georgios (since 01.07.2021)	3	3	-	-	100%
Lazaridou Penelope	3	3	-	-	100%
Moustakas Emmanouil	3	3	-	-	100%
Vavaletskos Konstantinos (until 30.06.2021)	-	-	-	-	100%
Vrailas Emmanouil (until 30.06.2021)	-	-	-	-	100%

3.5. Regulatory Compliance Committee

The Regulatory Compliance Committee is established by the Board of Directors. Its main role is to support the Management in ensuring compliance with institutional and supervisory requirements at Group level.

Composition

The Board of Directors of the Company in its meeting from July 1, 2021, established the Committee of Regulatory Compliance & Corporate Governance with the following members:

1. Dimitrios Antonakos, Executive member of the BoD, Chairman
2. Aikaterini Delikoura, Independent non-executive member of the BoD
3. Dimitra Chatziarseniou, Director of Legal Service

Subsequently and after the inclusion of Mr. Skordas in the Board of Directors, the Committee in its meeting of 21 July 2021 was reconstituted into a body as follows:

1. Athanasios Skordas, Independent non-executive member of the BoD, Chairman of the Committee
2. Aikaterini Delikoura, Independent non-executive member of the BoD
3. Dimitrios Antonakos, Executive member of the BoD
4. Dimitra Chatziarseniou, Director of Legal Service

Operating conditions

Meets at least two times (2) per year and whenever is considered as necessary.

The committee shall meet when convened by its chairman, who shall determine the agenda, place, and time of the meeting. Meetings are held either in person or remotely through any technology that enables discussion or written exchange.

The Committee appoints a Secretary who keeps the minutes of the meetings or is assisted by the Corporate Secretary or another lawyer of the Company.

Responsibilities

- Ensuring the compliance of the Company and the Group with regulations and approved policies and procedures.
- Evaluation of the inspections by regulatory authorities and the significant findings from audits of the Regulatory Compliance Service, in order to deal with them optimally.
- Recording of complaints and concerns made by employees, suppliers, and customers on issues of the Code of Ethics and the applied management system. Checking the correctness of the complaints and investigating them to identify the causes.
- Defining grievance redressal actions and monitoring the implementation and effectiveness of actions.
- Protection against retaliation against employees, suppliers and customers who make complaints.
- Informing the Executive Administration about the incidents of complaints.
- Preparation of reports to the Senior Management on a systematic basis.
- Risk assessment for issues of Regulatory Compliance, Corruption and Bribery in existing and new activities of the Company.
- Evaluation of internal inspection results by the Head of Regulatory Compliance.
- Evaluate the effectiveness of the audits that have been established to control Corruption and Bribery.
- Providing clarifications on issues related to the Code of Ethics and Conduct.
- Participation in the updating of the Code of Ethics and Conduct and related policies.
- Participation in the training and monitoring of the staff training program on issues of Regulatory Compliance, Corruption and Bribery.
- Planning actions for raising awareness and informing staff on issues related to the Code of Ethics and Conduct.
- Suggestion of actions to the Senior Management that will improve the Company's performance in issues of Regulatory Compliance, Corruption and Bribery.

(Amounts in thousands Euro, unless otherwise stated)

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation.

The Committee submits an annual summary report of its work to the BoD.

Proceedings

During 2021 the Committee met three (3) times, for its formation and the approval of its Rules of Operations, for the examination of complaints and the planning of trainings, certifications, and inspections as well as the evaluation and any development of new systems.

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Skordas Athanasios (Not member of the Committee since 01.07.2021 until 21.07.2021)	2	2	-	-	100%
Delikoura Aikaterini (since 01.07.2021)	2	2	-	-	100%
Antonakos Dimitrios	3	3	-	-	100%
Chatziarseniou Dimitra	3	3	-	-	100%

The issues discussed by the Regulatory Compliance Committee are as follows:

- Presentation of an internal inspection program.
- Scheduling certification inspection of the Company.
- Scheduling trainings for the integration of a large number of new staff of the new Motorway Operation Business Unit from the end of May 2021, on issues of code of ethics and management system issues against Corruption and Bribery, as well as updating the procedures to include new activities of the Company.
- Approval of the Rules of Operation of the Committee
- Examination and decisions on issues of complaints from employees, customers, suppliers or other third parties, on issues of the Code of Ethics and Conduct.

3.6. Strategic Planning Committee

The Strategic Planning Committee is established by decision of the Board of Directors. Its primary role is, inter alia, to assist the Board of Directors and the Management, in the review of the competitive field, in the designing of the Strategic Planning, as well as the possibilities and the structure of the Company in this context, and to explore possible new areas of development.

Composition

The Board of Directors of the Company in its meeting from July 1, 2021, established the Committee of Regulatory Compliance & Corporate Governance with the following members:

1. Georgios Peristeris, Chairman and Chief Executive Officer, Chairman of the Committee
2. Dimitrios Afentoulis, Non-executive member of the BoD
3. Gagik Apkarian, Independent non-executive member of the BoD
4. Spyridon Kapralos, Independent non-executive member of the BoD
5. Apostolos Tamvakakis, Independent non-executive member of the BoD

Operating conditions

The Strategic Planning Committee meets whenever deemed necessary, at the invitation of its Chairman, with or without an agenda, for a process and exchange of views.

Meetings are held either in person or remotely through any technology that enables discussion or written exchange.

The Company's executives may participate in the meeting of the Committee, if, depending on the field of their duties, their participation is deemed necessary for the effective operation of the Committee. The role of these persons is to carry out studies, to suggest or provide clarifications on the issues discussed in the Committee and they do not have the right to vote in decision-making.

Responsibilities

- Evaluation / analysis on issues of strategic choices of the Company (eg strategic partnerships, share capital increases, acquisitions, mergers, formation of joint ventures, creation of special purpose companies) and relevant suggestions to the Board of Directors.
- Formulation of the Strategic Planning of the Company, which includes the strategy axes and a proposal to the Board of Directors of the Company for approval.
- Overview of the Company's business plans and investment plans which are prepared by the Heads of Business Activities and the General Directorate of Business Development, in terms of their alignment with the Strategic Planning of the Company before their submission to the Board of Directors for approval.

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation.

Proceedings

During 2021 the Committee met four (4) times with the participation of all its members. During the meetings, the performance of the Company, the general environment, and the markets in which it operates were reviewed. There was a wide exchange of views on the prospects of the above. The meetings of the Committee are considered particularly useful for the course and the medium-term goals of the Company.

3.7. ESG committee

The Sustainability Committee (Environment, Society and Governance– ESG, henceforth “Sustainability Committee” or “ESG Committee” or “Committee”) is established by the BoD in order to monitor the company's performance and suggest improvements in environment, society and corporate governance related issues which may affect the Group's ability to generate value in the long run. The Committee's work includes monitoring the integration of non-financial factors in business strategy and decision-making, with the aim of keeping the Company resilient and ready to manage changes in the environment in which it operates.

Composition

The Board of Directors of the Company in its meeting of July 1, 2021, established the ESG Committee with the following members:

1. Sofia Staikou, Independent non-executive member of the BoD, Chairman of the Committee.
2. Aikaterini Delikoura, Independent non-executive member of the BoD
3. Konstantinos Lamprou, Executive member of the BoD
4. Angelos Benopoulos, Executive member of the BoD

On 26.11.2021 after BoD decision on 27.10.2021 the Committee was reconstituted into body with the following composition:

1. Sofia Staikou, Independent non-executive member of the BoD, Chairman of the Committee.
2. Aikaterini Delikoura, Independent non-executive member of the BoD
3. Konstantinos Lamprou, Executive member of the BoD
4. Angelos Benopoulos, Executive member of the BoD
5. Penelope Lazaridou, Executive member of the BoD

Operating conditions

The Sustainability Committee meets whenever deemed necessary, with or without an agenda, for a process and exchange of views, at the invitation of its Chairman.

The invitation shall specify the agenda, place, and time of the meeting.

Any member of the Committee may request in writing its convening in order to discuss specific matters.

Meetings are held either in person or remotely through any technology that enables discussion or written exchange.

The Committee appoints a Secretary who keeps the minutes of the meetings or is assisted by the Corporate Secretary or another lawyer of the Company.

The minutes of the meetings of the Committee shall be signed by all the members present at the meeting.

Responsibilities

The ESG Committee examines the followings:

E : **Environmental criteria**, namely the way in which the company acts as a manager of the natural environment, showing practical respect for the Environment, biodiversity, tackling Climate change, CO_2 emissions, air / water pollution, energy efficiency, etc.

S : **Social criteria**, namely the management of relationships with employees, suppliers, customers, and the communities in which it operates. It monitors social issues, such as workers' health and safety, labour and human rights, animal rights, gender equality, diversity, GDPR compliance, etc.

G : **Corporate governance**, namely with the leadership of the company, the composition of the Board of Directors, the structure of the Audit Committee, the supervision of sustainable development by the BoD and the adoption of the Committee's recommendations, business ethics, the remuneration of the executives, the working relationships, variable remuneration, internal controls, transparency, corruption, and shareholder rights, etc.

The Committee indicatively monitors the following:

- The implementation of the Sustainable Development Policy in all the activities of the Company.
- The implementation of the Employee Health & Safety Policy.
- The health benefits provided to the employees.
- Ensuring a healthy and safe working environment.
- The training and development of human resources.
- The preservation of jobs.
- The defence of human rights.
- The response of the Group to emergencies from disorganizing events (natural disasters, pandemics, etc.) through institutionalized plans and instruments.
- Investments in technology and digital transformation projects.
- The implementation of environmental protection actions.
- Actions to reduce the environmental footprint, to rationalize energy management, to reduce greenhouse gas emissions.
- The implementation of programs and actions to meet the needs of local communities, in which the Company operates.
- The alignment of social actions with the social responsibility strategy.
- The observance of the legislation on Corporate Governance.

(Amounts in thousands Euro, unless otherwise stated)

- The observance of the Code of Ethics.
- The implementation of the Greek Code of Corporate Governance.

The ESG Committee may designate working groups as follows:

1. Economic Development and Corporate Governance.
2. Health & Occupational Safety.
3. Environment.
4. Social Responsibility.

Evaluation method

The Committee evaluates its work annually. In the context of the annual evaluation of the Board of Directors, the members of the Committee answered a questionnaire concerning the said Committee with sections of questions on a) the composition of the committee, b) its role and responsibilities and c) its organization and operation.

The Committee submits an annual summary report of its work to the BoD

Proceedings

During 2021 the Committee met two (2) times.

NAME	NUMBER OF MEETINGS DURING THE TERM OF EACH MEMBER	NUMBER OF MEETINGS	NUMBER OF MEETINGS PARTICIPATED	NUMBER OF MEETINGS REPRESENTED	NUMBER OF MEETINGS ABSENT & NOT REPRESENTED	PARTICIPATION PERCENTAGE IN THE MEETINGS
Staikou Sofia (since 01.07.2021)	2	2	2	-	-	100%
Delikoura Aikaterini (since 01.07.2021)	2	2	2	-	-	100%
Lamprou Konstantinos (since 01.07.2021)	2	2	2	-	-	100%
Benopoulos Angelos (since 01.07.2021)	2	2	2	-	-	100%
Lazaridou Pinelopi (since 26.11.2021)	1	1	1	-	-	100%

The main topics of the meetings in 2021 were:

on July 7, 2021,

1. Election of Chairman and formation of the newly elected ESG Committee in a body.
2. Approval of the Committee’s Rules of Operation.

And on 26 November 2021,

1. Reconstruction of the ESG Committee in a body after the election of P. Lazaridou as a Member
2. Presentation of the GEK TERNA Bond Framework linked to a sustainability clause
3. Information of the Committee on the ESG issues of the Company as well as setting of priorities of the Committee until 31.12.2021.

4. Detailed CVs of the members of the Board of Directors, members of the BoD committees, Secretary of the Board of Directors, and senior executives

Georgios Peristeris

In 1980 he received a degree in Civil Engineering from the NTUA. His activity with TERNA SA started in 1981. From 1982-1984 he was the Director of Construction of important Hydraulic and Railway projects. Since 1984 he has assumed the duties of Chairman and CEO of TERNA SA. Since 1997 it has been developing intense business activity in the field of Renewable Energy Sources (RES). In fact, in the same year he founded TERNA ENERGY SA where he was Chairman and from 2000 until today, he is Chairman of the Hellenic Association of Electricity Producers from R.E.G. (H.A.E.P.R.E.G). The Association is a founding member and is represented on the Board of Directors of the respective European Renewable Energies Federation (EREF).

Apostolos Tamvakakis

He is a graduate of the Athens University of Economics and Business, with postgraduate degrees in Econometrics and Economics Mathematics in Canada. He is the founder, Chairman & CEO of EOS Capital Partners, managing company of EOS Hellenic Renaissance Fund, the largest Greek private equity fund. He has been the Chief Executive Officer of the National Bank of Greece, Independent Non-Executive Vice Chairman of the Board of Directors of Piraeus Bank, Chairman and CEO of LAMDA DEVELOPMENT, Head of Strategy and Business Development of Latsis Group in Geneva, Deputy Governor of the National Real Estate Bank, and the National Bank of Greece. He has also worked at Mobil Oil Hellas, the Investment Bank and ABN-AMRO Bank as Deputy General Manager. He has been a member of many boards and committees.

He is Vice Chairman of PLASIO COMPUTERS BoD, member of the BoD of QUEST Holdings, member of the BoD of EUROSEAS LTD, member of the BoD of EURODRY LTD, member of the BoD of MINERVA SA, member of the BoD of EUROCATERING SA, member of the BoD of ERGO Insurance, Chairman of the Settlement and Liquidation Committee of PQH Unified Special Clearing SA and member of the Marketing Committee of the Hellenic Olympic Committee.

Michael Gourzis

In 1964 he graduated from the Athens School of Engineering. He worked as a freelancer - Contractor of Public Works from 1969 to 1976. He holds a degree in MEK D class and since 1977 he has been managing projects of TERNA SA.

Penelope Lazaridou

She is a graduate of the Athens University of Economics and Business (Department of Business Administration) and holds a M.Sc. in Finance from the University of Strathclyde (UK).

She has more than 25 years of experience in the banking sector, holding for more than 10 years the position of General Manager in the fields of Corporate and Investment Banking. At the same time - and within the framework of the above responsibilities - has served (i) Chairman of the BoD in subsidiaries and (ii) as an Executive Member of Supreme Bank Committees. Through the above roles she has made a dynamic contribution to the rapid development of the country's infrastructure and renewable energy sources.

In 2017 she joined the GEK TERNA Group, assuming the position of General Manager of Financial Services with the main object (i) the determination of the financial strategy and (ii) the management of financial risks.

In December 2019, she was appointed Executive Member of the Board of Directors of GEK TERNA and since July 2021, she has been an Executive Member and Managing Director of GEK TERNA. She participates in the Boards of Directors of subsidiaries of the GEK TERNA Group.

She actively participates in the promotion of issues related to diversity and inclusion both within the group with her participation in the ESG committee of the BoD of GEKTERNA SA, as well as outside the group through her participation in international fora (member of WOMEN ON BOARD (WOB) Harvard Business School and member of ICC Women Hellas -International Chamber of Commerce)

Benopoulos Angelos

He has been active in the fields of construction, Real Estate, RES, and business parks. He has experience in the business management and corporate affairs management. He started his career at ARCHIRODON with studies at NTUA. In 1995 he was the founder of the DOMIKI ANAPTYXI Group (DOMIKI ANAPTYXI SA, ILIOCHORA SA, DIKEVE SA, ERGODYNAMIKI SA), companies which merged with the GEK and TERNA Group in 2002. As a result of the merger, he has since been a member of the Group's top management. He was a member of the Board of Directors and Managing Director at TERNA. He has served at GEK TERNA Group as Executive Vice Chairman, corporate secretary, member of the Nominations and Remuneration Committee and today he has been appointed as Managing Director. He has the supervision of issues regarding organizational structure, corporate governance, human resources, IT and technology, personal data, digital transformation.

Since 2018 he is Vice Chairman of the Hellenic Association of Business Parks. He is a Member of the General Council of HFE and participates in boards and committees of HFE with works on spatial planning, networks - infrastructure, business parks, supply chain, project / investment licensing, corporate governance. For a decade, he was a member of the BoD of the Center for European Constitutional Law. He has been honoured with distinctions by the Ministry of Education, the Ministry of National Defence, and the Municipality of Athens.

Antonakos Dimitrios

He graduated from the Varvakeio School and holds a degree in Landscape Engineering from the Polytechnic School of the Aristotle University of Thessaloniki and a Civil Engineer from the National Technical University of Athens.

His professional activity started from GEK SA in 1979 of which he was a member of the BoD since 1981, from 2000 to 2019 he was a member of the BoD of TERNA SA (Chairman of the BoD between 2011-2016), while from 2005 he was in charge of the Group's activities in the MENA area. From 2011 to 2015 he was Executive Vice Chairman of the BoD, while from 2015 until today Executive Member of the BoD of GEK TERNA.

From 2017 until today he is Head of Regulatory Compliance, while from 2019 he has taken over the position of Risk Manager of the GEK TERNA Group. At the same time, he has been a director and / or a member of the BoD of subsidiaries and affiliates of the GEK TERNA Group in Greece and abroad.

Lamprou Konstantinos

He holds a master's degree in Business Administration (Ms in Business Administration), and has also studied Journalism and Mass Media, as well as Communication, Public Relations and Management. He has been working for GEK TERNA Group since 2008 as Director of Strategic Communication, CSR and Sustainable Development of the Group and its subsidiaries TERNA and TERNA ENERGY. At the same time, he is a communication consultant to subsidiaries and companies affiliated with the Group (eg HIRON, Nea Odos, Kentriki Odos). He has also been the Executive Director of the GEK TERNA Group in Bulgaria (2009 - 2018) and a member of the BoD of its subsidiaries. In the period 2012 - 2014 he held the position of Vice Chairman of the Hellenic Business Council of Bulgaria.

In the past he had worked as a communication consultant with the Greek Government, while for many years he worked as a journalist and executive in various media.

Moustakas Emmanouil

He graduated from the School of Civil Engineering of NTUA in 1998. He worked as a freelancer in the design, supervision, and construction of private projects until 2003, when he began his collaboration with the Group (TERNA SA), initially as a construction engineer in continuity in project management positions. Since 2005 he is active mainly in the fields of energy and concessions. He is a member of the BoD of affiliated companies of the GEK TERNA Group.

Perdikaris Georgios

He is a senior executive of the GEK TERNA Group and a member of the Board of Directors of the Group since 2016. He was the Chairman of TERNA ENERGY from 1999 to 2012 and from 2012 to 2021 the Executive Vice Chairman. In addition, he has served as Managing Director of TERNA SA (2017-2019), General Technical Director (2013 - 2019) as well as a member of the Board of Directors of the company from 2010 to 2019.

He has a degree in Electrical Engineering from the Polytechnic School of AUTh. He started his professional career as a construction engineer at ETKA SA (now TERNA ENERGY SA) while he has directed as Site Manager and as Project Manager large and complex building projects as well as large infrastructure projects.

Afentoulis Dimitrios

He joined the Latsis Group in 1993. From November 2005 until today he is a member of the Executive Board of the Ioannis S. Latsis Public Benefit Foundation, in which he served as Secretary until March 2019. From February 2012 to November 2016, he was a member of the Board of Directors of the National Bank of Greece and chaired the Committee on Corporate Governance and Nominations of the Bank, while he was a member of the Audit, Strategy and Human Resources and Remuneration

Committees. From the beginning of 2018 until July 2020, he was a non-executive member of the Board of Directors of Lamda Development as well as a member of the Audit Committee of the company. In July 2021 he was elected a non-executive member of the Board of Directors of GEK TERNA as well as a member of the Audit Committee of the company. Also, since 2020 he is a non-executive member of the Board of Directors of VIVA Bank. He participates, with various qualities, in Boards of Directors of companies and institutions in Greece and abroad. He holds the position of CEO of LATSCO Family Office, interests of the family of Mrs. Marianna I. Latsi. He studied Business Administration and Accounting at the Athens University of Economics and Business and holds a Master's degree in Business Administration (MBA) from the Athens University of Economics and Business.

Apkarian Gagik

He has more than 20 years of experience in private investment, investment banking and business consulting in the US, Europe, Australia, and the Middle East. He is a judge on Harvard University's "Challenge of Innovation" and a visiting speaker at business schools and international conferences on businesses in transition and direct investment.

He is the founder and CEO of Tetrad Capital Partners, a consulting firm for investments and specialized participations based in London based with international activity. The company currently focuses on telecommunications, media, technology, studies and procurement, oil and gas, alternative energy, credit institutions and general industries. Prior to Tetrad Capital, he was a co-founder and General Partner at Vulkan Capital - the investment office of Paul Allen (Microsoft co-founder). He built the team and established the processes to develop & implement a dual mandate: to restructure a diverse over US $ 10 billion portfolio of legacy public, private equity, and venture investments, and pursuing a range of investments in private equity, public securities, and infrastructure.

Prior to Balkan Capital, he was an investment banker with Morgan Stanley in London. During his career in New York and London he executed over US $ 100 billion Acquisitions and Mergers, restructuring and financing transactions. He previously worked at McKinsey in New York and Australia with an emphasis on strategy, turnarounds and operational consolidation following mergers in various segments of activity.

He holds degrees in mathematics, physics, and in electrical engineering with honours and a master's degree in Business Administration from Harvard Business School.

Delikoura Aikaterini

C-level Banking Officer for Risk Management and Regulatory Compliance, with more than 20 years of experience in the markets of Central and South-eastern Europe, the United Kingdom, the United States, Turkey and Egypt. She is the General Director in the Bank of Europe Council, which specializes in financing major government projects. She is a Member of the Committees: Executive, Risk Management, Major Project Lending and ESG criteria. She is the Central Investigator of Financial Crime, Fraud, Corruption, Business Ethics and Chairman of the Committee for Personal Data Protection.

She has served as Head of Group International Risk, in the EFG EUROBANK Group, in the External Network of Central and Eastern Europe, United Kingdom and Luxembourg, Representative of EFG in the EBCI Vienna Initiative, Member of the Board of EUROBANK TEKFEN AS Group, General Secretary of the EFG Group Risk Committees and Chairman of Risk Committees of Banks' subsidiaries of Bulgaria, Serbia, Cyprus and Turkey.

She has been the Head of Group International Risk in the PIRAEUS BANK Group, in the Foreign Network, a member of the Acquisitions and Mergers team and a member of the Board of Directors of TIRANA LEASING SA. She has worked at ALPHA BANK, as Senior Risk Officer at ABN AMRO BANK at the Corporate Risk Department.

She holds an MBA from the ALBA Graduate Business School and a Law Degree from the National and Kapodistrian University of Athens. She is also a Certified Financial Investigator and Certified Data Protection Officer. In 2019 she received the international award "Woman Chief Compliance Officer 2019, IFIs and Private Sector". She speaks English, French, Spanish and Italian.

Kapralos Spyridon

He studied Economics at the University of Athens and received a Master of Business Administration (MBA) from INSEAD University in France. He speaks fluent English, French and Italian. He is the Chairman of the Star Bulk Carriers Shipping Company and the Chairman of the BoD of Euroclinic.

He has been the Chairman of the Athens Stock Exchange and the Managing Director of the companies of the HELEX Group, the Chairman of the European Stock Exchanges Association, the Deputy Governor of the National Bank, the Vice chairman of the Bankers Trust Company, the President of ETEVA, the Astir Insurance Company, CEO of OceanBulk Containers, EPIRUS SA, and Bank of Athens.

As an athlete he participated with the National Water Polo Team in the Olympic Games in Moscow in 1980 and Los Angeles in 1984, while he was Greek and Balkan champion in swimming from 1969 to 1975.

In 2021 he was elected Chairman of the European Olympic Committees and in 2019 a member of the International Olympic Committee. He has been the Chairman of the Hellenic Olympic Committee since 2009.

He was the Chairman of the Steering Committee for the European Games in Baku (2015) and Minsk (2019), he participated in the Plenary Session of the Hellenic Olympic Committee (1992-1996) and was the Head of the Greek Mission to the Atlanta Olympic Games. In addition, he was a Member of the Board and Managing Director of the Organizing Committee of the Olympic Games "Athens 2004", while he also held the position of Deputy Chief of Business Administration of the Games. In March 2004, he was appointed General Secretary of the Olympic Games of the Ministry of Culture by decision of the Prime Minister, and he was appointed City Manager during the Olympic Games.

Skordas Athanasios

Graduate of the Athens University of Economics and Business specializing in International Economic Relations. He was active in the field of private insurance and in the financial sector. General Manager of the Hellenic Association of Ship-owners, Tugboats, Lifeguards, Anti-Pollutants and Offshore Ships and an independent non-executive member of the Board of Directors "SELECT TEXTILE SA".

From 2015 to December 2019, he was Chairman and CEO of the ASE listed company, SELONTA SA, in which he successfully contributed to the achievement of the company's consolidation goals, the absorption of third companies as well as to the completion of its sales processes by the systemic banks to the Amerra Capital Management (US) - Mubadala Private Equity (UAE) consortium.

For two years he has been Deputy Minister of Development, Competitiveness, Infrastructure, Transport and Networks with responsibility for Trade and Industry, General Secretary of the Ministries of Development, Economy, and Finance with responsibility for tax and customs issues, while he also served as General Secretary of region of Central Greece.

He has been a lecturer at seminars at the Hellenic Institute of Insurance Studies, as well as at the Institute of Financial Studies.

He has been distinguished for his social action and Corporate Social Responsibility actions by actively participating in the Boards of Directors of recognized associations, while, among other things, he has been honoured in 2019 with the gold award "Health & Safety Awards" and the award "Top Industrial Export Company".

Staikou Sofia

She studied Political Science at Panteion University and Industrial Psychology at the University of Sussex in England.

She worked at Citibank, the Bank of Greece, the Minister of Finance in the Government of National Unity (1974) and then in the office of the then Prime Minister Konstantinos Karamanlis.

From 1981 she worked at the IONIAN BANK, at the Marketing and Public Relations Department, at the Press Office of the Ministry of Environment, Spatial Planning and Public Works and at the Solid Advertising Company.

From 1992 to 2000 she took over the Personnel, Promotion and Communication Department of Piraeus Bank as General Manager and from 2002 until 2018 she was the Chairman of the Piraeus Group Cultural Foundation and the Bank's Corporate Responsibility Manager, implementing pioneering actions with intense social imprint which later became the basis for meeting the ESG criteria.

Since 2019 she is Vice Chairman of the Board of Directors of LYKTOS HOLDING and deals with the business activities of the Group simultaneously with her placement in 2020 as Chairman of the company SEMELI WINERY. Since 2021 she holds the position of Chairman and CEO of the same company.

Tagmatarchis Aggelos, Member of the Audit Committee

He is a graduate of the Athens University of Economics and Business - Department of Business Administration with training in Taxation and Auditing. From 1971 to 1991 he worked as Financial Director in Multinational Commercial and Industrial Companies while in the interval, during the four years 1973 - 1977, as Auditor - Accountant in the auditing company ARTHUR ANDERSEN. Then from 1992 to 2004 he worked in the construction sector as Financial Director and Internal Auditor of the ATHENS METRO project (AEGEK 1992 - 1996) and the J/V RIO ANTIRRIO BRIDGE (J&P 1997 - 2004). In 2005 he partnered with HSBC Bank as a Construction Lending Consultant and to this day continues to offer his services as a Banking Consultant for Technical Companies’ financing. He is a member of the Audit Committee of GEK TERNA.

Zarimpas Christos

He is a graduate of the Higher School of Economics & Commerce, now the Athens University of Economics and Business (AUEB), with many years of professional experience in various companies. He has served as Chief Financial Officer in large technical construction Joint Ventures (1980 - 2000) and from 2002 to 2005 he was Chief Financial Officer of the listed company ATHENS S.A.

Since 2006 he has joined the financial services of the GEK TERNA Group and from 2008 until today, he holds the position of Chief Financial Officer of the GEK TERNA Group, with main responsibilities in compliance with tax and commercial legislation and any other related to the company's activities, as well as and the preparation of individual and consolidated financial reports of budgets and accounts, audited by external auditors.

In addition, he represents GEK TERNA against any natural or legal person of Private or Public Law, the Greek State, the Banks as well as in general against any person and any Authority, domestic or foreign, in all its activity, with the joint signature of another authorized member of the BoD.

Within the framework of his duties, he is a Member of the Boards of Directors of the Group's subsidiaries: NEA ODOS SA, CENTRAL GREECE MOTORWAY SA, ILIOCHORA SA and GEK TERNA FTHIOTIDA SPE.

Chatziarseniou Dimitra

She is a lawyer, member of the Athens Bar Association, since 1998. She has been appointed Corporate Secretary of GEK TERNA SA and TERNA ENERGY SA and holds the position of Head of the Legal Department of TERNA ENERGY SA. She joined the broader GEK TERNA Group in 2000. During her career she has organized the legal department of the Group and today leads a team of three selected lawyers. She has successfully handled large real estate transactions, mergers and acquisitions, IPOs, PPP projects and EPC contracts and she has gained extensive experience in project development and financing of RES projects in Greece, South-eastern Europe and the USA. She is a graduate of the Law School of Athens and holds a master's degree in Commercial Law from the same school. Fluent in Greek, English and French.

Aligizakis Alexandros, Competition and Quality Assurance Manager

He has a degree in Architect Engineering from Ecole Speciale D' Architecture in Paris, France. He speaks English and French. He actually started his professional career in 1983 in Libya with the company EDOK ETER SA and then with ETEP SA. In Libya he was responsible for the construction of important infrastructure projects and then he was a senior executive of the latter until his departure from Libya in 1992. From 1992 to 1996 he worked in the company PARNON SA as responsible for the construction of buildings and infrastructure projects.

He has been working for the GEK TERNA Group since 1996. He is a member of Group subsidiaries' BoD.

Nika Aggeliki, Head of GEK TERNA Internal Control Unit

She is a graduate of the Athens University of Economics and Business (AUEB) - Department of Accounting and Finance, holds a degree in Auditing and Accounting from the Training Institute of the Body of Certified Public Accountants (2007-2011). She is a Certified Public Accountant. From 2006 to 2014 she worked as an external auditor at Ernst Young Greece with the subject of regular audit of financial statements, audit for obtaining a tax certificate and participation in audits for the issuance of bond loans. In 2014 she joined the GEK TERNA group.

5. External professional commitments of the BoD members

NAME	EXTERNAL PROFESSIONAL COMMITMENTS
PERISTERIS GEORGIOS	• Chairman TERNA ENERGY SA
TAMVAKAKIS APOSTOLOS	• BoD Member QUEST HOLDINGS • Chairman & Chief Executive Officer EOS CAPITAL PARTNERS ALTERNATIVE INVESTMENT MANAGEMENT SOCIETE ANONYME • Vice-Chairman of BOD PLAISIO COMPUTERS SOCIETE ANONYME • BoD Member EUROSEAS LTD • BoD Member EURODRY LTD • BoD Member EOS HELLENIC RENAISSANCE FUND GP, Sarl • BoD Member ERGO INSURANCE SINGLE MEMBER SOCIETE ANONYME • BoD Member MINERVA SOCIETE ANONYME OIL & FOOD COMPANY • BoD Member EUROCATERING SOCIETE ANONYME • Chairman of the Settlement and Liquidation Committee of PQH Unified Liquidation SOCIETE ANONYME • Member of HELLENIC AMERICAN UNIVERSITY • Member of the Hellenic Olympic Marketing Committee
GOURZIS MICHAEL	• In companies of GEK TERNA Group - BoD Member TERNA ENERGY SOCIETE ANONYME - Chairman TERNA SOCIETE ANONYME - Vice-Chairman TERNA MAG SOCIETE ANONYME - STROTIRES SOCIETE ANONYME • BoD Member HERAKLION INTERNATIONAL AIRPORT SOCIETE ANONYME
LAZARIDOU PENELOPE	• In companies of GEK TERNA Group - BoD Member NEA ODOS SOCIETE ANONYME CONCESSION - BoD Member CENTRAL GREECE MOTORWAY SOCIETE ANONYME CONCESSION - Vice Chairman & Chief Executive Officer GEK TERNA MOTORWAYS SINGLE MEMBER SOCIETE ANONYME - Vice Chairman & Chief Executive Officer GEK TERNA KASTELI SINGLE MEMBER SOCIETE ANONYME - Chairman KOMOTINI THERMOELECTRIC SINGLE MEMBER SOCIETE ANONYME - Chairman GEK TERNA CONCESSIONS SINGLE MEMBER SOCIETE ANONYME • BoD Member THISEAS CENTER FOR RECOVERY AND REHABILITATION SOCIETE ANONYME
BENOPOULOS ANGELOS	• In companies of GEK TERNA Group - Chairman VIPATHE SOCIETE ANONYME

	- Vice Chairman DEPPATHE SOCIETE ANONYME - Chairman CAR STATION PLATANOS KIFISSIA SQUARE SOCIETE ANONYME • Vice Chairman Hellenic Association of Business Parks (HABP) • Member of the General Council of Hellenic Federation of Enterprises
ANTONAKOS DIMITRIOS	• In companies of GEK TERNA Group - BoD Member TERNA SOCIETE ANONYME - BoD Member TERNA OVERSEAS LTD - Chairman HIRON SOCIETE ANONYME CONCESSION - Chairman CAR STATION CORFU SAROKOU SQUARE SOCIETE ANONYME • Vice Chairman KEKROPS SOCIETE ANONYME • BoD Member MACEM CONSTRUCTION MATERIALS LTD
LAMPROU KONSTANTINOS	-
MOUSTAKAS EMMANOUIL	• In companies of GEK TERNA Group - Vice Chairman NEA ODOS SOCIETE ANONYME CONCESSION - Vice Chairman CENTRAL GREECE MOTORWAY SOCIETE ANONYME CONCESSION - Chairman GEK TERNA MOTORWAYS SINGLE MEMBER SOCIETE ANONYME - Chairman GEK TERNA KASTELI SINGLE MEMBER SOCIETE ANONYME - BoD Member OLYMPIA ODOS SOCIETE ANONYME CONCESSION - BoD Member OLYMPIA ODOS SOCIETE ANONYME OPERATION - Chairman GEK TERNA MOTORWAYS SINGLE MEMBER SOCIETE ANONYME - Chairman GEK TERNA KASTELI SINGLE MEMBER SOCIETE ANONYME - Vice Chairman & Chief Executive Officer GEK TERNA MOTORWAYS SINGLE MEMBER SOCIETE ANONYME - BoD Member HERON ENERGY SOCIETE ANONYME - BoD Member GEK TERNA HOLDING REAL ESTATE SOCIETE ANONYME - BoD Member TERNA MAG SOCIETE ANONYME - Vice Chairman & Chief Executive Officer MANTOUDI BUSINESS PARK SINGLE MEMBER SOCIETE ANONYME • BoD Member HERAKLION INTERNATIONAL AIRPORT CRETE SOCIETE ANONYME • Chairman Green Ocean Solutions AG • BoD Member Civil Non-Profit Company "Greek Infrastructure and Roads with Tolls"
PERDIKARIS GEORGIOS	• BoD Member AIOLIKI ROKANI DERVENOCHORION GP
AFENTOULIS DIMITRIOS	• In companies of Latsis Group - Chief Executive Officer LATSCO Family Office Services Greece SINGLE MEMBER SOCIETE ANONYME - BoD Member LATSCO DIRECT INVESTMENTS S.À R.L. - Member of the Executive Board IOANNIS S. LATSIS FOUNDATION • Chief Executive Officer PALLAS ATHINA SINGLE MEMBER SOCIETE ANONYME

	• Chairman BoD 3L DOTS REAL ESTATE SOCIETE ANONYME • BoD Member VIVABANK SINGLE PERSON BANKING COMPANY • Chairman BoD FANOS AGRICULTURAL PARK SOCIETE ANONYME • BoD Member THISEAS CENTER FOR RECOVERY AND REHABILITATION SOCIETE ANONYME • Chairman BoD KALLISTI VOULIAGMENI A.M.K.E. • Vice Chairman MATILDA FOUNDATION • BoD Member INSTITUTE OF SUPPORT OF THE ECUMENICAL PATRIARCHATE
APKARIAN GAGIK	• Chief Executive Officer TETRAD CAPITAL PARTNERS Ltd • BoD Member TETRAD CAPITAL PARTNERS Ltd (Cayman)
DELIKOURA AIKATERINI	-
KAPRALOS SPIRIDON	• Chairman STAR BULK CARRIERS • Chairman ATHENS EUROCLINIC • Chairman Hellenic Olympic Committee • Chairman European Olympic Committees
SKORDAS ATHANASIOS	• General Manager of the Hellenic Association of Ship owners, Tugboats, Anti-Pollutants and Offshore Ships • BoD Member "EPILEKTOS TEXTILES SOCIETE ANONYME "
STAIKOU SOFIA	• Vice Chairman BoD LYKTOS HOLDING • Chairman and Chief Executive Officer SEMELI WINERY

6. Internal Control System (internal control, risk management, regulatory compliance)

As Internal Control System (ICS) is defined the set of rules and procedures applied by the Company with the aim of preventive and repressive control of operations and procedures at all levels of the hierarchy and organizational structure of the Group, to ensure: legality and security of management and transactions, the accuracy and reliability of the published financial statements and of any other financial information and announcement, as well as the efficiency of the operating systems and operations of the Company.

The BoD utilizes the ICS in order to protect the assets of the Company, to assess the emerging risks from all its operations and to provide accurate and complete information to shareholders about the actual situation and prospects of the Company, as well as the ways to deal with diagnosed risks.

For the implementation of the above, the BoD determines the operating framework of the internal control, approves the procedures for conducting and evaluating its results and decides on its staffing, observing the requirements of the current legal and institutional framework as well as of the Greek Code of Corporate Governance. Establishes a special service Unit of Internal Control, which is independent, does not belong hierarchically to any other organizational unit and is supervised by the Audit Committee of the Company, ensuring its independence and efficient operation and having adequate financial and human resources.

With the contribution of the Audit Committee, it evaluates the adequacy and efficiency of the internal control unit and the degree of utilization of its reports by the BoD for the continuous improvement of the Company's operation at all levels and the effective management of business risks.

The **Internal Control Unit** carries out audits in all the activities of the Group, in all geographical areas except the activities of the listed subsidiary. The work of the Internal Control Unit includes:

- Internal Audits of Head Office Departments,
- Internal Audits of projects (in the audits of projects are also controlled procedures of other directorates such as procurement, recruitment of personnel, mechanical equipment, regulatory compliance, etc.),
- Accounting audits (correctness, completeness, existence of accounting entries), execution of accounts reconciliation, etc.
- Compliance control of company’s procedures,
- Internal Audits of GEK TERNA Group’s subsidiaries,
- Audits in the procedures of Financial Statements’ preparation,
- Corporate governance audits,
- Information systems,
- Consultancy

The results of the audits are regularly presented to the Audit Committee and the Board of Directors is also informed, while relative quarterly and annual reports are sent.

Budgets / Reports/ Transactions / Preparation of Financial Statements

The company uses budgets and reports as an important internal control tool. More specifically, budgets are prepared, monitored, and updated per company / sector / activity / project and at Group Level. Budgets and reports are a key tool of the Management for decision making both on a case-by-case basis and strategic decisions.

The safeguards used in all the Group's activities include both precautionary and repressive measures to ensure the legality / correctness of transactions, the correctness of accounting entries, the protection of assets taking into account the basic principles of an internal control system such as segregation of duties, the control of tasks by at least two people (four eye principle).

More specifically:

For the implementation of transactions, signing of contracts, taking other decisions, there are relevant authorizations, procedures, bodies on the basis of which the above actions are implemented.

For the preparation of budgets and reports there are relevant procedures or departments per company where they contribute to the implementation of the work.

For the accounting entry of transactions and other entries in the accounting books there are relevant procedures that are followed proactively.

Other audits by the financial management are carried out repressively, such as audits in accounts, periodic accounts' reconciliation, and periodic reviews of the accounts balance's correctness (customers, suppliers, banks, taxes, payroll, etc.).

Finally, there are specific procedures for closing financial statements as described below.

The levels of control and risk management in the process of preparation of the individual and consolidated Financial Statements are recorded in the process of preparation of financial (and non) statements of the Group, in the Calendar of Obligations of the Group's Financial Services and in other procedures.

Initially, the Financial Management of the Group communicates to the Group companies the instructions and the deadlines for the preparation of the financial statements.

Specifically, for the individual financial statements of the parent company, the income statement and balance sheet (ledgers) are recorded in the information system and the Financial Statements (verbal) are prepared by the competent accountant. Then the recorded financial results are checked, and the accounts of the income statement and balance sheet are reviewed by the financial management and if deviations are found, the cause of the deviations is investigated, the adjustment of the entry is approved, and the financial statements are checked by the Chief Financial Officer.

Then the data is collected from all the subsidiaries and affiliates that are consolidated in the Group. The certificates of the subsidiaries'-chartered accountants are received and the receipt of the answers to the chartered companies of the Parent Company is monitored. Consolidation entries are performed. The correctness of the consolidated financial statements is checked. Then the audits and the works are performed by the certified public accountants of the Group.

The Audit Committee supervises the process of preparing the financial statements and other reports of the Company's financial information and examines their credibility. It holds regular meetings with the Chief Financial Officer and the chartered accountants. After examining and confirming the correctness of the process of the corporate and consolidated financial statements' preparation (interim and annual) and then informed by the Chief Financial Officer, it suggests to the Board of Directors their approval and their signing and publication.

The **Risk Management Unit** (RMU) aims at the timely recognition of the most important risks faced by the Company in the context of its strategic objectives, but also the existence of a structured framework for measuring, managing, monitoring and controlling risks in order to minimize the possibility of adverse events and their effects as well as ensuring that the risks undertaken by the Company's units are in line with the risk-taking disposition and the tolerance limits set and formulated by the senior management.

The basic risk categories recognized are the following:

- Strategic Risks
- Operational Risks into which are included risks that are related to regulatory compliance
- Financial Risks into which are included risks such as Foreign exchange risk, interest rate risk, liquidity risk, credit risk and others
- Hazard Risks

- Other risks that arise during the year for example Covid-19 pandemic

The Risk Manager in collaboration with the CEO and the Managers recognizes the risks for each of the above categories and evaluates them based on the Severity and Likelihood of occurrence. This assessment is made according to predetermined criteria resulting from the degree of risk appetite determined on the basis of historical data, trends, benchmarks, approved objectives, limits dictated by the institutional and supervisory framework and in collaboration with all involved. In case a risk exceeds the risk limit then additional measures are taken and the Management is informed.

The Risk Manager is responsible for monitoring the proper implementation of precautionary measures and systematically confirms them. In addition, the effectiveness of the checkpoints is confirmed by the Internal Control Unit.

In the period 2021, the Rules of Operation of the RMU was approved and individual relevant policies and procedures were updated for their harmonization with Law 4706/20. In addition, a Chief Information Security Officer (CISO) was appointed, who has the responsibility of ensuring the integrity of information systems, educating employees, and raising awareness on cyber security issues, as well as regularly informing the Board of Directors. Administratively, the Chief Information Security Officer reports to the General Manager of Administrative Services and Managing Director of the BoD.

The **Regulatory Compliance Unit** (RCU) ensures the compliance of the Company with the current institutional and regulatory framework, which governs its business activities and operation. RCU protects the integrity and reputation of the Company through the creation and implementation of a complete compliance program.

The RCU provides guidance and support services to the Group companies to ensure their adequate and effective compliance with the current institutional and supervisory framework and internal policies of the Company, with the exception of companies that are listed on the stock exchange and have independent RCU, for which is informed by their Management or the Regulatory Compliance Officer of the respective listed company.

The basic axes of the RCU are the following:

- Business ethics
- Transparency of work
- Integrity of operations
- Safeguarding the interests of shareholders
- Customer / consumer protection
- Social integrity / sensitivity

The Company has a certified compliance management system (ISO 19600:2014).

In the period 2021, the rules of operation of the RCU was approved and individual relevant policies and procedures were updated for their harmonization with Law 4706/2020.

6.1. Evaluation of corporate strategy, main business risks and Internal Control System

The annual review of the corporate strategy is conducted with reference to the updating of business risks and the review of internal control systems.

In the period 2021 the Audit Committee monitored:

(a) the functions of Internal Control, Risk Management and Regulatory Compliance to ensure the accuracy of their operation and independence.

(b) the adequacy and efficiency of the Internal Control System and submitted relevant recommendations to the Board of Directors for its further improvement and enhancement, taking into account the content of the audit reports of the Internal Control Unit.

(c) the Risk Management process and made recommendations to the Board of Directors regarding the identification, assessment, and management of the risks, taking into account the Risk Management reports.

(d) the process of reassessing the Group's risks due to the effects of the Covid-19 pandemic and submitted relevant recommendations to the Management and the Board of Directors, taking into account the reports of the Risk Management Unit regarding the operation and strategy of the Group and of the Internal Control Unit regarding the control mechanisms and the Internal Control System.

(e) the compliance procedures of the Company and the Group with the legislative and regulatory provisions governing its organization, operation and activities and submitted recommendations to the Board of Directors regarding the review of the Company's internal regulatory framework, taking into account the reports of the Regulatory Compliance Unit .

During 2021, the company carried out a project of compliance with the requirements of Law 4706/2020 establishing a relevant committee.

In addition, a self-evaluation of the Board of Directors has been carried out and the evaluation (by an external consultant) of the Audit Committee and Internal Control Unit has been decided and already started . The Internal Control Unit will receive a report on its compliance with International Standards on Internal Audit.

According to article 14 par.3j of Law 4706/2020 and No 1/891/30.09.2020 decision of the Board of Directors of the Hellenic Capital Market Commission, as amended by No MC 2/917 / 17.06.2021 decision of the Board of Directors of the Hellenic Capital Market Commission, the first evaluation of the Internal Control System must be completed by 31.03.2023 with a reference date of 31.12.2022 and a reference period from the entry into force of article 14 of Law 4706/2020 (17.07.2021).

6.2. Provision of non-audit services to the Company by its statutory auditors and assessment of the impact that this fact may have on the objectivity and effectiveness of the statutory audit, taking into account the provisions of Law 4449/2017

The legal auditors of the Company for the corporate year 2021, "Grant Thornton" (RN SOEL 127), have been elected by the Ordinary General Assembly of the Company's Shareholders on 01.07.2021.

The Audit Committee maintains direct and regular contact with the external auditors, in order to be systematically informed about the adequacy and reliability of the operation of the internal control and risk management systems, as well as about the correctness and reliability of the financial information.

Finally, the Audit Committee pre-approves the non-audit services provided by the statutory auditor to the Group and monitors all of them, to ensure that the independence or objectivity of the Certified Auditors is not endangered.

7. Remuneration of BoD members

7.1. Remuneration policy

Initially the Remuneration Policy was prepared by the responseble Remuneration Committee of the company “GEK TERNA SA” which is the parent company of the Group GEK TERNA in accordance to the EU guidance 2017/828 of the European Parliament and its Council on 17th of May 2017 for shareholders’ rights, as incorporated in the Greek legislation with Law 4548/2018 and specifically according to article 110 of the respective law and it was approved by the G.M. on 09.12.2019.

The Remuneration Policy takes into account the best practices for listed companies, the provisions of the Company's Articles of Association and the Company Corporate Governance Code, while reflecting the applicable agreements regarding the remuneration of the members of the Board of Directors, including the General Directors-Senior Executives, taking into account the salary and working conditions of all employees of the Company, which are fully harmonized with the principle of remuneration based on a reasonable and fair measure to the persons selected as the most appropriate and best performing, taking into account the needs and the nature of each position or operational role as well as the corporate interest, in accordance with the details set out below.

The Remuneration Committee conducted a study on market compensation ranges in collaboration with the expert consultant Willis Towers Watson, identifying a European peer group of companies, with similar figures to those of GEK TERNA, with similar business activity and complexity of activities, such as construction, energy production, building materials, infrastructure management and operation, concessions, mining and quarrying activities. From the thorough processing of the data obtained by the study, and taking into account the strategic planning of the Group and the need to engage the existing senior executives of the Group but to attract new capable executives, in order to achieve its objectives, the Committee considered it necessary to adopt the appropriate salary scale for executives who hold critical roles and many responsibilities, taking into account the conditions that have developed in the small market of the country, where capable executives are hard to find, especially those who can match with the culture, principles of the company and add value in it.

Thus, the Committee proposed to the Board of Directors new scales of annual fixed remuneration. Specifically, new total annual fixed salaries were proposed for the senior managers / executives of the Group, BoD members or not, of levels A, B, C, for the managing director, for the independent non-executive members and the non-executive members, as well as for the members of the statutory by law BoD Committees, in order to better respond to the wage levels of the market as well as to the complexity of the sectors represented by the Company. In accordance with the above, the Committee proceeded to the **revision of the Remuneration Policy that was approved by 01.07.2021 Ordinary General Assembly of the Company's shareholders**.

7.2. Annual Remuneration Report

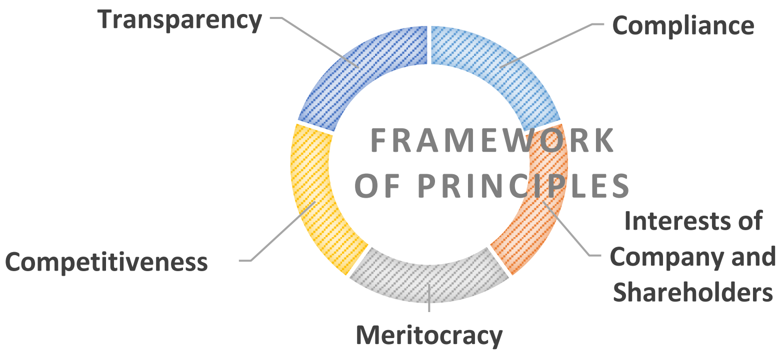
According to article 112 of Law 4548/2018, the BoD of the Company is obliged to prepare a clear and comprehensible remuneration report, which contains a comprehensive overview of all remuneration regulated in the Company's Remuneration Policy, for the year 2021 and the data required at least by the above article 112 of Law 4548 / 2018, as it will be in each case.

The report also includes all types of allowances granted or due to persons whose salaries have been included in the remuneration policy, in the year 2021, for persons falling within the scope of the Remuneration Policy, both the newly elected members of the Board of Directors, as well as the older ones.

The remuneration report for the year 2021 is submitted for discussion at the Ordinary General Assembly of shareholders, as an item on the agenda. The shareholders' vote on the remuneration report is advisory.

7.3. Aim of the Remuneration Report

The guiding principles of the Remuneration Policy governing the Remuneration are diagrammed as follows:



This Remuneration Report aims to review the compliance with the approved Remuneration Policy, the respective legal framework and the enhancement of transparency regarding the payment of all types of remuneration in an intelligible, clear and comprehensible manner.

In particular, this Remuneration Report:

- Presents in a transparent manner the structure of all types of remuneration whether or not governed by the Remuneration Policy.
- Contributes to the diffusion and consolidation of the principles of transparency, meritocracy, justice, proportionality in the implementation of the remuneration framework from the top to the bottom of the Company's organization, taking into account the type and level of remuneration, the importance and the weight of the responsibilities of each position and the performance of each executive.
- Demonstrates the ability of the Company to formulate and implement competitive remuneration packages, which are harmonized with market practices and at the same time are able to attract or retain executives within the corporate structures effectively and remarkably.

- Recognizes the reasonable and fair level of remuneration that should be aimed at creating goodwill both in the long run and through the achievement of shorter-term goals with the aim of preventing decisions with excessive business risk and maintaining viability and profitability.
- Provides information on the total remuneration granted or paid, by analysis in their individual components, the separate recording of fixed and any variable remuneration, including the control of any remuneration of paragraph 2 of article 109 of Law 4548/18 and how the total remuneration complies with the approved remuneration policy.
- Controls the general application of the basic guidelines for the management and payment of salaries to the members of the Board of Directors, the Chief Executive Officer and the General Managers - senior executives in accordance with the Company Organization Chart and the approved Remuneration Policy.

7.4. Remuneration Components (Remuneration / Benefits)

The remuneration presented in this report covers all types of remuneration, namely remuneration and benefits that may include cash payments, stock options, representation expenses at the meetings of the Board of Directors, benefits (namely company car, insurance contracts etc.) both fixed and variable. The report reflects the salaries of any company belonging to the Group, as defined in article 32 of Law 4308/2014.

The amounts of both fixed and any variable remuneration are recorded in gross values as defined in paragraph 4 of the European Commission Guidelines, of 1 March 2019.

7.5. Approved Remuneration based on the Remuneration Policy

According to the Remuneration Policy, the Executive Members of the Board of Directors who are paid as Senior Managers (SM) in companies of the Group, may receive annual fixed remuneration falling in the scales from C (from 120,000 euros to 180,000 euros), B (from 150,000 euros to 215,000 euros), A (180,000 euros to 350,000 euros) up to A + (over 350,000 euros) into which the CEO is included.

In particular, the Chief Executive Officer, as a member of the Board of Directors, may receive a fixed annual salary that will not exceed the maximum of one million four hundred thousand euro (1,400,000 euros).

The components of variable remuneration that can be paid to beneficiaries that fall within the scope of the Remuneration Policy are the following:

- Short-term variable remuneration (bonus)
- Stock option plan under article 113 of Law 4548/2018
- Stock grant plan according to article 114 of Law 4548/2018

Furthermore, additional benefits may be granted, such as:

- Company car
- Group Life and Health Insurance contract, as well as a civil liability contract
- Retirement Plan

7.6. Total Remuneration

The total remuneration for the year 2021 refers to the sum of the fixed salaries, which consist of the remuneration of the Board of Directors and Committees of the Company and the companies of the Group (995,001 euros and 725,000 euros respectively), from the fees from the Company and the companies of the Group to which they provide services of senior executives as employees or with contracts of indefinite duration according to par.9 art.39 of Law 4387/16 (1,501,861 euros), the other benefits and the variable remuneration that arise from short-term remuneration of the Company and the Group companies and amounted to a total of 570,000 euros and from long-term remuneration, namely the Company's stock option scheme (table 2).

(Amounts in thousands Euro, unless otherwise stated)

Table 1: Detailed Table of annual Remuneration and other benefits rendered to members of the Board of Directors and Senior Managers of the Company, fiscal year 2021
(according to the standards of the Guidelines of the European Commission, as of March 1, 2019)

A/A	NAME	POSITION IN THE BOARD	CAPACITY IN GROUP COMPANIES	PARTICIPATION IN COMMITTEES OF THE BOARD	FIXED REMUNERATION FROM GEK TERNA					VARIABLE REMUNERATION FROM GEK TERNA *	FIXED REMUNERATION FROM SUBSIDIARIES			VARIABLE REMUNERATION FROM SUBSIDIARIES	TOTAL VARIABLE REMUNERATION (10) + (14)	TOTAL FIXED REMUNERATION (5)+(6)+(11)+(12)	TOTAL REMUNERATION (15) + (16)	VARIABLE TO FIXED REMUNERATION RATIO (15)/(16)	COMMENTS
							BENEFITS												
					FIXED REMUNERATION	REMUNERATION OF BOARD OF DIRECTORS & COMMITTEES OF THE COMPANY	CORPORATE CAR	GROUP LIFE - HEALTH INSURANCE	TRAVEL EXPENSES	SHORT-TERM VARIABLE REMUNERATION (BONUS)	FIXED REMUNERATION	REMUNERATION OF BOARD OF DIRECTORS OF GROUP COMPANIES	BENEFITS (CORPORATE CAR)	SHORT-TERM VARIABLE REMUNERATION (BONUS)					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	PERISTERIS G.	CHAIRMAN	CHIEF EXECUTIVE OFFICER	Strategic Planning (C)	0	600,000	37,858	1,076	0	0	0	500,000	0	0	0	1,100,000	1,100,000	0%	
2	GOURZIS E.	VICE-CHAIRMAN, EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA		0	5,000	0	1,076	0	0	250,000	60,000	587	150,000	150,000	315,000	465,000	48%	Vice Chairman since 1/7/2021
3	LAZARIDOU P.	AUTHORIZED CONSULTANT, EXECUTIVE MEMBER	GENERAL DIRECTOR OF FINANCE	Investment, ESG	0	5,000	0	1,076	0	0	250,000	0	8,175	0	0	255,000	255,000	0%	Authorized Director since 1/7/2021
4	MPENOPOULOS A.	AUTHORIZED CONSULTANT, EXECUTIVE MEMBER	GENERAL DIRECTOR OF ADMINISTRATIVE SERVICES	ESG	0	5,000	0	1,076	0	0	200,000	0	0	120,000	120,000	205,000	325,000	59%	Executive Vice Chairman until 30/06/2021 and Authorized Director since 1/7/2021
5	VAVALETSKOS K.	VICE-CHAIRMAN	SENIOR MANAGER, TERNA SA		0	5,000	0	1,076	0	0	120,000	0	0	0	0	125,000	125,000	0%	The term as a member of the Board expired on 30/06/2021
6	ANTONAKOS D.	EXECUTIVE MEMBER	YKS, YDK	Regulatory compliance	0	5,000	0	1,076	0	0	150,000	0	0	0	0	155,000	155,000	0%	
7	VRAILAS E.	EXECUTIVE MEMBER	SENIOR MANAGER, TERNA SA		0	5,000	0	1,076	0	0	140,740	0	0	0	0	145,740	145,740	0%	The term as a member of the Board expired on 30/06/2021
8	MOUSTAKAS E.	EXECUTIVE MEMBER	GENERAL DIRECTOR OF DEVELOPMENT	Investment	46,000	5,000	0	1,076	0	150,000	174,000	45,000	0	0	150,000	270,000	420,000	56%	
9	PERDIKARIS G.	EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	Investment (C),	116,000	5,000	0	1,076	0	150,000	34,000	60,000	0	0	150,000	215,000	365,000	70%	
10	LAMPROU K.	EXECUTIVE MEMBER	STRATEGIC COMMUNICATION DIRECTOR, PRESS OFFICE, CSR & SUSTAINABLE	ESG	21,121	0	0	1,076	0	0	0	0	0	0	0	21,121	21,121	0%	Member of BoD since 17/7/2021
11	AFENTOULIS D.	NON-EXECUTIVE MEMBER	-	Audit, Strategic Planning	0	32,500	0	0	0	0	0	0	0	0	0	32,500	32,500	N/A	
12	TAMVAKAKIS A.	VICE CHAIRMAN, INDEPENDENT NON-EXECUTIVE MEMBER	-	Audit (C), Nominations (C), Remuneration, Strategic Planning	0	98,500	0	0	0	0	0	0	0	0	0	98,500	98,500	N/A	
13	KAPRALOS S.	INDEPENDENT NON-EXECUTIVE MEMBER	-	Audit, Nominations, Remuneration (C), Strategic Planning	0	76,000	0	0	0	0	0	0	0	0	0	76,000	76,000	N/A	
14	APKARIAN G.	INDEPENDENT NON-EXECUTIVE MEMBER	-	Nominations, Strategic Planning	0	61,001	0	0	0	0	0	60,000	0	0	0	121,001	121,001	N/A	
15	SKORDAS A.	INDEPENDENT NON-EXECUTIVE MEMBER	-	Regulatory Compliance (C), Remuneration	0	56,000	0	0	0	0	0	0	0	0	0	56,000	56,000	N/A	Member of BoD since 17/7/2021
16	DELIKOURA AIK.	INDEPENDENT NON-EXECUTIVE MEMBER		Nominations, ESG, Regulatory Compliance	*Does not receive a fee for participation in the Board of Directors of GEK TERNA and its Committees.*														Member of BoD since 1/7/2021
17	STAIKOU S.	INDEPENDENT NON-EXECUTIVE MEMBER		ESG (C), Remuneration	0	31,000	0	0	0	0	0	0	0	0	0	31,000	31,000	N/A	Member of BoD since 1/7/2021

**In accordance with the Remuneration Report of TERNA ENERGY SA that will be placed in advisory voting during the Ordinary General Assembly on 25/05/2022.*

***The variable remuneration that stem from Stock Option Plan of the Company are analysed in Table 2.*

Fixed remuneration

Fixed Remuneration consists of remuneration through an employment contract or service provision and the Annual Remuneration of the BoD. The fixed salaries for the members of the Board of Directors who received remuneration as members of the Company's Board of Directors and Committees and its subsidiaries for the year 2021 amount to a total of three million two hundred twenty-one thousand eight hundred sixty one euro (3,221,861 euros) and are analysed for each member in the individual components in **table 1**. From this amount, three hundred Fifty-five thousand euro (355,001 euros) refers to fixed salaries of non-executive members. Remuneration has been approved by the Remuneration Policy and there is no deviation.

Variable Remuneration and Benefits:

Short-term variable remuneration

According to the approved program for measuring and evaluating the individual performance of executives, the possibility of providing short-term variable remuneration (Bonus) up to the approved maximum limit of one million eight hundred thousand euro (1,800,000 euros) is provided. The objectives associated with the provision of short-term variable remuneration arise through the establishment of specific Key Performance Indicators (KPIs). For the executives who have a group role, the weighting takes into account the total activity of the Group based on specific measurement indicators that are evaluated in total up to 80%. When the evaluation concerns executives who do not have a group role, these criteria are limited to a maximum of 40% and additional measurement indicators are set regarding the special characteristics of the Business Units with a maximum weighting of 40%. Finally, with a maximum weight of 20%, the individual role of each participating executive is evaluated, according to the responsibilities he/she has at the level of the Group and/or at the level of the business unit.

Stock Option Plan based on article 113 of Law 4548/2018:

According to the stock option plan for the period 2019-2023, target criteria (KPIs) have been set, which are secured a) as soon as the target is reached, b) either annually, c) or at the end of the plan and d) either proportionally the first three years and at the end of the plan. The date of return and the exercise period are set by the BoD, each time the criteria are met due to the achievement of the corporate goal. The plan is aimed at up to 20 executives. The exercise price has been set at 2 euros per share by a decision of the General Assembly and there is a two years holding period.

The year 2021, the achievement of three 6-month VWAP targets was confirmed, as set out in the plan, as well as the achievement of targets related to the construction sector, the energy sector, the concessions sector and the debt service index, proving the resilience and reliability of the Company and its executives, in the midst of a global financial crisis with the COVID pandemic and the conjuncture in economy.

Specifically, in accordance with the decision of the Board of Directors dated 27.04.2021, the options for the 16 beneficiaries appointed by decision of the Board of Directors were granted, to whom a total of 1,876,000 treasury shares were awarded, for a total price of 3,752,000 euros. The exercise of the rights took place through an over-the-counter transaction on 11.06.2021 when the market value of the share was 9.98 euros. More specifically, 1,561,000 shares were distributed to senior executives and members of GEK TERNA's BoD (table 2) and 315,000 shares to other beneficiaries of the plan, executives of the Group's subsidiaries.

(Amounts in thousands Euro, unless otherwise stated)

Stock Option Plan
Table 2: Detailed Table of Shares that have been allocated to members of the Board of Directors and Senior Managers of the Company or are pending for the financial year 2021
(according to the standards of the Guidelines of the European Commission, of March 1, 2019)

No.	NAME	POSITION IN THE BOARD	CAPACITY IN GROUP COMPANIES	BASIC STOCK OPTION PLAN TERMS							INFORMATION FOR THE FINANCIAL YEAR 2021					
				PERIOD OF THE PLAN	DATE OF GRANTING	VESTING DATE	HOLDING PERIOD	EXERCISE PERIOD	EXERCISE PRICE OF THE SHARE	SHARE PRICE ON THE DATE OF OPTION EXERCISE (11/6/2021)	SHARES THAT HAVE BEEN ALREADY EXERCISED AT THE BEGINNING OF THE YEAR	DURING THE YEAR				
												SHARES ALLOCATED				SHARES FOR ACHIEVEMENT OF GOALS FOR THE YEAR 2021
												AWARD DATE (Decision of BoD)	OPTION EXERCISE DATE	SHARES DISTRIBUTED for period 2019-2020	END OF HOLDING PERIOD	
1	PERISTERIS G.	CHAIRMAN	CHIEF EXECUTIVE OFFICER	2019-2023	27/2/2020	Depending on the target (KPI) (a) as soon as the target is reached, (b) annually at the end of each year, (c) at the end of the plan period, (d) end of 2021 and at the end of the plan proportionally to what it has been achieved	2 years	as defined by the Board of Directors each time	2 €	9,98 €	-	27/4/2021	11/6/2021	950.000	10/6/2023	233.224
2	GOURZIS E.	VICE-CHAIRMAN, EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	150.000	10/6/2023	50.183
3	LAZARIDOU P.	AUTHORIZED CONSULTANT, EXECUTIVE MEMBER	GENERAL DIRECTOR OF FINANCE	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	90.000	10/6/2023	30.109
4	MPENOPOULOS A.	AUTHORIZED CONSULTANT, EXECUTIVE MEMBER	GENERAL DIRECTOR OF ADMINISTRATIVE SERVICES	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	90.000	10/6/2023	30.109
5	VAVALETSKOS K.	VICE-CHAIRMAN	SENIOR MANAGER, GEK TERNA SA	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	22.000	10/6/2023	6.094
6	ANTONAKOS D.	EXECUTIVE MEMBER	YKS, YDK	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	22.000	10/6/2023	6.094
7	VRAILAS E.	EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	22.000	10/6/2023	6.094
8	MOUSTAKAS E.	EXECUTIVE MEMBER	GENERAL DIRECTOR OF DEVELOPMENT	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	110.000	10/6/2023	40.468
9	PERDIKARIS G.	EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	2019-2023	27/2/2020		2 years		2 €	9,98 €	-	27/4/2021	11/6/2021	105.000	10/6/2023	20.269

(Amounts in thousands Euro, unless otherwise stated)

There is no approved Scheme for free distribution of shares according to article 114 of Law 4548/2018.

Benefits

According to the benefits' possibilities defined in the Remuneration Policy, a group life and health insurance contract is provided. The amounts listed in table 1 refer to the insurance premiums paid by the Company for the group life and health insurance contract per Board member. The car benefit (benefit in kind) has been granted to three (3) out of eight (8) active executive members, namely 37.5%. The listed amounts refer to the payment of the company's car lease instalments. The corporate credit cards that have been issued to BoD members relate exclusively to the coverage of corporate expenses, such as travel and overnight expenses and do not constitute a benefit but coverage of corporate expenses.

Independent non-executive members are not offered a variable remuneration or benefit in kind. Additional payments relate exclusively to the coverage of travel expenses from their place of residence to the headquarters of the Company for their participation in the meetings of the BoD and the General Assembly of the Company.

There is no pension plan in place at the moment.

7.7. Comparative Information Table

Below it is presented the Comparative Table of Total Annual Changes in Remuneration of the Company's BoD Members, Fixed and Variable (bonus) and benefits for the years 2019-2020-2021 according to article 187 of Law 4548/2018 (table 3).

It is noted that the stock option plan, according to its approved terms, does not attribute proportionally annually share options to the beneficiaries, except on the dates of vesting/maturation in which case shares, as shown in table 2, are cumulatively granted and awarded.

Table 3 : Comparative Table of Annual Change of total remuneration of BoD members and senior executives (fixed and variable)

a/a	NAME	POSITION IN BoD	CAPACITY IN GROUP COMPANIES	Total Remineration change 2019 vs 2020	Total Remineration change 2020 vs 2021
				%	%
1	PERISTERIS G.	CHAIRMAN	CHIEF EXECUTIVE OFFICER	0%	38%
2	GOURZIS M.	VICE-CHAIRMAN,EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	238%	14%
3	LAZARIDOY P.	EXECUTIVE DIRECTOR	GENERAL DIRECTOR OF FINANCE	66%	-39%
4	BENOPOULOS A.	EXECUTIVE DIRECTOR	GENERAL DIRECTOR OF ADMINISTRATION SERVICES	82%	5%
5	VAVALETSKOS K.	VICE-CHAIRMAN,EXECUTIVE MEMBER	SENIOR MANAGER TERNA SA	-7%	-3%
6	ANTONAKOS D.	EXECUTIVE MEMBER	CCO, CRO	-8%	-2%
7	VRAILAS E.	EXECUTIVE MEMBER	SENIOR MANAGER TERNA SA	13%	-2%
8	MOUSTAKAS E.	EXECUTIVE MEMBER	GENERAL DIRECTOR OF DEVELOPMENT	27%	11%

(Amounts in thousands Euro, unless otherwise stated)

9	PERDIKARIS G.	EXECUTIVE MEMBER	SENIOR MANAGER, GEK TERNA SA	161%	-1%
10	LAMPROU K.*	EXECUTIVE MEMBER	DIRECTOR OF STRATEGIC COMMUNICATION, PRESS OFFICE & CSR	N/A	N/A
11	AFENTOULIS D.*	NON-EXECUTIVE MEMBER	-	N/A	N/A
12	TAMVAKAKIS A.	VICE-CHAIRMAN, INDEPENDENT NON-EXECUTIVE MEMBER	-	0%	9%
13	KAPRALOS S.	INDEPENDENT NON-EXECUTIVE MEMBER	-	0%	27%
14	APKARIAN G.	INDEPENDENT NON-EXECUTIVE MEMBER	-	0%	1%
15	SKORDAS A.	INDEPENDENT NON-EXECUTIVE MEMBER	-	N/A	12%
16	DELIKOURA A.**	INDEPENDENT NON-EXECUTIVE MEMBER	-	N/A	N/A
17	STAIKOU S.*	INDEPENDENT NON-EXECUTIVE MEMBER	-	N/A	N/A

** New BoD member*
***Does not receive a fee for participating in the BoD of GEK TERNA and its Committees*

Below the changes a) of the performance of the Company and the Group and b) of the average annual remuneration of employees for the years 2019-2020-2021 according to par. 7 of article 187 of Law 4548/2018 are presented.

a. PERFORMANCE CHANGES				
	Change 2019 vs 2020		**Change 2020 vs 2021**	
	Change in €	**Change in %**	**Change in €**	**Change in %**
a1. COMPANY				
TURNOVER (€)	545,000	8.70%	52,028,000	89.25%
a2. GROUP				
EBITDA (€)	6,292,221	2.26%	15,988,778	5.44%

**Without interest receivable and dividends*

b. AVERAGE REMUNERATION OF FULL-EMPLOYEES			
YEAR	**NUMBER OF EMPLOYEES IN THE COMPANY**	**AVERAGE FEES**	**CHANGE**
2019	25	51,055.81	
2020	26	51,555.66	0.97%
2021	717	16,819.57	-206.52%

**In the years 2019 and 2020 in the Company GEK TERNA worked mostly specialized senior executives with many years of experience. At present, a new Business Unit for the Operation of Concession Projects was organized in the Company, which employs a large number of employees, mainly non-specialized craftsmen and toll operators. To this activity of the Company is attributed the large change in average remuneration.*

The above information is provided in the context of the provisions of par. 7 of article 187 of law 4548/2018.

7.8. Deviations of Remuneration

According to art 112 par. 3 of Law 4548/18, no deviations from the approved remuneration policy were found pursuant to paragraph 7 of article 110. Therefore, explanations are not required for exceptional circumstances, against which the remuneration policy deviated.

7.9. Implementation control

The control of the Remuneration Policy's implementation and the preparation of the Remuneration Report are conducted under the responsibility of the Remuneration Committee and the Board of Directors.

The report was reviewed by the certified auditor, the company Grant Thornton.

7.10. Approval of Remuneration Report for financial year 2020

According to article 112 par. 3 of Law 4548/18, the remuneration report for the year 2020 was submitted for discussion at the Ordinary General Assembly of 01.07.2021, as the subject of the agenda.

The General Assembly with 51,000,431 votes in favour (88.21% on those present), 6,614,597 against (11.44% on those present) and an abstention of 204,714 (0.35% on those present) approved the payment of remuneration in accordance with the Remuneration Policy, pursuant to article 109 of law 4548/2018, for persons who fall within the scope of the approved Remuneration Policy's implementation for the year 2020.

The shareholders' vote regarding the Remuneration Report is advisory.

7.11. Information on the utilization of the ability to recover variable remuneration

There is no case of utilization of the right to recover variable remuneration during the financial year 2021.

7.12. Remuneration Report Publicity

According to Article 112 par. 4 of L.4548/18, this Remuneration Report along with the date and the results of the advisory vote of the General Assembly shall be subject to formalities and shall remain available on the Company's website for a period of ten (10) years as as the abovementioned provision provides. The Remuneration Report does not include specific categories of personal data within the meaning of Article 9 par.1 Regulation (EU) 2016/679 of the European Parliament and of its Council (L 119/1) or personal data relating to the marital status of Company's BoD members. The company processes personal data of the Company's BoD members included in the Remuneration Report under Article 112 for the purpose of increasing corporate transparency with regard to the remuneration of the BoD members, with a view to enhancing the accountability of the members and the supervision of shareholders on these remuneration. Subject to any longer publicity period provided by specific provisions, the company shall not disclose personal data included in the Remuneration Report, longer than ten (10) years from the publication of this Remuneration Report. According to Article 112 par. 6 of the aforementioned Law, the BoD members have ensured that the Remuneration Report was prepared and is expected to be published, in accordance with the requirements of the provisions of this Article.

8. Suitability Policy

The Company has a Suitability Policy of the BoD Members, prepared by its Nominations Committee in accordance with the provisions of article 3 of Law 4706/2020 and the guidelines of Circular no. 60 of the Hellenic Capital Market Commission.

The Policy was approved by the General Assembly of the Company's shareholders on 01.07.2021 following the approval by the Board of Directors on 09.06.2021 and entered into force on the date of its approval by the General Assembly. Individual amendments require re-approval by the BoD, while the Policy Review requires a Decision of the General Assembly. A revision is characterized by the adoption of substantial amendments that introduce significant deviations or also significantly alter the content of the policy, in particular as regards the principles and criteria applied, or the rewriting of the Policy from the outset.

In addition, the increased needs of monitoring the framework of Corporate Governance, Risk Management, Regulatory Compliance, as well as the operation of Company Segments such as Human Resources, IT and Technology, Information Security Management, Health, Security and Environment were taken into account by assigning administrative or supervisory responsibilities to executive members of the BoD. At the same time, it was also taken into account the possibility of contributing to issues of responsibilities and/or technical support of the BoD Committees.

The Suitability Policy aims to ensure quality staffing, efficient operation and fulfilment of the BoD role based on the general strategy and the medium-term business aspirations of the Company, with the aim of promoting the corporate interest.

The aim of this policy is to have a highly efficient Board of Directors. Such is considered a Board of Directors with an established team, which cooperates with a common commitment to protect and enhance the share value, instead of a formal gathering of executives who manage corporate affairs without the ability to cooperate constructively and with a growth perspective.

The Policy takes into account best practices and is harmonized with the corporate culture and what is provided in the Articles of Association, the Internal Rules of Operation and the Greek Code of Corporate Governance to which the Company is subject, is clear and sufficiently documented and governed by the principles of transparency and proportionality while at the same time promoting diversity, meritocracy and efficiency during the election and during the term of the BoD members.

Furthermore, during the preparation of the Policy, there were taken into account the size, the internal organization, the risk-taking disposition, the nature, the scale and the complexity of the Company's activities, including indicatively and not restrictively the sectors of constructions, concessions, energy, real estate management and development, mining, waste management, service provision, PPP projects, operation of major infrastructure projects.

The guiding principles governing this policy are:

- Compliance
- Transparency
- Proportionality
- Diversity
- Merit
- Efficiency

- Experience and historicity

9. Diversity policy

The Company has and implements a diversity policy in order to promote an appropriate level of differentiation in the BoD and a diverse group of members. This Policy is based on the belief that a Board of Directors that has a wide range of perspectives and diversity is in a more favourable position than other Boards of Directors with limited scope, as the existence of diversity allows the Company to take advantage of market opportunities and effectively manage the risks.

The Board of Directors can be highly efficient if it consists of a wide range of members with diverse but complementary groups of skills or knowledge. Its culture is positively shaped by the different approaches and views and will definitely be quite representative of the values of the Group. In this way, the Board of Directors ultimately forms a progressive and thoughtful perception of its affairs, while at the same time promoting prudent risk-taking.

Through the accumulation of a wide range of qualifications and skills in the selection of BoD members, the variety of views and experiences is ensured, in order to make the right decisions.

In this context, the adequate representation by gender is provided, at least as stipulated by the respective legislation as a percentage of all the BoD members. At the same time, all necessary measures shall be taken to ensure that there is no or absolute exclusion on grounds of discrimination due to gender, age, race, colour, ethnic or social origin, religion or belief, birth, disability, age or sexual orientation, property and have as a unique selection role the criteria of individual suitability specified in this Policy.

The following table presents the profile of the Board of Directors.

(Amounts in thousands Euro, unless otherwise stated)

PROFILE OF BOARD MEMBERS																					
							GENERAL EXPERIENCE								EXPERIENCE IN GROUP ACTIVITIES						
No.	Name	Position on the Board	Committees	Age	Gender	Total time of participation on the Board	CAPITAL MARKETS	FINANCIAL SECTOR	REGULATORY FRAMEWORK	CORPORATE GOVERNANCE	ESG	RISK MANAGEMENT	STRATEGIC PLANNING	MANAGEMENT	PORTFOLIO MANAGEMENT	CONCESSIONS / PPP	PRODUCTION. SUPPLY. ENERGY TRADE	CONSTRUCTION	REAL ESTATE DEVELOPMENT	MINING SEGMENT
1	Peristeris Georgios	Chairman and Chief Executive Officer	Strategic Planning (C)	65	M	20 YEARS + 4 MONTHS	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Tamvakakis Apostolos	Vice-Chairman of BoD, Independent Non-executive Member, Lead Independent Director	Audit (C), Nominations (C), Remuneration, Strategic Planning	65	M	7 YEARS + 4 MONTHS	√	√	√	√		√	√	√	√				√	
3	Gourzis Michalis	Vice-Chairman, Executive member	-	82	M	20 YEARS + 4 MONTHS					√		√	√		√		√		√
4	Lazaridou Pinelopi	Authorized Consultant, Executive member	Investment, ESG	60	F	2 YEARS + 4 MONTHS	√	√	√	√	√	√	√	√	√	√				
5	Mpenopoulos Aggelos	Authorized Consultant, Executive member	ESG	64	M	10 YEARS + 10 MONTHS	√		√	√	√	√		√				√	√	
6	Antonakos Dimitrios	Executive member	Regulatory compliance	70	M	10 YEARS + 10 MONTHS			√	√		√						√		
7	Lamprou Konstantinos	Executive member	ESG	48	M	9 MONTHS					√	√								
8	Moustakas Emmanouil	Executive member	Investment	48	M	10 YEARS + 10 MONTHS	√	√				√	√	√		√	√	√		√
9	Perdikaris Georgios	Executive member	Investment ©	63	M	6 YEARS				√			√	√		√	√	√		
10	Afentoulis Dimitrios	Non- Executive member	Audit, Strategic Planning	56	M	9 MONTHS	√	√	√	√	√	√	√	√	√				√	
11	Apkarian Gagik	Independent Non-Executive member	Nominations, Strategic Planning	55	M	5 YEARS	√	√				√	√	√	√		√			
12	Delikoura Aikaterini	Independent Non-Executive member	Nominations, ESG, Regulatory Compliance	54	F	9 MONTHS		√	√	√	√	√								
13	Kapralos Spyridon	Independent Non-Executive member	Audit, Nominations, Remuneration (C), Strategic Planning	67	M	4 YEARS + 10 MONTHS	√	√	√	√		√	√	√	√					
14	Skordas Athanasios	Independent Non-Executive member	Regulatory Compliance (C), Remuneration,	57	M	2 YEARS + 4 MONTHS	√		√	√		√		√						√
15	Staikou Sofia	Independent Non-Executive member	ESG (C), Remuneration	70	F	9 MONTHS		√	√		√			√						

Achieving substantial and not only formal diversity within the Board of Directors is an important guarantee for their overall effectiveness. The above table shows the diversity in terms of gender representation (12M/3W) on the Board of Directors, with the corresponding ratio between the top executives of the Company being 6M/ 3W. In addition, the table in combination with the CVs of the members shows the range of knowledge and skills of the BoD members, as well as the international experience that many of them transfer. The BoD consists of a mixture of abilities, skills and diversity of personalities, knowledge and experience that strengthens its role and contributes to its success.

Transactions with related parties and relevant update of the BoD

The Company has developed a process for the recognition of related party transactions and compliance with applicable law. The procedure was prepared in the context of transparency and supervision of the Company's transactions with related parties. The purpose of the procedure is to record the actions performed in order to identify the Company's transactions, in which natural or legal persons participate, which fall within the meaning of the related parties and for the Company to comply with the applicable legislation. The procedure provides for the recording and maintenance of a register of related parties and the recognition of transactions of related parties through the control and cross-checking of the data for the counterparty in accordance with articles 99-101 of law 4548/2018.

10. Sustainable Development Policy

Sustainable Development for the GEK TERNA Group is not only a practice of alignment with international good practices but a holistic strategic approach based on the regular evaluation of the most important social, economic and environmental impacts of the Group's activities and their revision and/or modification, if necessary, through a process of dialogue and consultation with stakeholders.

In addition, the GEK TERNA Group operates based on the United Nations Organization (UNO) for Global Sustainable Development Goals (SDGs) and is an ally in the fight for social equality, prosperity, and the development of a sustainable natural environment, given that it has recognized that the seventeen (17) global goals are inextricably linked to the principles of Corporate Governance and Corporate Social Responsibility/ Sustainable Development to which it is committed.

The responsible business mode of the Group’s operation is reflected in the practices and procedures that have been developed in the Group aiming at the integration of Sustainable Development principles in its daily operation. At the same time, it is based on the strategic corporate values that have been established by the Management, namely respect for people and the natural environment, value creation for employees, customers, and shareholders, honesty, reliability, and targeted social contribution.

The Group's policy for Sustainable Development is inextricably linked to the essential issues that are regularly recognized through the materiality analysis process in order for the Group to constantly listen to the needs of stakeholders (internal and external) but also to take into account the existing social economic trends in relation to its effects (positive or negative).

In this context, the corporate responsibility of the Group is in line with the criteria/ESG principles (Environmental-Social-Governance), concerns four (4) axes of activity and is developed in eight (8) strategic directions /sub-areas which incorporate the specific approach-policy of the Group regarding the recognized essential issues:

Axis 1: Protection of Environment

Strategic Direction / Area of Activity: Environmental protection and climate change

Achieving sustainable development through the continuous reduction of the environmental footprint of the Group's activities in Greece and abroad, the continuous adaptation to the conditions for Climate Change and the application of Circular Economy principles in combination with the investment in innovative services and technologies and the faithful adherence to the existing environmental management system.

Environmental protection is an integral part of the Group's strategy and becomes visible through its political, strategic and business decisions and actions. The Group acts purposefully and takes measures that lead to the reduction of the environmental and energy footprint through the responsible management of the energy and natural resources it uses (namely water, energy, materials, the response to Climate Change and the protection and preservation of biodiversity). It focuses on the transition to an economy that is less dependent on fossil fuels and will ensure sustainable cities and societies for all its stakeholders.

Axis 2: Promotion of Human Value

Strategic Direction / Area of Activity: Health & safety at work

The recognizing of human health and life value and ensuring a work environment free of accident risks.

The preservation of Health and Safety is a priority for the Group which is constantly improving the strategic framework within which it takes place the management of issues related to the protection of Health and Safety of all its stakeholders.

Strategic Direction / Area of Activity: Human resources development and human rights advocacy

The recognition that the surplus value is created by human capital. The goal of developing a balanced and secure work environment of meritocracy, transparency, equal opportunities-benefits, which enhances diversity, guarantees human-labour rights and at the same time invests in the continuous improvement of employees' skills, development, and retention of talents as well as the strengthening of youth entrepreneurship.

The Group implements and respects the international principles and standards of Human Rights and has developed the framework of its principles and values based on the fundamental Human Rights. Respecting all its employees and associates, it takes care for the prevention of their rights' violation, through the adoption of policies, actions, and control mechanisms, which are valid and apply to all its activities, to all its subsidiaries and to all the projects it undertakes. The Group actively participates, supports, and considers as its highest priority the investment in its people, providing the necessary resources to promote the continuous improvement of the working environment.

Axis 3: Strengthening of the Social footprint

Strategic Direction / Area of Activity: Concern for local communities

Continuous consultation with the social partners and the elaboration of social impact studies with the ultimate goal of maximizing the direct and indirect social benefits, supporting solidarity actions such as donations and sponsorships and the stable cooperation with local suppliers for construction of long-term relationships of trust.

Through the adoption of responsible policies that aim to create shared value in all its stakeholders, the Group stands to help the development of local communities in which it operates and with which it interacts, through continuous consultation and efforts to recognize and respond to real needs that occur as well as through its own activity.

Strategic Direction / Area of Activity: Dealing with Emergencies

The commitment to take measures and actions to deal with emergencies through the development of risk management plans, the implementation of preparedness exercises and the conduct of periodic internal and external inspections.

Axis 4: Responsible Market Configuration

Strategic Direction / Area of Activity: Creation and allocation of economic value

Creating economic value - the main goal of the Group is to generate and allocate income to stakeholders through the payment of salaries to employees, payments to suppliers and partners, direct and indirect taxes in the operating countries, the distribution of dividends to shareholders and investments in local communities while avoiding financial and non-financial uncertainties and risks, with the aim of preserving economic activity, sustainable development and improving living standards.

Strategic Direction / Area of Activity: Business ethics and regulatory compliance

The Group ensures the business ethics and the regulatory compliance of all its functions and activities having as priority the identification and combating potential corruption, by faithfully implementing the procedures and policies that have been integrated into the corporate operation (Code of Ethics, Anti-Corruption Management System (ISO 37001), and regular training of human resources.

The fight against corruption is a critical pillar of the Group's operation, which is committed to demonstrating zero tolerance for such incidents, through the promotion of transparency, ensuring business ethics and regulatory compliance, which are diffused throughout the range of activities and affect the professional behaviour of its people. To this end, the Group acts through the establishment of policies and procedures, but also through the creation of control mechanisms and compliance with these policies.

Strategic Direction / Area of Activity: Responsible supply chain management

Responsible management of the supply chain presupposes responsible collaborations. It is therefore mandatory for all suppliers and partners to fully comply with the Regulatory Framework of Group’s Principles and Values, both in matters of corruption and respect for human rights and in matters of Environmental Management and Social Corporate Policy.

First of all, the proper management of the supply chain starts from the responsible attitude of the Group, towards all its stakeholders. The Group's business activities throughout the supply chain are carried out once the potential environmental, social, and economic impacts have been assessed in order to maximize the positive impact. To address the new challenges posed by supply chain issues, the Group seeks to incorporate new criteria into the supply chain management processes, such as the new terms of cooperation with suppliers and the preference it gives to domestic suppliers.

For the above issues, the Group sets sub-objectives of Sustainable Development, which it evaluates on an annual basis in terms of the course of their achievement and reviews them appropriately when necessary.

In order to achieve the objectives, the Group develops individual management systems, policies, procedures, measurement indicators and implements appropriate action plans / programs that contribute to the increase of positive effects or the reduction of negative ones.

The authorized corporate responsibility team is responsible for the effective management of Sustainable Development and corporate responsibility issues. The team consists of specialized executives from all key divisions of the Group. The Directorate of Strategic Communication, Press Office, CSR and Sustainable Development have undertaken the task of coordination.

The Chairman and Chief Executive Officer through the direct reference line of the Strategic Communication Department, Press Office, CSR and Sustainable Development to him he has undertaken the overall management/ supervision of Sustainable Development issues sealing the commitment of the Group's senior management to sustainable operation.

Based on the transparency and the regular information of the stakeholders, the results of the Group's performance in matters of Sustainable Development are published to the general public through the annual Sustainable Development Report.

(Amounts in thousands Euro, unless otherwise stated)

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ACCORDING TO ARTICLE 4 OF L. 3556/2007

The present Explanatory Report of the Board of Directors is submitted to the Regular General Meeting of Shareholders, according to paragraph 8 article 4 of L. 3556/2007 and has been prepared according to the provisions of paragraph 7, article 4 of the aforementioned Law.

a) Structure of Share Capital

The Company's Share Capital amounts to fifty-eight million, nine hundred fifty-one thousand, two hundred seventy five euro and eighty seven cents (58,951,275.87 euros), is fully paid and is divided into one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares of a nominal value of fifty seven cents (0.57 euros) each.

The Company's shares are listed and traded on the Securities Main Market of the Athens Exchange.

All the rights and obligations stipulated by Law and the Company's Articles of Association emanate from each share.

b) Limitations on transfer of Company shares

Transfer of Company shares takes place according to Law and there is no limitation on their transfer according to the Articles of Association.

c) Significant direct or indirect participations according to the provisions of L. 3556/2007

The following Table of Shareholders holding a percentage over 5% as at 31.12.2021 is presented below as follows:

NAME/TITLE	No of Shares	%
GEORGE PERISTERIS	32.890.291	31,802%
LATSCO HELLENIC HOLDINGS SARL	7.858.571	7,598%
GEK TERNA S.A.	5.858.714	5,665%

d) Shares providing special control rights

According to the Company's Articles of Association, there are no shares that provide special control rights.

e) Limitations on voting rights

According to the Company's Articles of Association, there are no limitations on voting rights emanating from its shares.

f) Agreements between Shareholders

The Company is not aware of any agreements between its Shareholders, which imply limitations on transfer of its shares or exercise of voting rights emanating from its shares.

g) Rules for appointment and replacement of BoD Members and amendments to the Articles of Association

The Company's Articles of Association are in compliance with the provisions of L. 3604/2007 and their provisions do not differ from those stipulated by L. 4548/2018 as in effect, both as regards appointment and replacement of Board Members and amendments to its articles.

h) Board of Directors authority issuing new shares or acquiring treasury shares

According to the provisions of par. 2 article 5 of the Articles of Association, the General Meeting may - through its decision - assign authority to the Board of Directors to increase - through its decision - the share capital in compliance with the provisions of L. 4548/2018.

According to the provisions of article 113 of L. 4548/2018, as in effect, the Board of Directors may increase the share capital by issuing new shares in the context of implementing the Stock Option Plan, approved by the General Meeting, for acquisition of Company shares by the beneficiaries.

According to the provisions of article 49 of L. 4548/2018, as in effect, following approval of the General Meeting, the Company's Board of Directors may decide to acquire, through ATHEX, its treasury shares provided that the nominal value of the acquired shares, including the shares acquired previously and maintained by the Company, does not exceed 10% of its paid-up share capital.

The Regular General Meeting as of July 8, 2020 decided to renew the share buyback program by the Company through ATHEX until the completion of 10% of the paid up share capital of the Company, for the purpose, established in article 49, L.4548/2018 as amended and effective, Regulation (EU)596/2014 of the European Parliament and authorised Regulation (EU) 2016/1052 of the European Committee, until July 7, 2022, at a minimum purchase price of thirty cents (0.30 euro) and a maximum price of thirty (30 euro) per share and authorized the Board of Directors to implement the aforementioned decision.

i) Significant agreements put into effect, amended, or terminated in case of change in control following a takeover bid.

There are no agreements, which are put into effect, amended, or terminated in case of change in the Company's control following a takeover bid.

j) Agreements with the Members of the Board of Directors or the Company's Employees

There are no agreements of the Company with members of its Board of Directors or its employees, which include payment of indemnity, specifically in case of resignation or termination without reasonable cause or termination of term or employment due to a takeover bid.

Dear Shareholders,

2021 was a year during which the Group continued its stable trend of development. Moreover, the Group carefully continues implementing its investment plan, simultaneously maintaining adequate liquidity.

We would like to express our thanks to the Board or Directors, our Staff, Executives and Partners for their contribution to our work.

We also thank our Customers, Suppliers, and cooperating Banks and of course you, our Shareholders, for your trust in us.

The Board of Directors unanimously approves the above Management Report to be submitted to the Annual Ordinary General Meeting of Shareholders.

Athens, 28th April 2022

On behalf of the Board of Directors,

Georgios Peristeris
Chairman of the Board of Directors & Chief Executive Officer

III. INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS"

(This report has been translated from the Greek Original Version)

Report on Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" ("the Company"), which comprise the separate and consolidated statement of financial position as at December 31, 2021, separate and consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" and its subsidiary (the Group) as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Company within the entire course of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of separate and consolidated financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the audited period. These matters, as well as the related risk of significant misstatements, were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition of Sector "Constructions"	
The Group's turnover from continuing operations for the year ended as at 31st December 2021 amounted to € 1,144.2 million and is derived from different operating segments. Each operating segment includes different revenue streams whose recognition involves different level of complexity and judgements by Management. From Group's total Revenue, the revenue from external customers from operating segment "Constructions" for the year 2021 amounted to € 480.2 million and it has been identified as an area of particular audit interest due to the significance of the item in the consolidated financial statements, as it involves complexity associated with particular accounting treatment in accordance with IFRS, judgments and Management's estimates, which involve a degree of uncertainty. Revenue from construction contracts are recognized in accordance with IFRS 15 using the input method (percentage of completion), calculated on the basis of the ratio of the realized costs incurred to the total estimated costs by Management until the construction of the project. Group's disclosures regarding the accounting policies of revenue recognition and Management's judgements and estimates used for revenues, as well as the assessment of the impact of the application of IFRS 15, are included in the notes 3.2(i), 4.20, 6 and 36 of the financial statements.	The key audit procedures we carried out included, among others: - Understanding of the internal controls which have been designed by Management, relating to the revenue recognition of each operating segment. - Evaluation of the terms of contracts and budget data used for calculations of revenue recognition from construction contracts. - Evaluation of assumptions used for revenue recognition from construction contracts and recalculation of the completion rate of the performance obligations as at 31st December 2021. - Audit on a sample basis of the actual construction costs recognized during the current year, with the relevant documents. - Assessment of adequacy of the disclosures included in the notes to financial statement regarding this matter.
Assessment of impairment of non-current assets	
As at 31 December 2021, the Group recognized goodwill of € 6.4 million, intangible assets with definite useful life of € 707.9 million and Property, Plant and Equipment of € 1,251.4 million. Also, as at 31st December 2021, the Company holds investments in subsidiaries of € 285.6 million and investments in associates and joint ventures amounting to € 4.8 million and € 5.1 million respectively. In accordance with the requirements of IFRS, intangible assets with definite useful life, property, plant and equipment and investments in subsidiaries, associates and joint ventures are tested for impairment by the Management whenever there are relevant indications. The abovementioned assessment requires significant level of judgement. Non-depreciable intangible assets are tested for impairment at least on an annual basis. The impairment test requires the determination of the recoverable amount of each Cash Generating Unit (CGU) as the higher of the fair value less costs on disposal and value in use. Fair value calculation is based on acceptable	The key audit procedures we carried out included, among others: - Evaluation of procedures used by the Management to identify indications of impairment of non-current assets. - Evaluation of the procedures used by the Management in order to prepare reliable business plans. - For those CGUs that impairment indications existed, evaluation of: (i) the appropriateness of the methods applied for the determination of recoverable amount and (ii) the reasonableness of the key assumptions and estimates of future cash flows. - Review of the mathematical accuracy of discounted cash flow models.

valuation methods while the assessment of value in use is derived from the discounted cash flow method based on business plans which include key assumptions and Management estimates such as revenue growth, capital and operating costs and discount rates used.

Given the significance of the aforementioned items and the use of the Management's assumptions and estimates, we consider the assessment of impairment of those non-current assets to be one of the key audit matters.

The Group's and Company's disclosures regarding the accounting policy and assumptions and estimates used in assessing any impairment of these assets are included in Notes 3.1(ii), 3.2(vi), 4.5, 4.6, 4.7, 4.9, 8, 10, 12, 13 and 14 of the financial statements.

- For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton's specialist contribution.
- Assessment of adequacy of the disclosures included in the notes to financial statements regarding this matter.

Provisions and contingent liabilities

As at 31st December 2021, the Group involved (under its capacity as defendant and plaintiff) in various and complex court cases and arbitration procedures during their normal operations.

The recognition and measurement of provisions, as well as the measurement and disclosure of contingent assets and liabilities related to court cases and arbitration procedures includes significant judgements made by Management which take into consideration the estimates of its legal advisors. The estimates relate to the outcome and the possible financial impact of each case to the Group. As a result, we considered this area as one of the key audit matters.

The Group's disclosures regarding provisions and contingent liabilities are included in Notes 3.2(xi), 4.19, 28 and 50.3 of the financial statements.

The key audit procedures we carried out included, among others:

- Evaluation of the Management's procedures regarding collecting, monitoring and evaluating the outcome of pending litigations.
- Review and evaluation of the legal consultants' letters and discussions with the Management and legal consultants where necessary.
- Evaluation of Management's conclusions regarding the impact of pending litigations on the financial statement of the Group.
- Assessment of adequacy of the disclosures recorded in financial statements regarding this matter.

Significant changes in the Group's structure

As mentioned in Note 7 of the financial statements, during the year 2021 the following important transactions took place:

Acquisition of HERON II THERMOILEKTRIKOS STATHMOS VIOTIAS SA

On 11.10.2011, the Company acquired 75% of "HERON II *THERMOILEKTRIKOS STATHMOS VIOTIAS SA* (hereinafter "HERON II"), which owns and operates a power plant in Thebes ("Significant Acquisition").

After the said acquisition, the total percentage of the Group amounted to 100%, as it previously held an indirect percentage of 25% (through its wholly owned subsidiary TERNA SA) in the said company. The total acquisition cost of the transaction amounted at € 25.9 million (cash payment of € 4.8 million and fair value of an existing 25% of € 21.1

The key audit procedures we carried out included, among others:

- We participated in discussions with Management in order to understand the details of the transactions.
- We obtained and reviewed the agreements related to the Acquisition and Disposal in order to assess the accounting treatment of the transactions on Group's financial figures.
- We assessed the appropriateness of accounting treatment of the transactions, in accordance with the requirements of IFRSs.
- Regarding the transaction of Significant Acquisition, we understood and analyzed the

million). From the above transaction recognized on the one hand a profit of € 6.7 million from the measurement at fair value of the existing percentage and on the other hand a gain from a bargain purchase of € 54.8 million, which were recognized in favor of the consolidated results for the year.

In accordance with IFRS 3 "Business Combinations", in a business combination achieved in stages, the acquirer initially shall measure its previously held equity interest in the acquiree as its acquisition-date fair value and recognize the resulting gain or loss, in profit or loss or other comprehensive income as appropriate. Subsequently the acquirer shall measure in its financial statements the identifiable assets acquired and the liabilities assumed at their fair value at the acquisition date. These measurements require the use of complex techniques of valuation, assumptions and estimates of Management.

Further detailed information regarding the aforementioned transaction is provided in Note 7.1 of the financial statements.

Loss of control over the three (3) Wind Parks of sub-Group TERNA ENERGY, in Texas USA

As at 30.06.2021 the sub-Group's TERNA ENERGY Management, in accordance with the requirements of IFRS 10 "Consolidated Financial Statements", assessed that sub-Group TERNA ENERGY lost control over its subsidiaries Sponsor Bearkat I Holdco LLC, Fluvanna Investments 2 LLC and Fluvanna 1 Investor Inc [hereinafter "the three (3) Wind Farms", in Texas, USA] ("Significant Disposal"). On 30.09.2021 the process of transferring the ownership interests (Class B Interests) of the above subsidiaries to the lending bank was completed.

The total loss for the three (3) Wind Parks, as a result of the sub-Group's TERNA ENERGY Management's decision for divestment, determined at € 94.04 million and presented as Discontinued Operations in the consolidated financial statements, in accordance with the requirements of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

Further detailed information regarding the aforementioned transaction is provided in Note 7.2 of the financial statements.

Due to the complexity and the significance of the effect of the above on Group's financial figures, we have identified the above transaction as a Key Audit Matter.

The Group's and Company's disclosures regarding accounting policies, judgments and estimates used in respect of the abovementioned transactions are included in Notes 3.1 (iii), 3.2 (iv), 3.2 (xiii), 4.1, 4.2, 7.1 and 7.2 of the financial statements.

valuation techniques used to determine the fair value of the Group's previously held equity interests in HERON II, as well as the fair values of the net assets acquired at the acquisition date, as these determined from an independent external expert of the Group.

- Regarding the transaction of Significant Disposal, we examined the computation of the total loss of € 94.04 million from the deconsolidation of the three (3) Wind Parks.
- For the abovementioned procedures where it was deemed appropriate, we used Grant Thornton's specialist contribution.
- We assessed the adequacy of related disclosures in the accompanying financial statements according to IFRS requirements, in relation to these matters.

Other Information

Management is responsible for the other information. The other information included in the Annual Financial Report includes the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report and Statements of the Members of the Board of Directors, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our audit, we conclude that there is a material misstatement therein, we are required to communicate that matter to those charged with governance. No such issue has arisen.

Responsibilities of the Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management's intention is to proceed with liquidating the Company and the Group or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

The Company's Audit Committee (Article 44, Law 4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as an aggregate, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding financial reporting of entities or business operations within the Group for the purpose of expressing an opinion on the separate and consociated financial statements. Our responsibility is to design, supervise and perform the audit of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 (part B) of L. 4336/2015, we note the following:

a. The Board of Directors' Report includes the Corporate Governance Statement that provides the data and information defined under article 152, Law 4548/2018.
b. In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Article 150-151 and 153-154 and Paragraph 1 (cases c' and d') of 152, Law 4548/2018, and its content corresponds to the accompanying separate and consolidated financial statements for the year ended as at 31/12/2021.
c. Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" and its environment.

2. Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with the additional report to the Audit Committee referred to in article 11 of EU Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

Authorized non-audit services provided by us to the Company and its subsidiaries during the year ended as at December 31, 2021 are disclosed in Note 38 to the accompanying separate and consolidated financial statements.

4. Auditor's Appointment

We were first appointed the Company's Chartered Accountants following as of 28/06/2017 Decision of the Annual Regular General Meeting of the Shareholders. Our appointment has been renewed by the decision of the annual general meeting of shareholders for a total uninterrupted period of 5 years.

5. Internal Regulation Code

The Company has in effect Internal Regulation Code in conformance with the provisions of article 14 of Law 4706/2020.

6. Assurance Report on European Single Electronic Format

We examined the digital files of the company "GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS" ("the Company"), prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise the separate and consolidated financial statements of the Company for the year ended December 31, 2021, in XHTML format "2138003TO2MTRHWVP686-2021-12-31-en.xhtml", as well as the provided XBRL file "2138003TO2MTRHWVP686-2021-12-31-en.zip" with the appropriate mark-up, on the aforementioned consolidated financial statements.

Regulatory Framework

The digital files of the ESEF are prepared in accordance with the ESEF Regulation and the Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in conformance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework). In summary, this framework includes, inter alia, the following requirements:

- All annual financial reports shall be prepared in XHTML format.
- For the consolidated financial statements in accordance with IFRS, financial information included in the statements of comprehensive income, financial position, changes in equity and cash flows shall be marked-up with XBRL tags, in accordance with the effective ESEF Taxonomy. ESEF technical specifications, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework constitute the appropriate criteria for expressing a conclusion of reasonable assurance.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company for the year ended December 31, 2021, in accordance with the requirements of ESEF Regulatory Framework, and for such internal controls as management determines necessary to enable the preparation of digital file that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to design and conduct this assurance engagement in accordance with No. 214/4/11-02-2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines on the auditors' engagement and reasonable assurance report on European Single Electronic Format (ESEF) for issuers whose securities are admitted to trading on a regulated market in Greece" as issued by the Institute of Certified Public Accountants of Greece on 14/02/2022 (hereinafter "ESEF Guidelines"), in order to obtain reasonable assurance that the separate and the consolidated financial statements of the Company, prepared by the management in accordance with ESEF are in compliance, in all material respects, with the effective ESEF Regulatory Framework.

We conducted our work in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, as incorporated in Greek legislation and we have complied with the ethical requirements of independence, in accordance with Law 4449/2017 and EU Regulation 537/2014.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” and our procedures are limited to the requirements of ESEF Guidelines. Reasonable assurance is a high level of assurance, but is not a guarantee that this work will always detect a material misstatement of non-compliance with the requirements of ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, the separate and consolidated financial statements of the Company for the year ended December 31, 2021, in XHTML format “2138003TO2MTRHWVP686-2021-12-31-en.xhtmlc”, as well as the provided XBRL file “2138003TO2MTRHWVP686-2021-12-31-en.zip” with the appropriate tagging on the above consolidated financial statements, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, April 28, 2022

The Certified Auditor Accountant

Dimitra Pagoni

SOEL Reg. No 30821

Grant Thornton

Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

IV. ANNUAL SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED AS AT DECEMBER 31 2021 (1 January - 31 December 2021)

Under the International Financial Reporting Standards (IFRS), as adopted by the European Union

The attached Financial Statements were approved by the Board of Directors of GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS at its meeting held as at 28 April 2022 and have been posted on the internet at the website http://www.gekterna.com as well as on the Athens Stock Exchange's website.

The Annual Financial Statements of the consolidated subsidiaries, as provided by the Hellenic Capital Market Commission decision 8/754/14.04.2006, are available on the Internet at the website http://www.gekterna.com.

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(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2021

		GROUP		COMPANY	
	Note	**31.12.2021**	**31.12.2020 ***	**31.12.2021**	**31.12.2020 ***
Non-current assets					
Intangible fixed assets	8.1	707,862	740,768	330	111
Right of use assets	9	26,648	20,692	616	370
Tangible fixed assets	10	1,251,374	1,493,649	11,790	8,339
Goodwill	8.2	6,375	3,025	0	0
Investment property	11	34,699	36,043	7,653	8,347
Participations in subsidiaries	12	0	0	285,628	282,767
Participations in associates	13	838	1,126	4,800	4,800
Participations in joint ventures	14	67,318	90,131	5,119	4,896
Financial Assets - Concessions	15	61,353	46,952	0	0
Investment in equity interests	21	90,194	66,620	89,095	65,362
Other long-term assets	16	50,039	63,968	310,305	118,816
Receivables from derivatives	32	140,119	191,734	0	0
Deferred Tax Assets	35	75,856	80,675	0	0
Total non-current assets		**2,512,675**	**2,835,383**	**715,336**	**493,808**
Current assets					
Inventories	17	63,379	51,125	3,800	2,771
Trade receivables	18	222,166	231,046	8,794	2,978
Receivables from contracts with customers	19	153,527	117,988	3,427	50
Advances and other receivables	20	448,840	242,892	38,736	25,868
Income tax receivables		23,167	20,921	4,646	4,222
Financial assets at fair value through profit & loss	22	5,386	7,811	3,625	5,598
Short-term part of receivables from derivatives	32	18,947	19,220	0	0
Cash and cash equivalents	23	1,364,351	1,108,417	557,689	466,094
Total current assets		**2,299,763**	**1,799,420**	**620,717**	**507,581**
TOTAL ASSETS		**4,812,438**	**4,634,803**	**1,336,053**	**1,001,389**
EQUITY AND LIABILITIES					
Share capital	33	58,951	58,951	58,951	58,951
Share premium account		381,283	381,283	202,774	202,774
Reserves	34	553,946	474,712	64,010	55,866
Retained earnings		(393,842)	(399,765)	36,690	36,238
Total equity attributable to the owners of parent		**600,338**	**515,181**	**362,425**	**353,829**

(Amounts in thousands Euro, unless otherwise stated)

Non-controlling interests		270,921	311,628	0	0
Total equity		**871,259**	**826,809**	**362,425**	**353,829**
Non-current liabilities					
Long-term loans	24	2,386,217	2,198,693	909,113	615,008
Liabilities from leases	25	23,406	15,295	380	297
Equity investments equivalent to financial liabilities	26	0	236,184	0	0
Other long-term liabilities	31	227,518	161,225	15,511	14,972
Other provisions	28	30,747	33,095	0	0
Provisions for staff leaving indemnities	27	2,387	2,623	247	29
Grants	29	87,431	102,266	0	0
Liabilities from derivatives	32	157,657	214,066	0	0
Deferred tax liabilities	35	74,589	42,959	6,671	2,756
Total non-current liabilities		**2,989,952**	**3,006,406**	**931,922**	**633,062**
Current liabilities					
Suppliers	30	296,786	222,749	20,662	1,983
Short term loans	24	95,557	116,505	0	0
Long term liabilities payable during the next financial year	24	114,064	109,958	8,802	8,538
Short-term part liabilities from leases	25	4,040	3,700	258	89
Liabilities from contracts with customers	19	238,094	186,813	197	131
Short-term part of equity interests having a substance of financial liability	26	0	45,079	0	0
Accrued and other short-term liabilities	31	162,746	79,003	11,473	3,743
Short-term part of liabilities from derivatives	32	28,580	27,023	0	0
Income tax payable		11,360	10,758	314	14
Total current Liabilities		**951,227**	**801,588**	**41,706**	**14,498**
Total Liabilities		**3,941,179**	**3,807,994**	**973,628**	**647,560**
TOTAL EQUITY AND LIABILITIES		**4,812,438**	**4,634,803**	**1,336,053**	**1,001,389**

The accompanying notes form an integral part of these Separate and Consolidated Financial Statements.

** The comparative figures of the Statement of Financial Position of the Group and the Company for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).*

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF TOTAL COMPREHENSIVE INCOME 2021

		GROUP		COMPANY	
Profit and Loss	**Note**	**1.1-31.12.2021**	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Continuing operations					
Turnover	6,36	1,144,199	891,905	58,294	6,266
Cost of sales	37	(889,571)	(704,736)	(48,673)	(7,696)
Gross profit/(loss)		**254,628**	**187,169**	**9,621**	**(1,430)**
Administrative and distribution expenses	37	(80,964)	(79,139)	(17,303)	(11,864)
Research and development expenses	37	(6,687)	(4,516)	(147)	(439)
Other income/(expenses)	39	28,371	5,751	2,771	1,192
Results before taxes, financing and investing activities from continuing operations		**195,348**	**109,265**	**(5,058)**	**(12,541)**
Net financial income/(expenses)	43	(107,326)	(54,485)	(17,969)	(3,203)
Profit / (loss) from sale of participations and securities	40	(501)	(259)	(442)	73,438
Profit / (loss) from valuation of participations and securities	41	(535)	(1,808)	(1,424)	(23,598)
Profit from Acquisition of Control in subsidiaries	7.4	65,432	0	0	0
Income / (losses) from participations and other securities	42	1,564	856	25,220	24,354
Profit / (loss) from the consolidation of associates under the equity method	6, 13	(306)	(1)	0	0
Profit / (loss) from the consolidation of joint ventures under the equity method	6, 14	(8,052)	(452)	0	0
Earnings/(Losses) before taxes from continuing operations	6	**145,624**	**53,116**	**327**	**58,450**
Income tax	35	(15,404)	(13,042)	125	2,324
Net Earnings/(losses) after taxes from continuing operations	6	**130,220**	**40,074**	**452**	**60,774**
Discontinued operations					
Net Earnings/(losses) after taxes from discontinued operations	7,2,5	(94,035)	18,253	0	0
Net Earnings/(losses) after taxes from continuing and discontinued operations	6	**36,185**	**58,327**	**452**	**60,774**

(Amounts in thousands Euro, unless otherwise stated)

Other Comprehensive Income/(Expenses)					
a) Other Comprehensive Income/(expenses) that will be transferred to Income Statement in subsequent periods					
Cash flow hedges					
-Gain/(Losses) current period	32	3,220	(7,533)	0	0
-Reclassifications adjustments in Income Statement	7.2,32	39,219	6,511	0	0
Translation differences from incorporation of foreign entities					
-Gain/(Losses) current period		(229)	(7,556)	0	0
-Reclassifications adjustments in Income Statement		706	(65)	0	0
Tax corresponding to the above results	35	(14,562)	3,024	(49)	0
Total		**28,354**	**(5,619)**	**(49)**	**0**
b) Other Comprehensive Income/(expenses) that will be not transferred to Income Statement in subsequent periods					
Valuation of investments in equity interests	21	23,438	646	23,733	844
Actuarial gains/(losses) on defined benefit pension plan	27	(53)	60	16	2
Proportion in Other comprehensive income of associates	13	19	(25)	0	0
Proportion in Other comprehensive income of joint ventures	14	141	37	0	0
Tax corresponding to the above results	35	(4,243)	(162)	(4,317)	(204)
Total		**19,302**	**556**	**19,432**	**642**
Net Other Comprehensive Income		**47,656**	**(5,063)**	**19,383**	**642**
Total comprehensive income		**83,841**	**53,264**	**19,835**	**61,416**
Net earnings/(losses) attributed to:					
Shareholders of the parent					
-from continuing operations		85,087	5,909		
-from discontinued operations		(35,140)	6,808		
Total		**49,947**	**12,717**		
Non-controlling interests					
-from continuing operations		45,133	34,165		
-from discontinued operations		(58,895)	11,445		
Total		**(13,762)**	**45,610**		
Net Earnings/(losses) after taxes from continuing and discontinued operations		**36,185**	**58,327**		

(Amounts in thousands Euro, unless otherwise stated)

Total comprehensive income/(losses) attributed to:			
Shareholders of the parent			
-from continuing operations		132,643	1,404
-from discontinued operations		(35,140)	6,808
Total		**97,503**	**8,212**
Non-controlling interests			
-from continuing operations		45,233	33,607
-from discontinued operations		(58,895)	11,445
Total		**(13,662)**	**45,052**
Total comprehensive income		**83,841**	**53,264**
Basic Earnings/(losses) per share (in Euro) attributed to shareholders of the parent	33		
-from continuing operations		0.88411	0.06095
-from discontinued operations		(0.36513)	0.07022
Total		**0.51898**	**0.13118**

** The items of the consolidated Statement of Comprehensive Income of the comparative year that ended on 31.12.2020 have been restated in order to include only the continuing operations. The results of discontinued operations are disclosed independently and analyzed in a separate note (see Note 7.2.5 of the Annual Financial Statements), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".*

In addition, the comparative figures of the Statement of Comprehensive Income of the Group and the Company for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).

The accompanying notes form an integral part of these Separate and Consolidated Financial Statements.

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS 2021

		GROUP		COMPANY	
	Note	**1.1-31.12.2021**	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Cash flows from operating activities					
Profit/(loss) before tax from continued operations	6	**145,624**	**53,116**	**327**	**58,450**
Adjustments for the agreement of the net flows from the operating activities					
Depreciation	8,9,10	107,183	98,593	816	587
Fixed assets grants amortization	39	(5,586)	(5,651)	0	0
Provisions		28,399	18,524	327	82
Impairments		(6,391)	7,772	878	21,369
Other non-cash expenses/(revenue)		(4,406)	(26,710)	(65)	0
Interest and related revenue	43	(11,641)	(17,387)	(5,697)	(19,393)
Interest and other financial expenses	43	106,993	92,711	23,666	22,596
Results from derivatives	43	11,974	(20,765)	0	0
Results from associates and joint ventures		8,358	453	0	0
Results from participations and securities		(65,959)	1,136	(24,243)	(95,984)
Results from investment property		53	351	70	75
Results from fixed assets		(664)	(800)	0	0
Foreign exchange differences		(3,814)	10,642	0	0
Cost of stock options	34	8,041	3,257	6,433	2,778
Operating profit/(loss) before changes in working capital		**318,164**	**215,242**	**2,512**	**(9,440)**
(Increase)/Decrease in:					
Inventories		(11,087)	2,191	(1,029)	1,121
Investment property as main activity		1,566	1,377	624	1,073
Trade receivables		6,299	47,384	(7,853)	(104)
Blocked bank deposit accounts		(21,617)	(54,461)	(6,996)	(11,269)
Prepayments and other receivables		(55,940)	47,897	(1,348)	198
Increase/(Decrease) in:					
Suppliers		39,451	(25,469)	17,363	113
Accruals and other liabilities		86,453	13,681	7,862	(8,702)
Income tax (Payments)/Receipts		(21,137)	(7,782)	(451)	1,478
Cash flows from operating activities of continuing operations		**342,152**	**240,060**	**10,684**	**(25,532)**
Cash flows from operating activities of discontinued operations	7.2.5	(28,234)	76,157	0	0
Net cash flows from operating activities		**313,918**	**316,217**	**10,684**	**(25,532)**

(Amounts in thousands Euro, unless otherwise stated)

Cash flows from investing activities					
Proceeds from disposals of fixed assets		2,033	2,264	0	0
Payments for purchases of fixed assets		(203,085)	(122,521)	(2,980)	(28)
Proceeds from disposals of investment property		3,688	653	0	0
Proceeds from grants		1,260	0	0	0
Interest and related income received		2,842	1,991	4,286	8,976
Proceeds from loss of control of subsidiaries		0	2,325	0	78,984
Payments for acquisition of subsidiaries		(5,944)	(25,040)	(5,680)	0
Cash and cash equivalent of the companies acquired or whose consolidation was discontinued	7.1, 7.2, 7.3	69,218	(5)	0	0
Proceeds from sale or decrease in participating interest in associates and joint ventures (JVs)		40	239	40	239
Payments for acquisition or increase in participating interest in associates and joint ventures (JVs)		(443)	(41,520)	(263)	0
Proceeds from sale of shares, bonds and other securities		1,853	238	995	238
Payments for acquisition of shares, bonds and other securities		(374)	(7,119)	0	(3,999)
Receipts of Dividends		1,592	956	25,186	24,294
Proceeds from issued loans		12,637	0	15,959	197,908
Issued loans	7.1.2, 16, 20	(103,938)	(800)	(210,962)	(96,800)
Cash flows from investing activities of continuing opeations		**(218,621)**	**(188,339)**	**(173,419)**	**209,812**
Cash flows from investing activities of discontinued opeations	7.2.5	0	43,608	0	0
Net cash flows for investing activities		**(218,621)**	**(144,731)**	**(173,419)**	**209,812**
Cash flows from financing activities					
Receipts from changes in subsidiaries without loss of control		0	67,095	3,063	0
Payments from changes in subsidiaries without loss of control		0	0	(860)	(44,928)
Receipts from increase of share capital in subsidiaries from non-controlling interests		39	21	0	0
Payments for share capital refund of subsidiaries to non-controlling interests		0	(11,995)	0	0
Proceeds from sale or issue of treasury shares		3,752	0	3,752	0
Payments to acquire treasury shares	34	(23,226)	(2,922)	(23,032)	(2,922)
Payments to acquire treasury shares of subsidiaries		(2,709)	(21,239)	0	0
Proceeds for short term loans	24	32,009	201,023	0	0
Payments for short term loans	24	(46,366)	(206,567)	0	0

(Amounts in thousands Euro, unless otherwise stated)

Proceeds for long term loans	24	463,320	917,662	300,000	507,297
Payments for long term loans	24	(153,771)	(397,909)	(438)	(233,250)
Payments for leases		(5,195)	(11,088)	(182)	(85)
Dividends paid to non controlling interest		(25,908)	(25,744)	0	0
Interest and other financial expenses paid		(85,677)	(77,548)	(27,973)	(22,237)
Payments for hedging derivatives		(22,767)	(22,006)	0	0
Cash flows from financing activities of continuing operations		**133,501**	**408,783**	**254,330**	**203,875**
Cash flows from financing activities of discontinued operations		26,313	(61,519)	0	0
Net cash flows from financing activities		**159,814**	**347,264**	**254,330**	**203,875**
Net (decrease)/increase in cash and cash equivalents from continuing operations		**257,032**	**460,504**	**91,595**	**388,155**
Net (decrease)/increase in cash and cash equivalents from discontinued operations		**(1,921)**	**58,246**	**0**	**0**
Net increase /(decrease) of cash and cash equivalents		**255,111**	**518,750**	**91,595**	**388,155**
Effect of foreign exchange rate differences in cash		823	(5,004)	0	0
Cash and cash equivalents at the beginning of the period	6,23	**1,108,417**	**594,671**	**466,094**	**77,939**
Cash and cash equivalents at the end of the period	6,23	**1,364,351**	**1,108,417**	**557,689**	**466,094**

** The items of the consolidated Statement of Cash Flows of the comparative year that ended on 31.12.2020 have been restated in order to include only the continuing operations. The net cash flows from operating, investing and financing activities of discontinued operations are disclosed independently and analyzed in a separate note (see Note 7.2.5 of the Annual Financial Statements), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".*

In addition, the comparative figures of the Statement of Cash Flows of the Group and the Company for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).

The accompanying notes form an integral part of these Separate and Consolidated Financial Statements.

(Amounts in thousands Euro, unless otherwise stated)

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY 2021

COMPANY	Note	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2021 *		**58,951**	**202,774**	**55,866**	**36,238**	**353,829**
Total comprehensive income		0	0	19,383	452	**19,835**
Acquisition of treasury shares	34	0	0	(23,032)	0	**(23,032)**
Disposal of treasury shares	34	0	0	9,814	0	**9,814**
Stock options	34	0	0	1,979	0	**1,979**
31st December 2021		**58,951**	**202,774**	**64,010**	**36,690**	**362,425**

COMPANY	Note	Share capital	Share premium	Reserves	Retained earnings	Total
1st January 2020		**58,951**	**202,774**	**54,877**	**(24,616)**	**291,986**
Change in accounting policy (Note 2.7.3)		0	0	11	81	**92**
Restated Balances 1.1.2020		**58,951**	**202,774**	**54,888**	**(24,535)**	**292,078**
Total comprehensive income		0	0	643	60,773	**61,416**
Acquisition of treasury shares		0	0	(2,922)	0	**(2,922)**
Stock options		0	0	3,257	0	**3,257**
31st December 2020 *		**58,951**	**202,774**	**55,866**	**36,238**	**353,829**

(Amounts in thousands Euro, unless otherwise stated)

GROUP	Note	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2021 *		**58,951**	**381,283**	**474,712**	**(399,765)**	**515,181**	**311,628**	**826,809**
Total comprehensive income		0	0	47,556	49,947	97,503	(13,662)	83,841
Share capital increase of subsidiaries		0	0	0	150	150	(245)	(95)
Dividends to non-controlling interests		0	0	0	0	0	(25,924)	(25,924)
Acquisition of treasury shares	34	0	0	(23,225)	0	(23,225)	0	(23,225)
Disposal of treasury shares	34	0	0	9,814	0	9,814	0	9,814
Stock options	34	0	0	1,979	0	1,979	0	1,979
Change in interest of consolidated subsidiary		0	0	(1,065)	0	(1,065)	(1,643)	(2,708)
Termination in consolidation of joint entity		0	0	0	0	0	768	768
Formation of reserves	34	0	0	44,156	(44,156)	0	0	0
Transfers/Other		0	0	19	(18)	1	(1)	0
31st December 2021		**58,951**	**381,283**	**553,946**	**(393,842)**	**600,338**	**270,921**	**871,259**

(Amounts in thousands Euro, unless otherwise stated)

GROUP	Note	Share capital	Share premium	Reserves	Retained earnings	Sub-Total	Non-Controlling Interest	Total
1st January 2020		**58,951**	**381,283**	**408,005**	**(352,318)**	**495,921**	**270,954**	**766,875**
Change in accounting policy (Note 2.7.3)		**0**	**0**	**238**	**2,492**	**2,730**	**3**	**2,733**
Restated Balances 1.1.2020		**58,951**	**381,283**	**408,243**	**(349,826)**	**498,651**	**270,957**	**769,608**
Total comprehensive income		0	0	(4,506)	12,718	**8,212**	45,052	**53,264**
Share capital increase of subsidiaries		0	0	0	18,746	**18,746**	46,671	**65,417**
Share capital refund of subsidiaries to non-controlling interests		0	0	0	0	**0**	(12,020)	**(12,020)**
Dividends to non-controlling interests		0	0	0	0	**0**	(25,772)	**(25,772)**
Acquisition of treasury shares		0	0	(2,922)	0	**(2,922)**	0	**(2,922)**
Stock options		0	0	3,257	0	**3,257**	0	**3,257**
Effect from subsidiary acquisition of treasury shares		0	0	0	(7,615)	**(7,615)**	(13,624)	**(21,239)**
Change in interest of consolidated subsidiary		0	0	0	(442)	**(442)**	442	**0**
Termination in consolidation of joint entity		0	0	602	(334)	**268**	(73)	**195**
Formation of reserves		0	0	70,038	(73,012)	**(2,974)**	0	**(2,974)**
Transfers/Other		0	0	0	0	**0**	(5)	**(5)**
31st December 2020 *		**58,951**	**381,283**	**474,712**	**(399,765)**	**515,181**	**311,628**	**826,809**

** The comparative figures of the Statement of Changes in Equity of the Group and the Company for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).*

The accompanying notes form an integral part of these Separate and Consolidated Financial Statements.

NOTES ON THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION ABOUT THE GROUP AND THE COMPANY

"GEK TERNA Holdings, Real Estate, Construction S.A.", (the "Company" or "GEK TERNA") as the company GEK TERNA Holdings, Real Estate, Construction S.A. was renamed according to the decision of the Extraordinary General Shareholders' Meeting on 18.11.2008 and approved by the No. K2-15459/23.12.2008 decision of the Ministry of Development published in the Government Gazette with No. 14045/23.12.2008 (SA & LTD Companies Issue), is registered in the General Commercial Register of the Ministry of Development under Reg. No. 253001000 and in the Société Anonyme Registry of the Ministry of Development with Registration number 6044/06/B/86/142. The duration of the company has been set to thirty (30) years, while according to the decision of the Extraordinary General Shareholders' Meeting on 26.03.1990 the duration of the company is extended up to the 31st of December 2030.

The company is based in the municipality of Athens and its head offices are located in 85 Mesogeion Avenue, Postal Code 11526, Athens (tel: 210-6968200), following the decision of its Board of Directors on the 14th of March 2003.

The company was founded in 1960 under the title ERMIS HOTELS AND ENTERPRISES S.A. In the middle of the 1960s it was renamed to ERMIS REAL ESTATE CONSTRUCTIONS ENTERPRISES S.A. with its main activity being building constructions (ERMIS mansion, apartment buildings and maisonettes in various areas across the country). In 1969, the company listed its shares in the Athens Stock Exchange (28.08.1969). Following the Extraordinary General Shareholders' Meeting on the 4th of August 1999 the company's ownership status is altered. On 16.10.2000, the decision No. K2- 10469/16.10.2000 of the Ministry of Development is registered in the Société Anonyme Registry. This decision approved the amendment, by changing the numbering and the provisions of the Articles, and the codification of the company's Articles of Association in accordance with the decision of the Extraordinary General Shareholders' Meeting on 17.07.2000. On the same date, the complete new text of the Articles of Association, with the amendments, is registered in the Société Anonyme registry. On 10.02.2004 the Board of Directors decided that the company should merge with the company "General Construction Company S.A." by absorbing it. The Extraordinary General Shareholders' Meetings of both the acquiring and the absorbed company, that took place on 15.10.2004, approved the Merger Contract Plan. The merger was completed on 03.12.2004 with decision K2-13956 of the Ministry of Development that was published in the Government Gazette under No. 14334/03.12.2004. At the same time, the change of the company's title and the amendment to its corporate objective were approved.

On 23.12.2008 the merger through absorption of part of the other activities of the company TERNA SOCIETE ANONYME TOURISM TECHNICAL AND SHIPPING COMPANY, was approved by means of the decision by the Ministry of Development under Reg. No. K2-15458/23.12.2008 and at the same time the share capital increase by Euro 25,386,322.56. Thus, the share capital amounted to Euro 48,953,132.16 divided into 85,882,688 common registered shares, with a nominal value of Euro 0.57 each.

By the decision on 06.12.2013 of the A' Repetitive Extraordinary General Meeting it has been decided the increase of the Company's Share Capital by the amount of Euro 4,890,417.60 with cash deposits, through the issuance of 8,579,680 common ordinary shares on nominal value Euro 0.57 and offer price of Euro 2.5 each. The derived difference from the share premium amounting to Euro 16,558,782.40 was credited to the share premium account.

The specific share capital increase has been completed through the abdication of the existing shareholders' preference right over the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. As a result of the above, the share capital of the company stood at the amount Euro 53,843,549.76, is fully paid up and divided into 94,462,368 common registered shares with a nominal value of 0.57 each. On 23.12.2013 it was recorded to the General Commercial Registry the N. K2 - 7312 decision of the Ministry of Development and Competitiveness by which it has been approved the aforementioned increase of the Share Capital.

Following the decision on 06.12.2013 of the A' Repetitive Extraordinary General Meeting of the Company's shareholders and the decision of the Board of Directors on 27.03.2015, the Company's share capital increased by the amount of Euro three million two hundred eighty six thousand one hundred sixteen and sixty nine cents (Euro 3,286,116.69) via the issuance of five million seven hundred sixty five thousand one hundred and seventeen (Euro 5,765,117) new shares, with nominal value of Euro fifty seven cents of (Euro 0.57) per share and offering price of Euro two and forty three cents (Euro 2.43) per share, due to the conversion of one hundred forty (140) bond securities with nominal value of Euro one hundred thousand (Euro 100,000.00) per security of the Company's Convertible Bond Loan increased with the contractual interest. Following and pursuant to the above decision of the General Meeting of the Company's shareholders, the share capital of the Company, based on the Board of Directors' decision on 29.06.2015, increased by the amount of Euro one million six hundred sixty two thousand, seven hundred twenty five and ninety one cents (Euro 1,662,725.91) with the issuance of Euro two millions nine hundred seventeen thousand and sixty three (Euro 2,917,063) new shares, with nominal value of Euro fifty seven cents (Euro 0.57) and with offering price Euro two and forty seven cents (Euro 2.47) per share, due to the conversion of seventy (70) bonds, with nominal value of Euro one hundred thousand each (Euro 100,000.00) of the Convertible Bond Loan of the Company, increased with the contractual interest.

Following the decision of 29.03.2016, the Board of Directors approved the increase of the Company's share capital by Euro one hundred fifty eight thousand, eight hundred eighty three and fifty one cents (Euro 158,883.51), via the issuance of two hundred seventy eight thousand, seven hundred forty three (278,743) common registered shares with nominal value of Euro fifty seven cents (Euro 0.57) per share and with offering price of Euro two and forty three cents (Euro 2.43) per share, due to conversion of convertible bonds (in the context of the Company's Convertible Bond), of nominal value of Euro six hundred thousand (Euro 650,000.00), increased with the interest of the holding period, in shares. Following the aforementioned decision, the convertible Bond Loan signed between the Company and the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. was fully repaid.

Following the above changes, the Company's share capital amounts to Euro fifty eight million, nine hundred fifty one thousand, two hundred seventy five and eighty seven cents (Euro 58,951,275.87), and is divided to one hundred and three million, four hundred twenty three thousand and two hundred and ninety one (103,423,291) common registered shares with a nominal value of Euro fifty seven cents (Euro 0.57) each.

The main activity of the Company is the development and management of investment property, the construction of any kind of projects, the management of self-financed or co-financed projects, the construction and operation of energy projects, as well as its participation in companies having similar activities.

The Group has a significant and specialized presence in construction, the production and trading of energy as well as in the development, management and exploitation of investment property having a strong capital base.

The activities of the Group mainly take place in Greece, while at the same time it has significant presence in the Balkans, the Middle East, the Eastern Europe and the North America. The Group's operations focus on the following operating segments:

- **Constructions**: almost exclusively, technical construction contracts.
- **Electric energy from RES**: production of electric energy arising from wind parks, solar and hydropower and biomass.
- **Thermal energy trading in electric energy and natural gas**: production of electric energy through fuels and natural gas and trading in electric energy and natural gas.
- **Industry**: refers to the production of quarry products and the exploitation of magnesite quarries.
- **Real Estate**: acquisition, development and exploitation of real estate as well as investments for the purposes of acquisition of surplus value from the increase in the real estate items prices.
- **Concessions**: construction and operation of infrastructure (e.g. motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (e.g. parking stations, etc.) in exchange for provision of long-term exploitation services to the public.
- **Holdings**: supporting the Group's operating segments and trial operation of new operating segments.

At the end of the closing year, the total number of the Group's headcount worldwide was 3,700 and the Company's 724. Respectively, at the end of the previous year, Group's headcount worldwide was 3.400 and the Company's 24.

The consolidated companies included in the consolidated Financial Statements and their unaudited FYs are analytically recorded in Note 4 to the Financial Statements.

The attached separate and consolidated Financial Statements as of 31st December 2021 were approved by the Board of Directors on 28 April 2022 and are subject to the final approval of the General Meeting of Shareholders. The Financial Statements in question are available to the investing public at the Company's premises (Greece, Athens, 85 Mesogeion Ave.) and the Company's website on the Internet.

2 BASIS FOR THE PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis for the Presentation of financial statements

2021 covering the annual period starting on January 1st until December 31st 2021 have been prepared according to the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB) and according to their interpretations, published by the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Union until 31st December 2021.

The Group applies all the International Accounting Standards, International Financial Reporting Standards and their Interpretations, which apply to the Group's activities. The relevant accounting policies, a summary of which is presented below in Note 4, have been applied consistently in all the periods presented.

2.2 Going concern

The Group's management estimates that the Company and its subsidiaries hold sufficient resources, which ensure their operation as "Going Concern" in the foreseeable future.

The decision of the Management to use the principle of "Going Concern" is based on the assessments related to the possible effects of both the appearance and spread of COVID-19, as well as the extreme weather conditions that hit the State of Texas, USA, in February 2021 and had substantial impact on the business activities of TERNA ENERGY sub-group. The Management has estimated that there is no material uncertainty regarding the continuation of the activity of the Group and the Company.

These factors have been taken into account by the Management for the framework of preparation of the financial statements for the year ended 31.12.2021.

2.3 Basis of measurement

The accompanying separate and consolidate Financial Statements as of December 31st, 2021, have been prepared according to the principle of historical cost, apart from investment property, financial derivatives, investments in equity instruments and variable consideration liability, measured at fair value.

2.4 Presentation currency

The presentation currency is Euro (the currency of the Group's parent domicile) and all the amounts are presented in thousand Euro unless otherwise mentioned.

2.5 Comparability

The comparative figures of the consolidated Statement of Comprehensive Income have been restated in order to present the necessary adjustments to reflect only the continuing operations of the Group (see note 7.2 for details). In addition, the comparative figures of the consolidated and separate Financial Statements have been restated to reflect the retroactive adjustment due to a change in IAS 19 accounting policy (see Note 2.7.3 for details).

2.6 Use of estimates

The preparation of the Financial Statements according to IFRS requires the use of estimates and judgments on the application of the Company's accounting policies. Judgments, assumptions and estimates of the Management affect the amount of valuation of several asset and liability items, the amount recognized during the year regarding specific income and expenses as well as the presented estimates of contingent liabilities.

Assumptions and estimates are assessed on an on-going basis according to historic experience and other factors, including expectations of future event outcomes, considered reasonable given the current conditions. The estimates and assumptions relate to the future and, consequently, the actual results may differ from the accounting calculations.

The areas that require the highest degree of judgment as well as the areas in which estimates and assumptions have a significant effect on the Consolidated Financial Statements are presented in Note 3 of the Financial Statements.

2.7 New Standards, Interpretations and Amendments to Standards

The accounting principles applied for the preparation of the financial statements are the same as those applied for the preparation of the annual financial statements of the Group and the Company for FY ended as at 31 December 2021, apart from the adoption of several new accounting standards, whose application was mandatory in the European Union for FYs beginning as at January 1st, 2021 (see Notes 2.7.1, 2.7.2 and 2.7.3).

2.7.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations, and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01.01.2021.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform – Phase 2" (effective for annual periods starting on or after 01.01.2021)

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The amendments do not affect the consolidated and separate Financial Statements.

Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01.04.2021)

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The amendments do not affect the consolidated and separate Financial Statements.

Decision of the IFRS Interpretations Committee, with regards to the "Attributing Benefit to Periods of Service (IAS 19)"

The Committee for the Interpretation of International Financial Reporting Standards issued in May 2021 the final decision on the agenda entitled "Attributing benefits to periods of service (IAS 19)" which includes explanatory material regarding the attribution of benefits to periods of service with regard to a plan of defined benefits analogous to that defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement (the "Plan of Fixed Benefits of Labor Law"). This explanatory information differentiates the way in which the basic principles and rules of IAS 19 have been applied in Greece in the past in this regard, and therefore the economic entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly. The effect from the above change is presented analytically in Note 2.7.3.

2.7.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union up until 31.12.2021

The following new Standards, Interpretations, and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" (effective for annual periods starting on or after 01.01.2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01.01.2022.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01.01.2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01.01.2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01.01.2023.

Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01.01.2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01.01.2023.

Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01.01.2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognize both an asset and a liability. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

(Amounts in thousands Euro, unless otherwise stated)

2.7.3 Change in accounting policy regarding the distribution of defined employee benefits over periods of service, in accordance with IAS 19 "Employee Benefits"

The IASB issued in May 2021 the final decision on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on how to distribute benefits in periods of service on a specific plan of defined benefits proportional to that defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement (the "Plan of Fixed Benefits of Labor Law").

The above decision differs from the way by which the basic principles of IAS 19 have been applied in Greece in the past in this regard, and consequently, the entities that prepare their financial statements in accordance with IFRS are required to proceed with amendments depending on their accounting policy.

Until the issuance of the daily agenda's decision, the Group applied IAS 19 distributing the benefits defined by article 8 of L.3198/1955, L.2112/1920 and its amendment by L.4093/2012 in the period from the recruitment until the date of retirement of the employees.

The application of this final decision in the attached consolidated and separate financial statements, has resulted in the distribution of benefits over the last 16 years until the date of retirement of employees in accordance with the respective scale of Law 4093/2012.

Based on the above, the implementation of the above final decision has been treated as a change in accounting policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8.

The following tables depict the impact from the implementation of the final decision for each specific item of the financial statements being affected.

GROUP			
Abstract of Consolidated Statement of Financial Position	**Balance 01.01.2020**	**IAS 19 adjustment**	**Adjusted balance 01.01.2020**
Provision for staff indemnities	7,402	(3,585)	3,817
Actuarial gains/(losses) from defined benefit plan reserves plus deffered tax	(111)	238	127
Deferred tax assets	71,228	(852)	70,376
Retained earnings	(352,318)	2,492	(349,826)
Non-controlling interests	270,954	3	270,957

Abstract of Consolidated Statement of Financial Position	**Balance 31.12.2020**	**IAS 19 adjustment**	**Adjusted balance 31.12.2020**
Provision for staff indemnities	6,483	(3,860)	2,623

(Amounts in thousands Euro, unless otherwise stated)

Abstract of Standalone Statement of Comprehensive Income	Balance 31.12.2020	IAS 19 adjustment	Adjusted balance 31.12.2020
Cost of sales	756,476	(280)	756,196
Administrative and distribution expenses	79,489	(21)	79,468
Financial expenses	137,327	(36)	137,291
Deffered income tax on the aforementioned expense	(5,844)	81	(5,763)
Actuarial (gains)/losses from defined benefit plans	(121)	61	(60)
Deffered income tax on actuarial (gains)/losses from defined benefit plan reserves	26	(13)	13

COMPANY

Abstract of Standalone Statement of Financial Position	Balance 01.01.2020	IAS 19 adjustment	Adjusted balance 01.01.2020
Provision for staff indemnities	164	(118)	46
Actuarial gains/(losses) from defined benefit plan reserves plus deffered tax	(11)	11	-
Deferred tax liabilities	4,838	29	4,867
Retained earnings	(24,616)	79	(24,537)

Abstract of Standalone Statement of Financial Position	Balance 31.12.2020	IAS 19 adjustment	Adjusted balance 31.12.2020
Provision for staff indemnities	156	(127)	29

Abstract of Standalone Statement of Comprehensive Income	Balance 31.12.2020	IAS 19 adjustment	Adjusted balance 31.12.2020
Cost of sales	7,697	(1)	7,696
Administrative and distribution expenses	11,864	-	11,864
Financial expenses	22,597	(1)	22,596
Deffered income tax on the aforementioned expense	(2,313)	-	(2,313)
Actuarial (gains)/losses from defined benefit plans	4	(6)	(2)
Deffered income tax on actuarial (gains)/losses from defined benefit plan reserves	(1)	2	1

3 SIGNIFICANT ACCOUNTING ESTIMATES AND MANAGEMENT ASSESSMENTS

Preparation of Financial Statements in accordance with the International Financial Reporting Standards (IFRS) requires the Management to make judgments, estimates and assumptions which affect assets and liabilities, contingent receivables and liabilities disclosures as well as revenue and expenses during the presented periods.

In particular, the amounts included in or affecting the financial statements, as well as the related disclosures, are estimated through making assumptions about values or conditions that cannot be known with certainty at the time of preparation of the financial statements and, therefore, actual results may differ from what has been estimated. An accounting estimate is considered significant when it is material to the financial position and income statement of the Group and requires the most difficult, subjective or complex judgments of the Management. Estimates and judgments of the Management are based on past experience and other factors, including expectations for future events, judged to be reasonable in the circumstances. Estimates and judgments are continually reassessed on the basis of all the available data and information.

Key estimates and evaluations referring to the data whose development could affect the financial statements items in the upcoming 12 months are as follows:

3.1 Significant judgments of the Management

Key judgments of the Management, applied while implementing the Group and the Company accounting policies, which have the most significant impact on the financial statements (apart from those analyzed in Note 3.2) are analyzed as follows:

i) Recognition of deferred tax assets

The extent, to which deferred tax assets are recognized for unused tax losses, is based on the judgment regarding the extent, to which it is probable that sufficient taxable profits will be offset with these tax losses.

In order to determine the amount of a deferred tax asset that can be recognized, significant judgments and estimates of the Group's Management are required, based on future taxable profits, combined with future tax strategies to be pursued, as well as the uncertainties dominating in various tax frameworks, within which the Group operates (for further information please refer to Note 35).

ii) Impairment of non-financial assets and goodwill

Non-financial assets are tested for impairment whenever events or changes in the effective conditions indicate that their book value may not be recoverable in accordance with the accounting policy described in Note 4.9. Goodwill is tested for impairment at least annually.

iii) Acquisition of "business" according to the definition provided in IFRS 3 or acquisition of assets

In accordance with IFRS 3 "Business Combinations", the Group determines whether a transaction or other event constitutes a business combination in accordance with the relevant definition of the

Standard, i.e. whether the assets acquired and liabilities assumed constitute a "business". In the event the acquired assets do not constitute a business, then the Group manages the transaction or other event as an acquisition of an asset. According to IFRS 3, the term "business" is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants. The accounting treatment of a business combination is carried out in accordance with the accounting policy described in Note 4.2, while the accounting treatment of acquisition of an asset (or group of assets) which do not constitute a "business" is carried out in accordance with the accounting policy described in Note 4.24.

3.2 Uncertainty of estimates and assumptions

Specific amounts that are either included or affect the Financial Statements and the related disclosures are estimated, necessitating to make assumptions about values or conditions that cannot be known with certainty during the period of the Financial Statements preparation. An accounting estimate is considered significant when it is material to the financial position and the income statement of the Group and requires most difficult, subjective or complex judgments of the Management. The Group assesses such estimates on an ongoing basis, based on historical results and experience, through meetings with specialists, applying trends and other methods considered reasonable in the circumstances, as well as making projections regarding potential changes in the future.

i) Recognition of revenue from construction contracts

Managing revenue and expenses from a construction contract, depends on whether the final result of the contract implementation can be reliably estimated (and is expected to bring profit to the constructor or the result of the implementation are expected to be loss-bearing). When the outcome of a construction contract can be reliably estimated, then revenue and expense of the contract are recognized over the term of the contract, respectively, as revenue and expense.

The Group uses the completion stage to determine the appropriate amount of revenue and expense which it will recognize in a specific period. In particular, based on the input method under IFRS 15, the construction cost at every reporting date is compared to the total budgeted cost in order to determine the percentage of completion. The completion stage is measured on the basis of the contractual costs incurred until the reporting date in relation to the total estimated cost of every construction project. The Group, therefore, makes significant estimates regarding the gross result with which every construction contract will be implemented (total budgeted cost of the construction contract implementation).

ii) Useful lives of depreciated assets

For the purpose of calculating depreciation, the Group examines the useful life and residual value of tangible and intangible assets in every reporting period in the light of technological, institutional and economic developments as well as the experience of their exploitation. As at 31.12..2021 , the Management estimates that useful lives represent the expected usefulness of assets.

iii) Fair value measurement of investment property

In order to measure the value of its investment property, in cases, when active market prices are available, the Group determines the fair value based on the valuation reports prepared by independent valuers. If no objective data is available, in particular, due to economic conditions, the Management measures such values based on its past experience, taking into account the available data (further information is presented in Note 11).

iv) Fair value measurement

The Management uses valuation techniques to determine the fair value of financial instruments (when no active market prices are available) and non-financial assets. This procedure involves making estimates and assumptions about the consideration that market participants would pay to acquire these financial instruments.

The Management bases its assumptions on observable data, but it is not always feasible. In such cases, the Management uses the best available information for its estimates, based on its past experience, also taking into account the available information. Estimated fair values may differ from the actual values that would be made in the context of an ordinary transaction at the reporting date of the financial statements (further information is provided in Note 48).

The Group uses derivative financial instruments to manage a range of risks including interest rate and commodity prices risks. For the purpose of determining an effective hedging rate, the Group requires both - to declare its hedging strategy and to estimate that the hedge will be effective throughout the term of the hedging instrument (derivative). Further information regarding the use of derivatives is provided in Note 32.

v) Inventory

To facilitate valuation of inventories, the Group estimates, based on statistical valuation reports and market conditions, the expected selling prices and the costs of processing and disposing the items per inventory category.

vi) Estimates when calculating value in use of Cash Generating Units (CGU)

The Group conducts a related impairment test of investments in subsidiaries and associates whenever there is evidence of impairment in accordance with the provisions of IAS 36. If it is established that there are reasons for impairment, it is necessary to calculate value in use and fair value less costs to sell regarding every CGU. Recoverable amounts of CGUs are determined for impairment tests purposes, based on the value in use calculation, which requires making estimates. For the purpose of calculating value in use, estimated cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money as well as the risks associated with particular CGU (further information is provided in Note 12).

vii) Provision for personnel compensation

Based on IAS 19, the Group, makes estimates of the assumptions underlying the actuarial valuation of provision for personnel compensation. The provision amount for personnel compensation is based on an actuarial study. The actuarial study includes specific assumptions on discount rate, employees' remuneration increase rate, consumer price index increase and the expected remaining working life. The assumptions used are imbedded with significant uncertainty and the Group's Management continuously reassesses these assumptions (for further information please refer to Note 27).

viii) Provision for income tax

Provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to tax authorities and includes the current income tax for every financial year and a provision for additional taxes that might arise during tax inspections.

The Group's companies are subject to various income taxation legislations. Significant estimates are required in order to determine the total provision for income tax, as presented in the Statement of Financial Position.

The final tax determination is uncertain in respect of specific transactions and calculations. The Group recognizes liabilities for the projected tax issues based on the calculations as to the extent to which additional taxation will arise. In cases where the final tax result differs from the initially recognized amount, the differences affect the provisions for income tax and deferred tax for the period when it had been determined (for further information please refer to Note 35).

ix) Provisions for rehabilitation of environment

The Group makes provision for its related obligations to dismantle the technical equipment of wind farms and other productive facilities and restoration of the environment resulting from the applicable environmental legislation or from binding practices of the Group. Provision for rehabilitation of environment reflects the present value, as at the reporting date (based on the appropriate discount rate) of the rehabilitation obligation less the estimated recoverable amount of the materials, estimated to be disposed of and sold (further information is provided in Notes 4.19 and 28).

x) Provision for rehabilitation or maintenance obligation under the Motorways Concession Agreement

The concession agreement with the Greek State includes the contractual obligation of the concessionaire to maintain the infrastructure at a defined level of service provision or to restore the infrastructure to a specific condition before delivering it to the grantor at the end of the concession period. Calculating the amount to be considered as a provision for rehabilitation or maintenance obligation is a complex procedure, relying on judgments that have to do with the cost and timing of such projects implementation as well as the actual costs that may differ from the projected costs (further information is presented in Note 28).

xi) Contingent liabilities and receivables

The existence of contingent liabilities and receivables requires the management to make assumptions and judgments on on-going basis about the probability that future events will occur or not occur as well as the possible consequences that these events may have on the Company's operations. Determining contingent liabilities and receivables is a complex procedure that includes judgments regarding future events, laws, regulations, etc. Changes in judgements or interpretations are likely to lead to an increase or decrease in the Company's contingent liabilities in the future. When additional information becomes available, the Group's Management reviews the facts, based on which it may also have to review its estimates (see Note 50).

xii) Provisions for expected credit losses from receivables from clients

The Group and the Company apply the simplified approach under the provisions of IFRS 9 for calculation of expected credit losses. Under the aforementioned approach, provision for impairment is measured at an amount equal to the expected lifetime loss for the receivables from customers and the contractual assets. The Group and the Company have made provisions for bad receivables in order to adequately cover the loss that can be reliably estimated and arises from these receivables. In every reporting period, the provision that has been made is adjusted and the changes are recognized in the income statement (further information is presented in Notes 18, 19 and 20).

xiii) Acquisition of a company or business

At initial recognition, the assets as well as the liabilities of the acquired company are included in the consolidated financial statements at their fair values. In measuring fair values, Management uses estimates of future cash flows, however the actual results may differ. Any change in the measurement after initial recognition affects the measurement of goodwill (further information in Note 7).

xiv) Valuation of cash flow hedging agreements

The Group uses financial derivatives and specifically it enters into interest rate swaps to hedge its risk linked to fluctuations of interest rates. The swap agreements are valued according to market estimations regarding the trend of relevant interest rates for periods up to thirty years. According to such estimated interest rates, the cash flows are discounted in order to define the liability on the date of the financial statements (further information is presented in Note 32).

xv) Support of operation and recognition of financial instruments receivables

The subsidiary CENTRAL GREECE MOTORWAY S.A. regarded the contractual obligation of the Greek state to support operation as a hybrid financial instrument that includes an embedded derivative and a non-derivative host contract. Subsequently, the Group's subsidiary in question unbundled the embedded derivative from the host contract and, in accordance with IAS 39 (under the initial application) and IFRS 9, recognized a derivative financial item (receivables), i.e. the component of operating support that covers future payments of interest rate derivatives. Calculation of fair value of the receivable includes estimates of the credit risk of the counterparty (Greek State), an estimate of future outflows and the existence of a contingent time difference between the payments of the derivatives and the collection of operating support. The above estimates are re-evaluated on every reporting date. Further information is provided in Notes 4.14 and 32.

4 SUMMARY OF KEY ACCOUNTING PRINCIPLES

4.1 Basis for consolidation

The accompanying consolidated financial statements include the financial statements of GEK TERNA and its subsidiaries as at 31.12.2021. The date of preparation of the financial statements of the subsidiaries coincides with that of the parent.

Intra-group transactions and balances have been eliminated in the accompanying consolidated financial statements. Where required, the accounting policies of subsidiaries have been amended to ensure consistency with the accounting policies adopted by the Group. Note 5 provides a complete list of consolidated subsidiaries in line with the participating interest, held by the Group.

Subsidiaries are consolidated from the date the Group acquires control over them and they cease to be consolidated at the date of termination of this control.

Non-controlling interests constitute the component of equity of a subsidiary not directly or indirectly attributable to the parent. Losses relating to non-controlling interests (minority interests) of a subsidiary may exceed the rights of non-controlling interests in the subsidiary's equity.

Gains or losses and every component of other comprehensive income are accounted for both by the owners of the parent and the non-controlling interests, even if, as a result, such non-controlling interests present deficit.

(a) Subsidiaries

Subsidiaries are all the companies, which the Parent has the power to control directly or indirectly through other subsidiaries and they are fully consolidated (full consolidation). The Company has and exercises control through its ownership of the majority of the subsidiaries' voting rights. In order to define the control, the following conditions are examined, as recorded in IFRS 10:

i) The parent company has authority over the investee, since it can direct the related (operational and financial) activities. This is achieved through appointing the majority of the members of the Board of Directors and the directors of the subsidiary by the Management of the parent.

ii) The parent company holds rights with variable returns from its investment in the subsidiary. Other non-controlled investments are greatly dispersed and, therefore, cannot materially influence decision-making.

iii) The parent company may exercise its authority over the subsidiary to influence the amount of its returns. This is the result of decision-making on subsidiary's related matters through controlling the decision-making bodies (Board of Directors and Directors).

Changes in ownership interest in a subsidiary

In case of changes in a parent's ownership interest in a subsidiary, it is examined whether the changes result in a loss of control or not.

- Changes in a parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity.
- In case the parents' ownership interest changes in such a way that there is loss of control, then the parent shall record the necessary accounting entries and recognize the result from the sale (derecognition of the assets, goodwill and liabilities of the subsidiary as of the date of loss of

control, derecognition of the book value of non-controlling interests, determination of the result from the sale).

- When determining the sale result, any amount previously recognized in other comprehensive income in respect of that company is accounted for using the same method as would be applied by the Group in the event of direct sale of its assets or liabilities. That is to say, the amounts previously recognized in other comprehensive income are reclassified to the income statement.
- Following loss of control of a subsidiary, any investment in the former subsidiary is recognized according to the provisions of IFRS 9.

Investments in subsidiaries in the separate financial statements

Investments of the parent in its consolidated subsidiaries are measured at acquisition cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

(b) Joint arrangements

The Group applies IFRS 11 to all its joint arrangements. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the contractual rights and obligations of each investor.

Jointly controlled entities are consolidated using the proportionate consolidation method (if it is a joint operation) in the Company or the equity method (if it is a joint venture) in the Group.

Joint operations: Joint operations are accounted for using the proportional consolidation method. In particular, the Group recognizes in the consolidated financial statements: (i) its assets (including its share in any of its assets it holds jointly), (ii) its liabilities (including its share of any jointly held liabilities), (iii) its share in the proceeds of the sale from disposal of joint venture, and (iv) its expenses (including its share in any jointly incurred expenses). Essentially, these are tax joint operations, which do not constitute a separate entity within the framework of the IFRS. Their assets and liabilities are incorporated according to the effective proportions in the financial statements of the Company.

Joint ventures: Joint ventures are accounted for using the equity method, under which participating interests in joint ventures are initially recognized at cost and subsequently readjusted in compliance with the Group's share of the profits (or losses) and other comprehensive income of the joint ventures. Under the joint venture model, joint venture schemes are the ones in which members have rights over the net assets of the investments and are liable up to the extent of their contribution to the capital of the company. If the Group's participating interest in joint venture losses exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has undertaken liabilities or has made payments on behalf of the joint venture. Allocation of operating results and other comprehensive results is proportional to the participating interest.

Unrealized gains on transactions between the Group and joint ventures are eliminated according to the Group's participating interest in joint ventures. Unrealized losses are also eliminated unless there is evidence of the transaction for impairment of the transferred asset.

Consolidation takes into account the percentage held by the Group, effective as at consolidation date. The structure of the business scheme is the key and determining factor in defining accounting treatment.

The accounting policies of jointly controlled entities are consistent with those adopted and applied by the Group. The date of preparation of the financial statements of jointly controlled entities coincides with that of the parent Company.

Investments in jointly controlled operations in the separate financial statements

Investments of the parent in joint operations are included in the separate financial statements in proportion. In particular, assets and liabilities are proportionally incorporated in the Company's financial statements.

Investments in joint ventures in the separate financial statements

Investments of the parent in joint ventures are measured at acquisition cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

(c) Associates

Associates are entities over which the Group exercises significant influence, but does not exercise control. The Group's investments in associates are accounted for using the equity method. The assumptions used by the Group suggest that holding participating interest of between 20% and 50% of a company's voting rights implies a significant influence over the investee unless it can be clearly demonstrated that this is not the case. Investments in associates are initially recognized at acquisition cost and then consolidated using the equity method. According to this method, investments in associates are recognized at acquisition cost less any changes in the Group's participating interest in Equity after the initial acquisition date, less any provisions for impairment of those participating interests’ value.

Consolidated statement of comprehensive income includes the proportion of the Group in the total income of associates. If the Group's participating interest in an Associate's loss exceeds the value of the participating interest, the Group discontinues recognizing further losses unless it has settled liabilities or made payments on the part of the affiliate and, in general, settled the payments arising from the shareholding. If the associate subsequently produces profits, the investor starts once again recognizing its share of profits only if its share of profits equals the share of losses it had not recognized.

Unrealized gains on transactions between the Group and associates are eliminated according to the Group's participating interest in associates. Unrealized losses are eliminated unless the transaction provides evidence of impairment of the transferred asset.

Accounting policies followed by associates do not differ from those used by the Group and the date of preparation of the financial statements of associates is the same as that of the parent.

Investments in associates in the separate financial statements

Investments of the parent in consolidated associates are measured at acquisition cost less any accumulated impairment losses. Impairment test is carried out in accordance with the provisions of IAS 36.

4.2 Business Combinations

Subsidiaries are fully consolidated (full consolidation) applying the acquisition method from the date when control over them has been acquired and cease to be consolidated from the date when such control is no longer effective. The acquisition of a subsidiary by the Group is accounted for using the acquisition method. As at the acquisition date, the acquirer recognizes the goodwill arising on the acquisition transaction as the excess between:

- the aggregation of (i) the transferred consideration, measured at fair value; (ii) the amount of any non-controlling interests in the acquire (measured at fair value or the proportion of non-controlling interests in its net identifiable assets (iii) in a business combination that is completed in stages, the fair value at the date of acquisition of the acquirer's shareholding previously acquired in the acquire, less
- the net fair value of the acquired identifiable assets and liabilities as at the acquisition date.

Goodwill is tested for potential impairment on annual basis and the balance between its carrying amount and recoverable amount is recognized as an impairment loss, burdening the income statement for the period.

The costs arising under acquisition of investments in subsidiaries (e.g. fees of consultants, lawyers, accountants, appraisers and other professionals and consultant’s fees) are recognized as expenses and burden the income statement for the period when they are incurred.

Otherwise, when the acquire acquires participating interest, in which, at the acquisition date, net value of assets and assumed liabilities exceeds the transferred consideration, then the issue is classified as an acquisition opportunity. Following the necessary reviews, the excess arising from the above balance is recognized as profit in the income statement for the period.

4.3 Foreign currency conversion

Functional and reporting currency

The consolidated financial statements are presented in Euro, which is the functional currency of the Group’s as well as the Parent Company’s reporting currency.

Transactions and balances in Foreign Currency

Foreign currency transactions are converted into the functional currency by using the exchange rates applicable on the date when the said transactions were performed. The monetary assets and liabilities which are denominated in foreign currency are converted into the Group’s functional currency on the Statement of Financial Position reporting date using the prevailing exchange rate on that day. Any gains or losses due to translation differences that result from the settlement of such transactions during the period, as well as from the conversion of monetary assets denominated in foreign currency based on the prevailing exchange rates on the Statement of Financial Position reporting date, are recognized in the Income Statement.

Non-monetary assets which are denominated in foreign currency and which are measured at fair value are converted into the Group's functional currency using the prevailing exchange rate on the date of their fair value measurement. The FX translation differences from non-monetary items measured at fair value are considered as part of the fair value and thus are recorded in the same account as the fair value differences.

Gains or losses arising from transactions in foreign currency as well as from the end of period valuation of monetary assets, denominated in foreign currency, which meet the criteria for cash flow hedges are recognized in other comprehensive income and cumulatively in equity.

Foreign operations

The functional currency of the Group's foreign subsidiaries is the official currency of the country in which every subsidiary operates. For the preparation of consolidated financial statements, assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments due to business combinations, are translated into Euro at the exchange rates effective at the Statement of Financial Position reporting sate. Revenue and expenses are translated into the presentation currency of the Group based on the average exchange rates for the reported period. Any differences arising from this procedure are charged/ (credited) to foreign operations currency translation reserves differences, equity, and are recognized in other comprehensive income in the Statement of Comprehensive Income. Upon the disposal, write off or derecognition of a foreign subsidiary, the above reserves are transferred to profit or loss for the period.

4.4 Operating segments

The Company's BoD is the main corporate body responsible for business decision-making. The BoD reviews all of the internal financial reports in order to assess the Company's and Group's performance and resolve upon the allocation of resources. The Management has set the operating segments based on the said internal reports. The BoD uses different criteria in order to assess the Group's operations, which vary according to the nature of every segment, taking into consideration the risks involved and their cash requirements.

GEK TERNA's operating segments are defined as the segments in which the Group operates and on which the Group's management internal information system is based (please refer to Note 6).

4.5 Goodwill

Goodwill arises from acquisition of subsidiaries and associates or acquisition of control in a company.

Goodwill is recognized as the balance between acquisition cost and fair value of assets, liabilities and contingent liabilities of the acquired entity as at the acquisition date. In the case of a subsidiary's acquisition, goodwill is recorded as a separate asset, while in the case of an associate's acquisition, goodwill is included in the value of the Group's investments in associates.

As at the acquisition date (or at the date of the completion of the relative consideration allocation), acquired goodwill is allocated to the cash-generating units or groups of cash-generating units that are expected to benefit from that business combination. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

Goodwill is not amortized but is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that a potential impairment may have been incurred (see Note 4.9 regarding the procedures used to review goodwill impairment).

If a segment of a cash-generating unit, to which goodwill has been allocated, is disposed of, then the goodwill attributable to the disposed segment is included in the carrying amount of that segment to facilitate determination of gains or losses. The value of goodwill attributable to the disposed segment is determined based on the relative values of the disposed segment and the remaining segment of the cash-generating unit.

4.6 Intangible assets

The intangible assets of the Group concern

i. Rights-of-use quarries and mines and operational development costs of land,

ii. Rights-of-use land plots characterized as forestry, where Wind Parks are located,

iii. licensees acquired for Wind Parks, the right acquired under the concession agreements concluded with the State

iv. providers invoicing rights arising from concessions and PPPs (see note 4.15) and

v. acquired software programs

Upon initial recognition, the intangible assets acquired separately are recorded at cost. Intangible assets acquired as part of business combinations are recognized at fair value at the acquisition date.

Following initial recognition, the intangible assets are measured at cost less accumulated amortization and any impairment loss. Amortization is recorded based on the straight-line method during the useful life of the said assets. All the Group's intangible assets have a definite useful life.

The period and method of amortization is redefined at least at the end of every reporting period. Changes in the expected useful life of each intangible asset are accounted for as a change in accounting estimates.

Methods of amortization and useful lives of the Group's intangible assets can be summarized as follows:

Category	Methods of amortization	Useful life in years
Software	Fixed	3

Generation and energy units' installation and operation licenses	Fixed	25
Rights to use quarries and mines	Fixed	50
Expenses incurred under Operational Development of Quarries –Mines Land Plots Exploitation	Fixed	50
Concessions (rights arising from concession arrangements) NEA ODOS, CENTRAL GREECE MOTORWAY, HIRON CONSESSIONS S.A., PARKING LOT AT PLATANOU SQUARE KIFISIAS S.A., PARKING LOT AT SAROKOU SQUARE KERKYRAS S.A.	Note 4.15	Based on concession period (20-38)

Amortization of concession arrangements rights obtained, is made based on the execution rate of the specific construction contracts.

Gains or losses arising from the write-off due to disposal of an intangible asset are calculated as the difference between the net proceeds of the disposal and the current value of the asset and are recognized in profit or loss for the period.

(a) Software

Maintenance of software programs is recognized as an expense when the expense is realized. On the contrary, the costs incurred for improving or prolonging the return of software programs beyond their initial technical specifications, or respectively the costs incurred for the modification of the software, are incorporated in the acquisition cost of the intangible asset, only if they can be measured reliably.

(b) Forestry plots use rights

The value of the land use rights of the forestry land where the Wind Farms are installed includes the acquisition cost of these items less the amount of accumulated amortization and any impairment of their value.

(c) Generation and energy units installation and operation licenses

Various types of licenses held by the Group enable it to construct energy units or generate the right to produce and sell energy. Effective market conditions provide the required indications regarding the recoverable amount of these licenses.

Upon acquisition, the Group recognizes these licenses as intangible assets at fair value and then measures them applying the cost model, according to which the asset is measured at cost (which is the acquisition fair value) less accumulated amortization and any accumulated provisions for impairment. Amortization is carried out on a straight-line basis over the useful life of those assets, which is 25 years for electricity generation from renewable energy sources. Regarding the impairment tests, please refer to Note 4.9.

(d) Rights to use quarries and mines

The value of the rights to use quarries and mines includes the acquisition cost of these assets less the accumulated depreciation and any potential impairment.

(e) Concessions

In the capacity of concessionary companies, the Group's companies recognize an intangible asset and revenue to the extent they acquire the right to charge the users of utilities. Revenue recognition is based on the percentage of completion method. Furthermore, the intangible asset in question is subject to depreciation based on the time of the concession and impairment test, while revenue from the users of the infrastructure are recognized on an accrual basis to the extent they cover the operating costs of the Company. The additional component is recorded as a reduction of the intangible asset.

(f) Expenses incurred under Operational Development of Quarries – Mines Land Plots Exploitation

Such expenses concern query-mining operation development costs and mainly include procedures in respect of galleries surfacing costs, galleries opening coats and extracting sterile soil costs. During the operational development phase (before production starts), galleries surfacing costs are usually capitalized as part of the amortized cost of queries development and construction. Amortization of operating expenses incurred for development of mineral-ore extraction areas is calculated using the percentage recovery method of commercially recoverable mine. Amortization – expenses of capitalized operating costs arising from development of mines- queries include the costs of minerals mining and extraction costs. Operating costs arising from development of mines - queries are capitalized if, and only if, the following conditions are met:

- the Group will receive future economic benefits (improvement of access to mines) associated with the galleries surfacing activity.
- the Group can utilize the segment of the mine, the access to which has been improved, and
- the cost of the galleries surfacing activity associated with this segment can be measured reliably.

The asset arising from the galleries surfacing activity is added to the cost of the mine and is therefore valued at cost less accumulated depreciation and potential impairment.

4.7 Property, plant and equipment

Tangible fixed assets are recognized in the financial statements at acquisition values, less accumulated depreciation and any potential impairment losses. The acquisition cost includes all directly reimbursable costs incurred for the acquisition of these assets.

Subsequent expenses are recorded as an increase in the book value of tangible assets or as a separate asset only to the extent that the said expenses increase the future economic benefits, expected to arise from the use of the fixed asset and that their cost can be measured reliably.

Repair and maintenance cost is recognized in the Income Statement when incurred.

Tangible assets are written off when they are sold or withdrawn or when no further economic benefits are expected from their ongoing use. Gains and losses, arising from the write-off of tangible fixed assets, are included in the income statement for the year in which the asset is written off.

Assets under construction include fixed assets under construction and are carried at cost. Assets under construction are not depreciated until the fixed asset is settled and put into operation.

Depreciation of tangible fixed assets (excluding land, which is not depreciated) is calculated based on the straight-line method over their estimated useful life as follows:

Property, plant and equipment	**Useful life (in years)**
Building and technical works	8 - 30
Machinery and technical installations	3 - 25
Vehicles	5 - 12
Furniture and fixtures	3 - 12

When the book values of the tangible fixed assets are higher than their recoverable value, then the difference (impairment) is recognized directly as an expense in the Income Statement (see Note 4.9). Upon sale of tangible assets, the differences between the received consideration and their book value are recognized as profits or losses in the Income Statement.

Interest accrued on loans specifically or generally issued in order to finance the construction of tangible fixed assets is capitalized in the year when incurred, during the tangible assets construction period, provided that the recognition criteria are met (please refer to Note 4.8).

4.8 Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of qualifying assets, which will require considerable time until the assets are ready for the proposed use or disposal, are added to the acquisition cost of those assets until the assets are ready for the proposed use or disposal. In other cases, the borrowing costs burden gains or losses of the period when incurred.

4.9 Impairment of non-current assets (intangible and tangible assets/investments in consolidated companies)

In respect of tangible and intangible fixed assets subject to amortization/depreciation, an impairment test is performed when events or changes in circumstances indicate that their carrying amount may no longer be recoverable. When the net book value of tangible and intangible fixed assets exceeds their recoverable amount, then the excess amount relates to an impairment loss and is recognized directly as an expense in the income statement. Respectively, financial assets that are subject to impairment testing (if the relative indications are effective) are the assets measured at acquisition cost or under equity method (investments in subsidiaries and associates). The recoverable amount of investments in subsidiaries and associates is determined in the same way as that in respect of non-financial assets.

For the purpose of impairment test, assets are grouped at the lowest level for which cash flows can be separately identified. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and value in use. For the purpose of calculating value in use, Management estimates the future cash flows from the asset or cash-generating unit and selects the appropriate discount rate in order to calculate the present value of future cash flows.

Impairment loss is recognized for the amount, by which the book value of an asset or a Cash Generating Unit exceeds their recoverable amount. Discount factors are determined individually for every Cash Generating Unit and reflect the corresponding risk data, determined by the Management for every one of them.

Further assumptions are made that prevail in the energy market. The period, reviewed by the management exceeds five years - the period that is encouraged by IAS 36, since especially as for renewable energy units, even a longer period will be judged to be quite satisfactory.

Impairment losses of Cash Generating units first reduce the book value of goodwill allocated to them. Residual impairment losses are charged pro rata to the other assets of the particular Cash Generating Unit. With the exception of goodwill, all assets are subsequently reviewed for indications that their previously recognized impairment loss is no longer effective.

Apart from Goodwill, the Group does not possess intangible assets with indefinite useful life that are not amortized.

An impairment loss is reversed if the recoverable amount of a Cash Generating Unit exceeds its book value.

In such a case, the increased book value of the asset will not exceed the book value that would have been determined (net depreciation), if no impairment loss had been recognized, in the asset in previous years.

4.10 Investment property

Investment property relates to investments in properties which are held (through acquisition) by the Group, either to generate rent from their lease or for the increase in their value (increased capital) or for both purposes and are not held: a) to be used for production or distribution of raw materials / services or for administrative purposes; and b) for the sale as part of the company’s regular operations.

Investment property is initially measured at acquisition purchase cost including transaction expenses. Subsequently, it is recognized at fair value. Independent appraisers with adequate experience in the location and in the nature of investment properties define the fair value.

The book value recognized in the Group’s Financial Statements reflects the market conditions on the Statement of Financial Position reporting date. Gains or losses, arising from changes in the fair value of investment property constitute results and are recognized in the Income Statement for the period in which it has been recognized. Repairs and maintenance are recognized as expenses in the period when incurred. Significant subsequent expenses are capitalized when they increase the useful life of the property and its production capacity or reduce its operating costs.

Property transfers from investment property to fixed assets take place only when there is a change in the use of the said property which is proven by the Group's own use of the property or by the Group's commencement to develop this property for sale.

Investment property is derecognized (eliminated from the Statement of Financial Position) when it is sold or when it is permanently withdrawn from use and is not expected to generate future economic benefits from its sale. Gains or losses from withdrawal or sale of investment property pertain to the balance between the net proceeds from the sale and the book value of the asset and are recognized in the Income Statement for the period in which the asset was sold or withdrawn.

Constructed or developed investment property items are monitored, as well as completed items, at fair value.

4.11 Inventory

Inventory items include constructed or real estate property items kept for sale, idle mines and quarries materials, building materials, spare parts and raw and auxiliary materials. Inventories are measured at the lower amount between the cost and net realizable value. The cost of raw materials, semi-finished and finished products is determined applying the weighted average cost method.

The cost of finished and semi-finished products includes all the costs incurred in order to bring the products to their current state, condition and processing stage and contains raw materials, labor, general industrial expenses and other costs directly affecting acquisition of materials.

The net realizable value of finished products is their estimated selling price during the Company's normal course of business less the estimated costs for their completion and the estimated necessary costs for their sale.

The net realizable value of raw materials is their estimated replacement cost during the normal course of business.

Appropriate provisions are formed for obsolete inventory, if necessary. Impairment of inventory in net realizable value and other losses from inventory are recognized in profit or loss for the period in which they are incurred.

4.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, sight deposits, term deposits, bank overdrafts and other highly liquid investments that are directly convertible into particular amounts of cash equivalents which are not subject to significant value change risk.

The Group considers term deposits and other highly liquid investments less than three months maturity as cash available, as well as time deposits over three months maturity for which it has the right to early liquidation without loss of capital.

For the purposes of preparing the consolidated Statements of Cash Flows, cash and cash equivalents consist of cash in hand, bank deposits as well as cash equivalents as defined above.

The Group's restricted deposits, irrespective of the nature of their commitment, are not included in the cash and cash equivalents but are classified in the item "Prepayments and other receivables" (please refer to Note 20).

4.13 Financial instruments

4.13.1 Recognition and derecognition

Financial assets and financial liabilities are recognized in the Statement of Financial Position when and only when the Group becomes a party to the financial instrument.

The Group ceases to recognize a financial asset when and only when the contractual rights to the cash flows of the financial asset expire or when the financial asset is transferred and all the risks and benefits, associated with the particular financial asset, are substantially transferred. A financial liability is derecognized from the Statement of Financial Position when, and only when, it is repaid - that is, when the commitment set out in the contract is fulfilled, canceled or expires.

4.13.2 Classification and initial recognition of financial assets

With the exception of trade receivables that do not include a significant finance item and are measured at the transaction price in accordance with IFRS 15, other financial assets are initially measured at fair value by adding the relevant transaction cost except in the case of financial assets measured at fair value through profit or loss.

Financial assets, except those defined as effective hedging instruments, are classified into the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through profit & loss, and
- Financial assets at fair value through other comprehensive income without recycling cumulative profit and losses on derecognition (equity instruments)

Classification of every asset is defined according to:

- the Group's business model regarding management of financial assets, and
- the characteristics of their conventional cash flows.

All income and expenses related to financial assets recognized in the Statement of Comprehensive Income are included in the items "Other financial results", "Financial expenses" and "Financial income", except for the impairment of trade receivables included in operating results.

4.13.3 Subsequent measurement of financial assets

Financial assets at amortized cost

A financial asset is measured at amortized cost when the following conditions are met:

I. financial asset management business model includes holding the asset for the purposes of collecting contractual cash flows,

II. contractual cash flows of the financial asset consist exclusively of repayment of capital and interest on the outstanding balance ("SPPI" criterion).

Following the initial recognition, these financial assets are measured at amortized cost using the effective interest method. In cases where the discount effect is not significant, the discount is omitted.

The amortized cost measured category includes non-derivative financial assets such as loans and receivables with fixed or pre-determined payments that are not traded on an active market, as well as cash and cash equivalents, trade and other receivables.

Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for sale, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value.

Financial assets are classified as held for sale if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for sale, unless defined as effective hedging instruments.

Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets classified at fair value through total income (equity interests)

In accordance with the relevant provisions of IFRS 9, at initial recognition, the Group may irrevocably choose to present in other results directly in equity the subsequent changes in the fair value of an equity investment that is not held for sale.

Gains or losses from these financial assets are never recycled to the income statement. Dividends are recognized as other income in the income statement when the payment entitlement has been proved, unless the Group benefits from such income as a recovery of part of the cost of the financial asset - then such profit is recognized in the statement of comprehensive income. Equity interests designated at fair value through total income are not subject to an impairment test. This option is effective for every equity interest separately.

The Group has chosen to classify investments in this category (please refer to Note 21).

4.13.4 Impairment of financial assets

Adoption of IFRS 9 led to a change in the accounting treatment of impairment losses for financial assets, as it replaced the treatment effective under IAS 39 for recognition of realized losses with recognition of expected credit losses.

Impairment is defined in IFRS 9 as an Expected Credit Loss (ECL), which is the difference between the contractual cash flows attributable to the holder of a particular financial asset and the cash flows expected to be recovered, i.e. cash deficit arising from default events, discounted approximately at the initial effective interest rate of the asset.

The Group and the Company recognize provisions for impairment for expected credit losses for all financial assets except those measured at fair value through profit or loss. The objective of provisions for impairment under IFRS 9 is to recognize the expected credit losses over the life of a financial instrument whose credit risk has increased since initial recognition, regardless of whether the assessment is made at a collective or individual level, using all the information that can be collected on the basis of both historical and present data, as well as data relating to reasonable future estimates of the financial position of customers and the economic environment.

To facilitate implementation of this approach, a distinction is made among:

- financial assets whose credit risk has not deteriorated significantly since initial recognition or which have a low credit risk at the reporting date (Stage 1) and for which the expected credit loss is recognized for the following 12 months,
- financial assets whose credit risk has deteriorated significantly since initial recognition and which have no low credit risk (Stage 2). For these financial assets, the expected credit loss is recognized up to their maturity.
- financial assets for which there is objective evidence of impairment at the reporting date (Stage 3) and for which the expected credit loss is recognized up to maturity.

Trade receivables, other receivables, and receivables from contracts with customers

The Group and the Company apply the simplified approach, stated in IFRS 9 to trade and other receivables as well as to receivables from on construction contracts and receivables from leases, calculating the expected credit losses over the life of the above items. In this case, the expected credit losses represent the expected shortfalls in the contractual cash flows, taking into account the possibility of default at any point during the life of the financial instrument. While calculating the expected credit losses, the Group uses a provisioning matrix, grouping the above financial instruments based on the nature and maturity of the balances and taking into account available historical data in relation to the debtors, adjusted for future factors in relation to the debtors and the economic environment. Further analysis is presented in Notes 18 and 19.

4.13.5 Classification and measurement of financial liabilities

The Group's financial liabilities include mainly borrowings, suppliers and other liabilities, as well as derivative financial instruments. They include additional financial liabilities recognized in US Wind

Farms operating framework in the form of equity instruments having a substance of financial liabilities for Tax Equity Investments. Financial liabilities are initially recognized at cost, which is the fair value of the consideration received apart from borrowing costs. After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, with the exception of derivatives that are subsequently measured at fair value with changes recognized in the income statement (except derivatives that operate as hedging instruments, see Note 4.13.6).

Financial liabilities are classified as short-term liabilities unless the Group has the unconditional right to transfer the settlement of the financial liability for at least 12 months after the financial statements reporting date.

In particular:

(i) Loan liabilities

The Group's loan liabilities are initially recognized at cost, which reflects the fair value of the amounts receivable less the relative costs directly attributable to them, where they are significant.

After initial recognition, interest bearing loans are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account issuing expenses and the difference between the initial amount and the maturity amount. Gains and losses are recognized in the income statement when the liabilities are derecognized or impaired through the amortization procedure.

(ii) Trade and other liabilities

Balances of suppliers and other liabilities are initially recognized at their fair value and are subsequently measured at amortized cost using the effective interest method.

Trade and other short-term liabilities are not interest-bearing accounts and are usually settled on the basis of the agreed credits.

(iii) Equity instruments having a substance of financial liabilities

The Group has entered into agreements with "Tax Equity Investors" investors in the USA through TERNA ENERGY Group. According to these agreements, cash flows and tax benefits generated by wind farms are contractually distributed amongst investors (Tax Equity Investors, hereinafter "TEI") and the Group. Tax benefits include Production Tax Credits (PTCs) and accelerated depreciation.

In fact, based on these figures, TEIs acquire a form of participation in the scheme by paying cash and agreeing on the expected return (estimated internal degree of return) that they will achieve during the period in which wind farms produce these tax benefits. Expected return is calculated based on the total expected benefit that Tax Equity Investors will receive and includes the value of PTCs of distributed taxable income or loss and cash proceeds.

Control and management of these wind farms according to the provisions of IFRS 10 falls within the responsibility of the Group and they are fully consolidated in its financial statements using the full consolidation method. The initial investment of TEIs is initially recognized at fair value in the account “Equity instruments having a substance of financial liabilities” and then measured at amortized cost. This financial liability is reduced by the value of tax benefits and cash distributions to Tax Equity

Investors, as these distributions are contractually defined during the period in which the TEI is to achieve its expected return. The value of accelerated depreciation is recognized as "Amortization of tax benefits" on a pro-rata basis according to the estimated period of the investor's stay in the investment scheme. The value of the "PTCs" transferred to the investor is recognized when they are generated by the project, in return for turnover. The financial liability is increased by a financial expense determined by the balance of liabilities and the effective interest rate resulting from the discounted total cash inflows (TEI initial investment) and expected outflows (distribution of cash flows and tax benefits to the TEI) over the contract duration, as calculated on the date of payment of the initial investment by TEI.

There are no contractual obligations of the Group, through TERNA ENERGY Group, to provide any form of financial assistance in case of financial difficulty or any form of failure to fulfill the obligations of TERNA ENERGY USA Holding Corporation, including contractual obligations to the TEI. The main features of these transactions are as follows:

- Irrespective of the shareholding held by the counterparties, the Group maintains control over the wind farms, according to the provisions of IFRS 10, which are, therefore, fully consolidated in the Group's financial statements under full consolidated method.
- Counterparties receive a significant component of tax losses and PTCs generated by wind farms, as well as a component of cash flows, until they achieve a predetermined (at the start of investment) rate of a non-guarantee return.
- Counterparties remain investors in wind farms until they have achieved a predetermined return on their investment.
- When the return on the investment of the counterparties reaches the predetermined level, the Group has the option to redeem the counterparty's rights to the return on the investment.
- The return on the investment of the counterparties depends solely on the performance of wind farms. Although the Group undertakes the obligation to operate these wind farms in the best possible way and to take all the appropriate measures for their sound operation, it is not obliged to pay cash to the counterparties in excess of what is required in order to achieve the predetermined non-guarantee return on their investment.

After the date when TEI has achieved its contractually agreed performance and if the Group decides not to acquire the rights of TEI, TEI still maintains an insignificant percentage of the wind farm's return for the remaining contractual maturity.

The Group, based on the substance of these transactions, classifies the initial investment of the counterparty as a "financial liability" in the consolidated statement of financial position. The financial liability is measured at net book value using the effective interest method. This liability is reduced through the cash distribution received by TEI and, depending on the terms of the contract and the value of the tax benefits.

As at 31.12.2021 there are no more Equity Securities assimilated to financial liabilities for the Group, as on 30.06.2021, the Group lost control and de-consolidated the subsidiaries of TERNA DEN LLC Sub-Group, which own and operate the three (3) Wind farms in Texas, USA. (see Notes 7.2 and 26).

4.13.6 Derivative financial instruments and hedge accounting

At the date of the initial application of IFRS 9, all existing hedging relationships of the Group can be classified as continuing and therefore the application of the new Standard has no impact on the financial statements. The Group's risk management policies are in line with the provisions of the new standard and hedge accounting continues to apply.

In the context of risk management, the Group uses:

- derivative financial instruments for the exchange of interest rates to hedge the risks associated with the future fluctuation of variable loan interest rates,
- derivative financial instruments to hedge the risk of change in electricity prices (options, forward contracts for the sale of electricity)
- derivative financial instruments to hedge the risks associated with the future fluctuation of variable income.

These derivative financial instruments are initially recognized at their fair value at the date of the contract and are subsequently measured at their fair value. Changes in the fair value of financial derivative instruments are recognized at every reporting date either in the income statement or in other comprehensive income, depending on the extent, to which the derivative financial instrument meets the requirements of hedge accounting and, if so, according to the nature of the hedging object.

On the transaction date, the Group records the relationship between the hedging instrument and the hedging item, as well as the risk management objective and risk hedging transaction strategy. The Group also records both - when creating the hedging transaction and afterwards – the extent to which the instruments used in these changes are effective in offsetting fluctuations in the cash flows of hedging items.

Derivative financial products are measured at fair value at the reporting date and the changes are recognized in the income statement. The fair value of these derivatives is determined primarily on a market value and is confirmed by the counterparty credit institutions.

Exceptions are made regarding the derivatives that act as hedging instruments in cash flow hedges, for which special accounting is required. A hedging relationship is appropriate for hedge accounting when all the following criteria are met:

- the hedging relationship includes only eligible hedging instruments and eligible hedged items.
- at the inception of the hedging relationship there is a formal determination and documentation of the hedging relationship and the entity's risk management objective and its hedging strategy. The documentation includes determination of the hedging instrument, the hedged item, the nature of the hedged risk, and the manner in which the entity will assess whether the hedging relationship meets the effectiveness requirements (including an analysis of the sources of inefficiency of the hedge and how determination of the hedging factor).
- The hedging relationship covers all the following efficiency requirements: (a) there is an financial relationship between the hedged item and the hedging instrument, (b) the effect of the credit

risk does not override the changes in value arising from this financial relationship, and (c) the hedging rate of the hedging relationship is the same resulting from the amount of hedged item actually hedged by the entity and the amount of the hedging instrument the entity actually uses to offset this amount of hedging item.

Future cash flows hedging

The component of changes in fair value that is attributable to effective risk hedging is recognized in equity.

Any gain or loss arising from changes in fair value attributable to non-effective risk hedging is recognized directly in the statement of the comprehensive income in the item "Net financial Revenue/ (Expenses)". Cumulative amounts in equity are recycled through the Statement of Comprehensive Income to the income statement (from other comprehensive income to the income statement) in the periods in which the hedged item affects the income statement (when the projected hedged transaction is taking place).

Hedge accountancy is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the hedge accountancy criteria. The cumulative amount of gains or losses recognized directly in equity until that date remains in the reserves until the hedged item affects the Statement of Comprehensive Income. In the event that a hedged transaction is no longer expected to be realized, the net accumulated gains or losses recorded in the reserves are directly transferred to the Statement of Comprehensive Income.

4.13.7 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is recorded the Statement of Financial Position only if there is the present legal right to offset the recognized amounts and the entity intends to settle them on a net basis or to require the asset and settle the liability simultaneously.

4.14 Receivables on Embedded Derivatives

In the context of the operation of the concession company CENTRAL GREECE MOTORWAY, the Group recognizes a receivable for an embedded derivative. Specifically, according to article 25 of the Concession Agreement, as of 1 January 2016, the State has undertaken the obligation to provide Operating Support to CENTRAL GREECE MOTORWAY (hereinafter referred to as "E-65") to cover its eligible costs in each Calculation Period, to the extent that these costs are not covered by own revenues. The Calculation Period is defined as every successive six-month period (starting January 1st and July 1st of each year) and the Operating Support for every Calculation Period is the difference between the aggregate of the eligible project costs and the distributable base performance less the net revenue of that period. At the latest twenty (20) days before the end of each calculation period, E-65 submits to the State the Support Notification for the same calculation period. Upon the submission of the Support Notification, the Company is entitled in each calculation period to undertake, unconditionally and without limitations, from the Recipient an Account, from the next business day, regarding the payments by the State, and hence, any amount corresponding to the amounts described in the Support Notification up to the amount of the Beneficiary's balance. Payments by the State will be deposited five (5) days before the end of each Calculation Period, as defined in the Concession Agreement.

The Support Notification includes the following three distinct parts: (a) a part corresponding to the eligible project costs; (b) a part corresponding to the distributable base performance; and (c) a part corresponding to the additional interest margin, if applicable. Eligible project costs include, but are not limited to, the following categories: debt servicing account reserve and heavy maintenance movements, operating costs, debt servicing, all of which are deducted from direct income in order to calculate the amount of support. Both the distributable base performance and the additional interest margin are included as additional support amounts.

Debt servicing includes, but is not limited to, payments resulting from the six-month clearing of the liabilities of hedging instruments (exchange rate swaps).

In accordance with paragraphs 4.3.1, 4.3.3 and 4.3.4 of IFRS 9, it is determined to be a synthetic component of a hybrid of a financial instrument that also includes a non-derivative master contract resulting in some of the cash flows of the synthetic instrument ranging in the same way as a stand-alone derivative. The embedded derivative affects some or all cash flows that would otherwise have to be adjusted based on a specified interest rate, financial instrument price, commodity price, exchange rate, price or interest rate index or other variables. A derivative that accompanies a financial instrument but which under the contract may be transferred independently of that instrument or that has a different counterparty from that instrument is not an embedded derivative but a separate financial instrument.

An embedded derivative will be separated from the master contract and treated as a derivative (receivable) only if the following conditions are met:

i. The embedded derivative meets the definition of the derivative,
ii. the economic characteristics and risks of the embedded derivative are not closely linked to the financial characteristics and risks of the main contract,
iii. the hybrid (synthetic) instrument is not measured at fair value through recognition of changes in profit or loss (i.e. a derivative embedded in a financial asset or financial liability through profit or loss is not segregated). If an embedded derivative is segregated, the principal contract, if it is a financial instrument, shall be accounted for in accordance with this Standard and other appropriate IASs, if it is not a financial instrument.

The Group has assessed the above requirements of IFRS 9 and has considered the Greek State's contingent liability for Operating Support as a hybrid financial instrument that includes an embedded derivative (the Operating Support Part covering the payments of interest rate swaps) and a non-derivative contract (the remaining part of the Operating Support). It then separates the embedded derivative from the master contract and treats it as a derivative (receivable). See analytical information presented in Note 32 to the financial statements.

4.15 Service concession agreements

Under the terms of the contracts, the operator acts as a service provider. The operator constructs or upgrades an infrastructure (manufacturing or upgrading services) used to provide a utility service and deals with the operation and maintenance of that infrastructure (operation services) for a specified period of time.

According to IFRS, such infrastructure is recognized as a financial asset or as an intangible asset, depending on the contractually agreed terms. The Group companies recognize both - an intangible asset from the concession and a financial asset (bifurcated model) - or recognize a financial asset only.

Intangible assets

The Group companies operating as concessionaires recognize an intangible asset and an income to the extent that they acquire the right to charge the users of utilities. Revenue recognition is based on the completion rate method. Furthermore, the intangible asset is amortized on the basis of the time of the concession and an impairment test, while the revenues from the infrastructure users are recognized on the accrual basis.

For more information on the concession of right, see Note 8.

Financial assets

The Group companies that act as concessionaires recognize a financial asset as they have an unconditional contractual right to receive cash or other financial asset from the grantor for the construction services.

In the case of concessions, the concessionaire has an unconditional right to receive cash if the grantor contractually guarantees to pay to the concessionaire:

i. specific or fixed amounts, or
ii. the deficit which may arise between the amounts received by the users of the public service and the specific or fixed amount provided for in the Concession Agreement.

The Group recognizes the Financial Contribution of the State as a financial asset under the provisions of IFRIC 12 "Service Concession Arrangements". In particular, the Group recognizes a financial asset receivable and income based on the proportional completion rate method and the asset is measured at amortized cost less any impairment losses. More information is provided in Note 15.

4.16 Employee benefits

Short-term benefits: Short-term employee benefits (except for termination of employment benefits) in cash and in kind are recognized as an expense when deemed accrued. Any unpaid amount is recorded as a liability, whereas in case the amount already paid exceeds the benefits’ amount, the entity identifies the excessive amount as an asset (prepaid expense) only to the extent that the prepayment shall lead to a future payments’ reduction or refund.

Retirement Benefits: Benefits following termination of employment include lump-sum severance grants, pensions and other benefits paid to employees after termination of employment in exchange for their service. The Group's liabilities for retirement benefits cover both defined contribution plans and defined benefit plans. The defined contribution plan's accrued cost is recognized as an expense in the period to which it relates. Pension plans adopted by the Group are partly financed through payments to insurance companies or state social security funds.

a) Defined Contribution Plan

Defined contribution plans pertain to contribution payment to Social Security Organizations and therefore, the Group does not have any legal obligation in case the Fund is incapable of paying a pension to the insured person. The employer's obligation is limited to paying the employer's contributions to the Funds. The payable contribution by the Group in a defined contribution plan is identified as a liability after the deduction of the paid contribution, while accrued contributions are recognized as expenses in the income statement.

(b) Defined Benefit Plan (non-funded)

Under Laws 2112/20 and 4093/2012, the Company must pay compensation to its employees upon their dismissal or retirement. The amount of compensation paid depends on the years of service, the level of wages and the way of leaving service (dismissal or retirement). The entitlement to participate in these plans is carried out through the distribution of benefits in the last 16 years until the date of retirement of employees following the scale of Law 4093/2012.

The liability recognized in the Statement of Financial Position for defined benefit plans is the present value of the liability for the defined benefit less the plan assets' fair value (reserves from payments to an insurance company), the changes deriving from any actuarial profit or loss and the previous service cost. The defined benefit commitment is calculated on an annual basis by an independent actuary through the use of the projected unit credit method. Regarding FY 2021, the selected interest rate follows the tendency of European Bonds of 10-year maturity as at December 31, 2021, which is regarded as consistent with the provisions of IAS 19, i.e. is based on bonds corresponding to the currency and the estimated term relative to employee benefits as well as appropriate for long-term provisions.

A defined benefit plan establishes, based on various parameters, such as age, years of service and salary, the specific obligations for payable benefits. Provisions for the period are included in the relative staff costs in the accompanying separate and consolidated Income Statements and comprise the current and past service cost, the relative financial cost, the actuarial gains or losses and potentially arising additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19 is applied, which includes a number of changes to accounting treatment of defined benefit plans, including as follows:

i. recognition of actuarial gains/losses in other comprehensive income and their permanent exclusion from the Income Statement,
ii. non-recognition of the expected returns on the plan investment in the Income Statement but recognition of the relative interest on net liability/(asset) of the benefits calculated based on the discount rate used to measure the defined benefit obligation,

iii. recognition of past service cost in the Income Statement at the earliest between the plan modification date or when the relative restructuring or terminal provision are recognized,
iv. other changes including new disclosures, such as quantitative sensitivity analysis.

(c) Equity settled payments

The Group provides remuneration to its employees in the forms of equity instruments. In particular, such kind of remuneration is based on a stock option approved by the General Meeting of shareholders and includes call options regarding the Company's treasury shares.

These remunerations are settled through disposal of treasury shares by the Company provided that employees meet certain vesting conditions and exercise their options. The total amount of expenses during the vesting period is determined based on fair value of the plan during the period when the options are distributed. Non-market conditions are included in the assumptions for determining the number of options expected to be exercised. In each reporting period, the Group reassesses its estimations for the number of rights to be executed. Subsequently it recognizes the impact of reassessment of initial estimations, if any, in profit and loss statement with proper adjustment in equity.

As at 31.12.2020, no active plan regarding disposal of the Group and the Company shares is effective (see Note 34).

4.17 Leases

Recognition and initial measurement of the right-of-use asset

At the lease period commencement date, the Group recognizes a right-of-use asset and a lease liability, measuring the right-of-use asset at cost.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability (see below),
- any lease payments made at or before the commencement date, less any lease incentives received,
- the initial direct costs incurred by the lessee, and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group undertakes the obligation for those costs either at the lease period commencement date or as a consequence of having used the leased asset during a particular period.

Initial measurement of the lease liability

At the lease period commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. When the interest rate implicit in the lease can be readily determined, the lease payments shall be discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

At the lease period commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right-of-use asset during the lease term that are not paid at the lease commencement date:

1. fixed payments less any lease incentives receivable,
2. any variable lease payments that depend on the future change in index or a rate, initially measured using the index or rate as at the lease period commencement date
3. amounts expected to be payable by the Group under residual value guarantees,
4. the exercise price of a purchase option if the Group is reasonably certain to exercise that option and
5. payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

Subsequent measurement

Subsequent measurement of the right-of-use asset

After the lease period commencement date, the Group measures the right-of-use asset applying a cost model.

The Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any subsequent measurement of the lease liability.

The Group applies the requirements set in IAS 16 regarding the depreciation of the right-of-use asset, which it reviews for potential impairment.

Subsequent measurement of the lease liability

After the lease period commencement date, the Group measures the lease liability by

1. increasing the carrying amount to reflect financial cost on the lease liability,
2. reducing the carrying amount to reflect the lease payments made, and
3. remeasuring the carrying amount to reflect any lease reassessment or modification.

Financial cost of a lease liability is allocated over the lease term in such a way that it results in a constant periodic rate of interest on the remaining balance of the liability.

After the lease period commencement date, the Group recognizes in profit or loss, (unless the costs are included in the carrying amount of another asset applying other applicable Standards), both:

1. financial cost of the lease liability, and
2. variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

The Group as lessor

The Group receives rentals from leases of its investment properties. Income from rentals is gradually recognized over the lease term.

4.18 Government grants

Government grants are recognized at fair value when there is reasonable assurance that the grant will be collected, and the Group will comply with all relevant conditions.

Government grants related to the grants for tangible fixed assets are recognized when there is reasonable assurance that the grant will be collected, and all relevant conditions will be met. These grants are recognized as deferred income and are transferred to the income statement during the period based on the expected useful life of the asset, for which the grant was received.

Government grants, relating to expenses, are recorded in transit accounts and recognized in the income statement over the period necessary to balance the expenses they are intended to compensate.

In particular, concerning the grant for concession contracts of motorways, the Group recognized the total of financial contribution, approved through the concession agreement, as financial asset reducing the value of intangible asset, that had been created based on the same agreement, and amortized at the same period and in a way similar to the transfer of the book value of the intangible asset to the income statement.

4.19 Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has present legal or imputed liabilities as a result of past events; their settlement is possible through resources' outflow and the exact liability amount can be reliably estimated. The provisions are reviewed on the reporting date of the Financial Statements and are reviewed and adjusted accordingly on evert financial statements reporting date to reflect the present value of the expense expected for the settlement of the liability.

When the effect of the time value of money is significant, the provision is calculated as the present value of the expenses expected to be incurred in order to settle this liability.

If it is no longer probable that an outflow will be required in order to settle a liability for which a provision has been made, then it is reversed.

In cases where the outflow of economic resources due to current commitments is considered improbable or the provision amount cannot be reliably estimated, no liability is recognized in the financial statements. Contingent liabilities are not recognized in the financial statements but are disclosed unless the probability of an outflow of resources incorporating financial benefits is minimal. Potential inflows from economic benefits for the Group which do not meet the criteria of an asset are regarded as contingent assets and are disclosed when the inflow of the economic benefits is probable.

Provisions for motorways heavy maintenance

Regarding provisions of the concessions, and, in particular, provision for the obligation to restore or maintain the motorway under the concession, the Group has contractual obligations it has to fulfill as a condition for obtaining the licenses to (a) maintain the infrastructure at a defined level or (b) restore the infrastructure to a defined condition before delivering it to the concessionaire upon termination of the service concession agreement.

These contractual obligations that pertain to maintaining or restoring infrastructure are recognized and measured using the best possible estimates of the costs that would be required to settle the present obligation at the financial statements reporting date if obligation for maintenance and restoration arises within the year at the operational stage. Construction or upgrading services are charged to contractual revenue and expenses.

Provisions for rehabilitation of natural landscape

Concerning restoration of natural landscapes, the Group recognizes the provisions made by the entities of the Group's energy sector for decommissioning wind turbines from Wind Farms and restoring the surrounding area. Decommissioning and remediation provisions reflect the present value at the reporting date of the estimated cost less the estimated residual value of the recoverable materials. Provisions are reviewed at every reporting date of the Statement of Financial Position and are adjusted in order to reflect the present value of the expense, expected to be disbursed for settling the lability regarding decommissioning and remediation. The related provision is recognized as an increase in the acquisition cost of wind turbines and is depreciated on a straight-line basis over the 25-year term of the energy production contract. Amortization and disposal of the capitalized decommissioning and restoration costs is included in the Statement of Comprehensive Income together with depreciation of Wind Farms. Any changes in estimates with respect to the estimated cost or the discount rate are added to or deducted from, respectively, the cost of the asset. The effect of discounting the estimated cost is recognized in the income statement as an interest expense.

Furthermore, these provisions include certain provisions of the Group's industrial entities in order to cover the costs of rehabilitation of the natural landscape where the power plants and quarry operators are installed at the end of the holding, which lasts 20- 30 years, according to the licenses received from the state.

4.20 Revenue

IFRS 15 established the core principle by applying the following steps for identifying revenue from contracts with customers:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognize revenue when (or as) the Group satisfies a performance obligation

Revenue is recognized at the amount by which an entity expects to have in exchange for the transfer of the goods or services to a counterparty. When assigning a contract, the accounting treatment us also defined regarding the additional costs and the direct costs required to complete the contract.

Revenue is defined as the amount that an entity expects to be entitled to in exchange for the goods or services it has transferred to a customer. If the promised consideration in a contract includes a variable amount, the entity estimates the consideration amount it would be entitled versus the transfer of the promised goods or services to customer. The consideration amount may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, sanctions or other similar items. The promised consideration may also change if the entity's entitlement to the consideration depends on the occurrence or non-occurrence of a future event. For example, a consideration amount will be variable if the product has been sold with a refund option or if a fixed amount promise has been given as an additional performance benefit to achieve a specific milestone.

The volatility associated with the consideration promised by a customer may be expressly stated in the contract. An entity estimates the amount of the variable consideration using one of the following methods, whichever method it considers best suited to the amount of consideration to which it will be entitled:

(a) Estimated value - the estimated value is equal to the sum of the probability-weighted amounts in a range of possible consideration amounts. Estimated value is an appropriate estimate of the variable amount if the entity has a large number of contracts with similar characteristics.

b) Most probable amount - the most probable amount is the only most probable amount in a range of possible consideration amounts (i.e., the only likely outcome of the contract). The most probable amount is an appropriate estimate of the variable amount if the contract has only two possible outcomes (for example, the entity provides additional performance or not).

The Group and the Company recognize revenue, when it satisfies the performance of the contractual obligation by transferring the goods or services on the basis of this obligation. Acquisition of control by the client occurs when it has the ability to direct the use and to derive virtually all the economic benefits from this good or service. Control is transferred over a period or at a specific time. Revenue from the sale of goods is recognized when the goods are transferred to the customer, usually upon delivery to the customer, and there is no obligation that could affect the acceptance of the good by the customer.

Commitments for implementation performed over time

The Group recognizes revenue for a performance obligation implemented over time only if it can reasonably measure its performance in full compliance with the obligation. The Group is not in a position to reasonably measure progress in meeting a performance obligation when it does not have the reliable information required to apply the appropriate method of measuring progress. In some cases (e.g. during the initial stages of a contract), the entity may not be able to reasonably measure the outcome of a performance obligation, but it at least expects to recover the costs incurred to meet it.

In such cases, an entity shall recognize revenue only to the extent of the cost incurred until it is able to reasonably measure the outcome of the implementation obligation.

Revenue from rendering services is recognized in the accounting period in which the services are provided and measured according to the nature of the services to be provided. The receivable from client is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the client.

A contractual asset is recognized when the Group or the Company has settled its liabilities to the counterparty before the latter has paid or before the payment is due, for example when the goods or services are transferred to the customer prior to the right of the Group or the Company to issue an invoice. The contractual obligation is recognized when the Group or the Company receives a consideration from the counterparty as an advance or when it reserves the right to a consideration which is postponed before the performance of the contractual obligations and transfer of goods or services. The contractual obligation is derecognized when the contract obligations are met and the revenue is recorded in the income statement.

Commitments for implementation performed at a specific time

When a commitment for implementation is not met over time (as outlined above), then the entity enforces the implementation commitment at a particular time. In determining when the client acquires control of a promised asset and the entity settles an implementation commitment, the entity examines the requirements for the acquisition control, as analytically recorded in IFRS 15.

The main categories of revenue recognized from implementation commitments fulfilled over time for the Group are as follows:

i. Revenue from contracts with customers related to construction operations

It relates to revenue from contracts with customers and results from implementation commitments that are fulfilled over time. For the purpose of complying with IFRS, the proceeds from the construction activity are accounted for progressively during construction, based on the input method of measurement in accordance with the provisions of IFRS 15 "Revenue from Contracts with Customers".

The input method recognizes revenue based on the entity's efforts or inflows towards fulfilling an implementation commitment (for example, the resources consumed, the hours worked, the costs incurred the time spent or the hours of operation of the machines consumed) in relation to the total expected inputs to fulfil this implementation commitment.

ii. Sale of goods

Revenue from the sale of goods, after deduction of sales discounts, sales incentives and related VAT, is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

iii. Revenue from car stations

It relates to revenue from contracts with clients and results from execution commitments that are fulfilled over time. This revenue comes from the concessions for the operation of car stations. Amounts collected are recognized as revenue.

iv. Revenue from sale of Electric Energy & Natural Gas

It relates to revenue from contracts with customers and arises from implementation commitments that are fulfilled over time. Revenue from the Sale of Electric Energy is accounted for within the year it concerns. Under the preparation of the financial statements, revenue accrued unbilled, revenue from electricity purchased by LAGIE, ADMIE and the Energy Exchange (EXE) or another client not yet invoiced.

Regarding the Group’s wind farms operating in the USA and selling electricity to specific US energy markets (ERCOT) at market prices, revenue from the sale of electricity is recognized on the basis of the amount of electricity delivered at market prices for transactions, where all the revenue recognition criteria are met. In order to reduce its exposure to changes in energy prices in these markets, the Group uses the derivative instruments described in Note 4.13.6 above.

The proceeds from the liquidation of these derivatives are included in the proceeds from the sale of electricity. Regarding the derivatives that do not meet the cash flow hedge accounting criteria but which are nonetheless used to reduce exposure to the risk of a change in earnings, the Turnover also includes non-realized gains/losses from valuation.

Renewable Energy Credits ("RECs") and/or Green Certificates constitute an economic benefit achieved through the operation of a wind farm. RECs are generated by the wind power generation of wind farms and can be sold either through REC's organized markets or directly to individual buyers under contracts. As RECs are generated they are classified as inventories recognized at fair value and the related revenue deferred until sale. When RECs are sold, they are recognized as a component of revenue at fair market value. Gains and losses from the sale of RECs are recognized in the Turnover.

v. Revenue from tax benefits

The value of tax benefits is recognized in the income statement. The value of tax losses attributable to Tax Equity Investor is recognized in other income for the year, on proportional basis in compliance with the estimated period, during which the investor remains in the investment scheme, while the value of Production Tax Credits (PTCs), associated with the annual energy production of a wind farm, is recognized every year on the basis of actual production for the benefit of turnover.

vi. Revenue from Motorways Concession Arrangements

Revenue is classified into two sub-categories, i.e.: (a) Revenue from construction of concession projects; and (b) Revenue from exploitation of concession projects.

According to the concession arrangements, the Group's companies have undertaken research, construction, financing, operation, maintenance and exploitation of the projects "Ionia Odos Motorway from Antirio to Ioannina, PATHE Athens (Metamorfosis Motorway) - Maliakos (Skarfia) PATHE Schimatari - Chalkida "and” Central Greece Motorway (E65)”

Under IFRIC 12 "Service Concession Arrangements", revenue from construction arrangements is recognized in accordance with the impute method of measurement as defined in IFRS 15 and analyzed in (i) above.

Revenue from exploitation of concession arrangements is recognized on the basis of intangible asset and financial asset model and applies to:

(a) Revenue from toll collection through manual or electronic toll payment systems, and

(b) Revenue from rental of Car Service Stations (CSS) or other premises.

As defined in Note 15, under the intangible asset model, the Group recognizes revenue to the extent it acquires the right to charge the users of utilities. The Group recognizes the amount received or receivable option on the part of the operator at its fair value, which is considered to be the payments received from the infrastructure users, based on the accrual principle.

The relevant concession arrangements include all rights and obligations in relation to the infrastructure and rendered services.

vii. Revenue from construction and disposal of real estate

It pertains to revenue from contracts with clients and arises from implementation commitments settled over time. The Group's real estate property items under construction are recorded as inventory. From the amount of the performed sales, supported by a statutory document or a notarial sales agreement (as the relevant risks under the Company's guarantee liabilities are covered by insurance), the consideration attributable to the respective cost incurred by the end of the same year regarding the relative constriction of the sold building or part thereof, is recognized in every year revenue, based on the percentage of completion method.

viii. Income from Rentals

The income in question pertains to revenue from contracts with customers and arises from implementation commitments that are fulfilled over time. Income from rentals (operating leases) is recognized using the straight-line method according to the terms of the lease.

ix. Dividends

Dividends are accounted for when the right of recovery is finalized, it is possible that the financial benefits associated with the transaction will flow to the entity and the amount of revenue can be calculated reliably.

x. Interest

Interest income is recognized on an accrual basis.

xi. Revenue from other PPP concession agreements

At the construction stage, revenue is recognized based on the percentage of completion, in accordance with the Group's accounting policy for recognizing revenue from construction contracts.

During the operating phase, the revenue is recognized in the period in which the related services are provided by the Group. If a concession agreement includes revenue for more than one service, the consideration is allocated to the different services based on the relative fair values of the services provided.

4.21 Income tax

Income tax burden for the year consists of current tax, deferred tax and tax differences from previous years.

Current Income Tax

Current tax is calculated on the basis of the tax Statements of Financial Position of every company, included in the consolidated Financial Statements, according to the tax regulation effective in Greece or other tax frameworks under which the foreign subsidiaries operate. Expenditure on current income tax includes income tax that is based on the profits of each company as restated in its tax returns and provisions for additional taxes and is calculated according to the statutory or substantially statutory tax rates.

Deferred Income Tax

Deferred taxes are taxes or tax relief related to financial burdens or benefits accruing in the year but already been accounted for or to be accounted for by the tax authorities in different years.

Deferred income tax is determined using the liability method, arising from the temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, when the transaction took place, did not affect either the accounting or the tax profit or loss.

Deferred income taxes are calculated using the liability method in all temporary differences at the date of the financial statements between the tax base and the carrying amount of assets and liabilities. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are measured at every reporting date of the financial statements and are reduced to the extent that it is unlikely that there will be sufficient taxable profits against which part or all of the deferred income tax assets may be used.

Deferred tax assets and obligations are calculated at the tax rates expected to be effective for the year in which the asset is incurred or the liability will be settled and are based on the tax rates (and tax laws) that are in effect or effectively in force as at the financial statements reporting date. In the event the time of reversing temporary differences cannot be clearly identified, the tax rate applicable on the next FY date of the Statement of Financial Position will be applied.

Income tax related to items, recognized in other comprehensive income, is also recognized in other comprehensive income.

4.22 Earnings per share

Basic earnings per share are calculated dividing net earnings by the weighted average number of common shares outstanding during the period, excluding the weighted average number of the common shares acquired by the Group as treasury shares.

Earnings per share are calculated dividing the net profit attributable to shareholders by the weighted average number of shares outstanding during the year.

4.23 Share capital, reserves and distribution of dividends

Common registered shares are recorded as equity. Costs, directly attributable to a component of equity net of tax effect, are monitored as a deduction to the Balance of Retained Earnings in equity. Otherwise, this amount is recognized as an expense in the period in question.

In cases when the Company or its subsidiaries acquire part of the Company's share capital (treasury shares), the amount paid, including any expense, net of tax, is deducted from equity until the shares are derecognized or sold. The number of treasury shares held by the Company does not reduce the number of shares in circulation but affects the number of shares included in the calculation of earnings per share. Treasury shares held by the Company do not incorporate a right to receive a dividend.

At 31.12.2021 the Group held a total of 6.550.269 treasury shares (Note 33).

In particular, the reserves are divided into:

Statutory reserves

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed during the Company's operations.

Development legislation reserves and other tax exempted reserves

These reserves refer to profits not taxed at the applicable tax rate in accordance with the applicable tax framework in Greece and include reserves arising from taxable profits and pertaining to the company’s participation in development laws. These reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their conversion into share capital under certain circumstances.

Cash flows risk hedging reserves

The risk hedge reserve is used to record profits or losses on derivative financial products, which can be classified as future cash flow hedges and are recognized in other comprehensive income.

Reserves of foreign currency translation differences from incorporation of foreign operations

Foreign exchange differences arising on foreign currency translation are recognized in other comprehensive income and accumulated in other reserves. The cumulative amount is transferred to the income statement of the year when the amounts were transferred.

Treasury shares reserves

The Company has proceeded with successive acquisitions of treasury shares through implementing the approved share buy-back plan in accordance with article 49 of Law 4548/2018. The total value of these acquisitions is presented in reserves as a deduction from Equity.

Other reserves

Other reserves mainly include actuarial losses of pension schemes.

The category of other reserves comprises:

(1) Actuarial gains/(losses) from defined benefit pension schemes arising from (a) actual adjustments (the effect of differences between previous actuarial assumptions and those eventually occurring) and (b) changes in actuarial assumptions.

(2) Changes in fair value of investments classified as equity investments.

Dividends distributed to the Company's shareholders are recognized in the financial statements as a liability in the period in which the distribution proposal of the Management is approved by the Annual General Meeting of the Shareholders.

Also, at the same time, the financial statements reflect the effect of the disposal of the results approved by the General Meeting and the possible formation of reserves.

4.24 Acquisition of entities that do not constitute a “business” according to the definition of IFRS 3 – Acquisition of assets

In accordance with IFRS 3 "Business Combination", the Group determines whether a transaction or other event constitutes a business combination as defined in the Standard, i.e. whether the assets acquired and liabilities assumed constitute a "business". In the event that the acquired assets are not a business, the Group shall account for the transaction or other event as an asset acquisition. According to IFRS 3, the term "business" identifies an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or to other owners, members or participants. The accounting treatment of a business combination (see accounting policy 4.2 "Business combination" does not apply to the acquisition of an asset (or group of assets) that does not constitute a "business".

In this context, in the case of acquisition of entities that do not meet the definition of "business" in IFRS 3:

- The acquirer shall identify the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for intangible assets in IAS 38) and liabilities assumed. In accordance with IFRS 3.2 (b), the cost of the group shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.
- Goodwill or gain on a bargain purchase shall not be recognized in the transaction. The cost of the asset acquired (or group of assets) is allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of purchase.
- In accordance with IAS 12.15, recognition of deferred tax is not permitted upon initial recognition of an asset or a liability in a transaction that is not a business combination. In this context, no deferred tax is recognized on the acquisition of assets.
- Costs associated with the acquisition of assets (e.g. fees of consultants, lawyers, accountants, appraisers and other professional and consulting fees) are recognized as an expense and are accounted for to profit or loss for in the period they are incurred.

  Any contingent consideration given by the Group is initially recognized at its fair value at the acquisition date. Changes in the fair value of any consideration that meet the conditions for classification as an asset or liability are recognized by a corresponding change in the value of the recognized asset (e.g. IAS 38).

(Amounts in thousands Euro, unless otherwise stated)

5 GROUP AND COMPANY STRUCTURE

The following tables present the total participating, direct and indirect, interests of the parent company GEK TERNA SA in the economic entities as at 31.12.2021 per segment, which were included in the consolidation or incorporated as joint operations. In cases of indirect participation, the subsidiary, in which the participating interest is consolidated, is presented.

5.1 Company's Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT - JOINT OPERATIONS							
ALTE ATE - TERNA SA GP	Greece	50.00	0.00	50.00	Proportional consolidation	-	2015-2021
J/V GEK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50.00	50.00	100.00	Proportional consolidation	TERNA ENERGY SA	2016-2021

5.2 Group's Structure

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
CONSTRUCTION SEGMENT - SUBSIDIARIES							
TERNA SA	Greece	100.00	0.00	100.00	Full	-	2016-2021
J/V EUROIONIA	Greece	0.00	100.00	100.00	Full	TERNA SA	2016-2021
J/V CENTRAL GREECE MOTORWAY E-65	Greece	0.00	100.00	100.00	Full	TERNA SA	2016-2021
J/V HELLAS TOLLS	Greece	95.00	5.00	100.00	Full	TERNA SA	2016-2021
ILIOHORA SA	Greece	70.55	29.45	100.00	Full	TERNA SA	2016-2021
GEK SERVICES SA	Greece	100.00	0.00	100.00	Full	-	2016-2021
TERNA OVERSEAS LTD	Cyprus	0.00	100.00	100.00	Full	TERNA SA	2013-2021
TERNA QATAR LLC (Note 12.2)	Qatar	0.00	35.00	35.00	Full	TERNA SA	2013-2021
TERNA BAHRAIN HOLDING WLL	Bahrain	0.00	99.99	99.99	Full	TERNA SA	-
TERNA CONTRACTING CO WLL	Bahrain	0.00	100.00	100.00	Full	TERNA SA	-
TERNA VENTURES WLL	Bahrain	0.00	100.00	100.00	Full	TERNA SA	-
J/V GEK TERNA - TERNA ENERGY (INSTALLATION AND OPERATION ASSK)	Greece	50.00	50.00	100.00	Full	TERNA ENERGY SA	2016-2021
J/V GEK TERNA - GEK SERVICES	Greece	100.00	0.00	100.00	Full	-	2021
AEROZEPHIROS LTD	Cyprus	0.00	100.00	100.00	Full	TERNA SA	-
CONSTRUCTIONS SEGMENT - JOINT OPERATIONS							

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
J/V AVAX SA-VIOTER SA-ILIOHORA SA	Greece	0.00	37.50	37.50	Proportional consolidation	ILIOHORA SA	2016-2021
J/V TERNA - AKTOR - POWELL (CHAIDARI METRO)	Greece	0.00	66.00	66.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA - IMPEGILOSPA (TRAM)	Greece	0.00	55.00	55.00	Proportional consolidation	TERNA SA	2016-2021
J/V ALPINEMAYREDERBAUGmbH-TERNA (ANCIENT OLYMPIA BYPASS)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA - WAYSS (PERISTERI METRO)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V ETETH-TERNA-AVAX -PANTECHNIKI HORSE RIDING CENTRE	Greece	0.00	35.00	35.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA - PANTECHNIKI (OAKA SUR. AREAS)	Greece	0.00	83.50	83.50	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA-MICHANIKI AGRINIO BY-PASS	Greece	0.00	65.00	65.00	Proportional consolidation	TERNA SA	2016-2021
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (CHAIDARI METRO STATION, PART A')	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V ALPINEMAYREDERBAUGmbH-TERNA SA (PARADEISIA TSAKONA)	Greece	0.00	49.00	49.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR-DOMOTECHNIKI-THEMELIODOMI-TERNA-ETETH (THESSAL. MEG. MUNICIPALITY)	Greece	0.00	25.00	25.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA - AKTOR (SUBURBAN SKA)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA - AKTOR (R.C. LIANOKLADI - DOMOKOS)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA SA- THALES AUSTRIA (ETCS SYSTEM PROCUREMENT)	Greece	0.00	37.40	37.40	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA SA-AKTOR ATE J&P AVAX-TREIS GEFYRES	Greece	0.00	33.33	33.33	Proportional consolidation	TERNA SA	2016-2021
J/V METKA-TERNA	Greece	0.00	90.00	90.00	Proportional consolidation	TERNA SA	2016-2021
J/V APION KLEOS	Greece	0.00	20.00	20.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA SA-SICES CONSTRUCTIONS (HELPE REF. UPGR.)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR-TERNA-PORTO KARRAS (Florina-Niki road)	Greece	0.00	33.33	33.33	Proportional consolidation	TERNA SA	2017-2021
J/V AKTOR-TERNA (PATHE at Stylida road)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2017-2021
J/V TERNA - AEGEK Constructions (Promachonas road)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2017-2021
J/V AKTOR-TERNA (Patras Port)	Greece	0.00	70.00	70.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR ATE-J&P AVAX - TERNA SA (Koromilia-Kristalopigi project)	Greece	0.00	33.33	33.33	Proportional consolidation	TERNA SA	2016-2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
J/V IMPREGILO SpA-TERNA SA (Cultural center of Stavros Niarchos Foundation)	Greece	0.00	49.00	49.00	Proportional consolidation	TERNA SA	2017-2021
J/V AKTOR ATE - TERNA SA (Lignite works)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR ATE - TERNA SA (Thriasio B’)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR SA - J&P AVAX - TERNA SA (Tithorea Domokos)	Greece	0.00	33.33	33.33	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR SA - J&P AVAX - TERNA SA (Bridge RL 26, TITHOREA - DOMOKOS)	Greece	0.00	44.56	44.56	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR SA - TERNA SA (Thriasio B’ ERGOSE)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V AKTOR - TERNA (Joint Venture ERGOSE No. 751)	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V TERNA GCC WAC	Qatar	0.00	30.00	30.00	Proportional consolidation	TERNA SA	2016-2021
J/V RENCO TERNA (Construction of compression Station of TAP in Greece and in	Greece	0.00	50.00	50.00	Proportional consolidation	TERNA SA	2016-2021
J/V J&P AVAX SA-TERNA SA-AKTOR ATE-INTRAKAT (Mosque)	Greece	0.00	25.00	25.00	Proportional consolidation	TERNA SA	2016-2021
J/V AVAX-TERNA INTRAKAT-MYTILINAIOS (Construction of an artificial barrier on the Greek-Turkish border of Evros)	Greece	0.00	25.00	25.00	Proportional consolidation	TERNA SA	2021
JV TERNA CC CHR D CONSTANTINIDIS	Greece	0.00	55.00	55.00	Proportional consolidation	TERNA SA	2021
J/V TERNA - CGCE (AMAS 2)	Bahrain	0.00	50.00	50.00	Proportional consolidation	TERNA SA	-
J/V TERNA-CGCE JOINT VENTURE (AMAS 3)	Bahrain	0.00	50.00	50.00	Proportional consolidation	TERNA SA	-
J/V VINCI TERNA DOO	Serbia	0.00	49.00	49.00	Proportional consolidation	TERNA SA	2018-2021
J/V AVAX-TERNA (MEDITERRANEAN CITY OF DREAMS)	Cyprus	0.00	40.00	40.00	Proportional consolidation	TERNA SA	2019-2021
CONSTRUCTIONS SEGMENT - JOINT VENTURES							
J/V TENERGY - INDIGITAL -AMCO	Greece	0.00	26.16	26.16	Equity	TERNA ENERGY SA	2020-2021
RES ENERGY SEGMENT - SUBSIDIARIES							
TERNA ENERGY SA (Note 12.2)	Greece	37.37	0.00	37.37	Full	-	2015-2021
AIOLIKI PANORAMATOS DERVENOCHORION S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
PPC RENEWABLES - TERNA ENERGY SA	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2016-2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
ENERGIAKI SERVOUNIOU SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
IWECO HONOS LASITHIOU CRETE SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY EVROU SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI RACHOULAS DERVENOCHORION S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI DERVENOCHORION S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI MARMARIOU EVIAS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & CO ENERGIAKI PETRION EVIAS G.P.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI DYSTION EVIAS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI KARYSTIAS EVOIA S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & SIA ENERGEIAKI KAFIREOS EVIAS G.P.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI STYRON EVIAS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI NEAPOLEOS LAKONIAS S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI MALEA LAKONIAS S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & CO ENERGEIAKI VELANIDION LAKONIAS G.P.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI EASTERN GREECE SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AEOLIKI PASTRA ATTICA S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI PELOPONNISOU S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI PROVATA TRAIANOUPOULEOS SMSA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI DERVENI TRAIANOUPOLEOS S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGIAKI FERRON EVROU S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & CO ENERGIAKI ARI SAPPON G.P.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & Co AIOLIKI POLYKASTROU G.P.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ENERGEIAKI XIROVOUNIOU S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI ILIOKASTROU S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
EUROWIND S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
DELTA AXIOU ENERGEIAKI S.A.	Greece	0.00	29.90	29.90	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SA & VECTOR GREECE WIND PARKS - TROULOS WIND PARK G.P.	Greece	0.00	33.63	33.63	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY SEA WIND PARKS S.A.	Greece	0.00	31.76	31.76	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY WIND PARKS XIROKAMPOS AKRATAS S.A.	Greece	0.00	28.77	28.77	Full	TERNA ENERGY SA	2016-2021
VATHICHORI ENVIRONMENTAL S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
VATHICHORI ONE PHOTOVOLTAIC S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ALISTRATI ENERGY Ltd	Greece	0.00	29.90	29.90	Full	TERNA ENERGY SA	2016-2021
DIRFIS ENERGY SA	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY AI-GIORGIS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA AIOLIKI XEROVOUNIOU SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA AIOLIKI AITOLOAKARNANIAS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA AIOLIKI AMARINTHOU SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ILIAKI PANORAMATOS SA.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ILIAKI PELLOPONISSOU SA.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ILIAKI VIOTIAS SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
AIOLIKI CENTRAL GREECE S.A	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
VATHICHORI TWO ENERGY S.A.	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA ENERGY OMALIES SMSA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2017-2021
EVOIKOS ANEMOS S.A.	Greece	0.00	26.16	26.16	Full	TERNA ENERGY SA	2020-2021
ILIAKI PIKROLIMNIS S.A.	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2020-2021
ILIAKA VAKOUFIA PC	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2020-2021
PHOTOVOLTAIC KILKIS PC	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2020-2021
VALE PLUS LTD	Cyprus	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
HAOS INVEST 1 EAD	Bulgaria	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ECO ENERGY DOBRICH 2 EOOD	Bulgaria	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
ECO ENERGY DOBRICH 3 EOOD	Bulgaria	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
ECO ENERGY DOBRICH 4 EOOD	Bulgaria	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
EOLOS NORTH sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
EOLOS NOWOGRODZEC sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
EOLOS POLSKA sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
EOLOS EAST sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
JP GREEN sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
WIRON sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
BALLADYNA sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
EOLOS DEVELOPMENT SP. Z O.O.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2021
AEGIS RENEWABLES, LLC	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2011-2021
MOUNTAIN AIR HOLDINGS LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2011-2021
MOHAVE VALLEY ENERGY LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA RENEWABLE ENERGY PROJECTS LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
TERNA DEN LLC	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
FLUVANNA INVESTMENTS LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
FLUVANNA HOLDINGS LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
FLUVANNA I INVESTOR, INC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2017-2021
FLUVANNA INVESTMENTS 2, LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2018-2021
CI-II BEARKAT QFPF, LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
CI-II BEARKAT HOLDING B, LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
SPONSOR BEARKAT I HOLDCO, LLC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2017-2021
TERNA HOLDCO INC *	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021

RES ENERGY SEGMENT - JOINT VENTURES

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
EN.ER.MEL S.A.	Greece	0.00	18.68	18.68	Equity	TERNA ENERGY SA	2016-2021
RES ENERGY SEGMENT - ASSOCIATES							
CYCLADES RES ENERGY CENTER SA	Greece	0.00	16.82	16.82	Equity	TERNA ENERGY SA	2016-2021
ARMONIA ENERGY SOCIETY	Greece	0.00	4.67	4.67	Equity	TERNA ENERGY SA	2019-2021
AMALTHEIA ENERGY SOCIETY	Greece	0.00	6.23	6.23	Equity	TERNA ENERGY SA	2019-2021
THERMAL ENERGY SEGMENT - SUBSIDIARIES							
OPTIMUS ENERGY SA	Greece	0.00	19.06	19.06	Full	TERNA ENERGY SA	2017-2021
TERNA ENERGY TRADING EOOD	Bulgaria	0.00	33.63	33.63	Full	TERNA ENERGY SA	2016-2021
TETRA DOOEL SKOPJE	FYROM	0.00	33.63	33.63	Full	TERNA ENERGY SA	2020-2021
TERNA ENERGY TRADING D.O.O	Serbia	0.00	33.63	33.63	Full	TERNA ENERGY SA	2015-2021
TERNA ENERGY TRADING SHPK	Albania	0.00	33.63	33.63	Full	TERNA ENERGY SA	2018-2021
THERMAL ENERGY SEGMENT - SUBSIDIARIES							
HERON II VIOTIA THERMOELECTRIC STATION S.A.	Greece	75.00	25.00	100.00	Full	TERNA SA	2015-2021
GEK TERNA FTHIOTIDAS SINGLE MEMBER S.A.	Greece	100.00	0.00	100.00	Full	-	2021
THERMAL ENERGY SEGMENT - JOINT VENTURES							
THERMOELECTRIC KOMOTINIS SINGLE MEMBER S.A.	Greece	50.00	0.00	50.00	Equity	GEK TERNA CONCESSIONS SINGLE MEMBER SA	2021
HERON ENERGY S.A.	Greece	50.00	0.00	50.00	Equity	-	2015-2021
REAL ESTATE SEGMENT - SUBSIDIARIES							
IOANNINON ENTERTAINMENT DEVELOPMENT S.A.	Greece	84.65	0.00	84.65	Full	-	2015-2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
MONASTIRIOU TECHNICAL DEVELOPMENT S.A.	Greece	100.00	0.00	100.00	Full	-	2015-2021
VIPA THESSALONIKI S.A.	Greece	100.00	0.00	100.00	Full	-	2015-2021
ICON EOOD	Bulgaria	83.62	16.38	100.00	Full	TERNA SA	2015-2021
ICON BOROVEC EOOD	Bulgaria	0.00	100.00	100.00	Full	ICON EOOD	2015-2021
DOMUS DEVELOPMENT EOOD	Bulgaria	0.00	100.00	100.00	Full	ICON EOOD	2015-2021
SC GEK ROM SRL	Romania	0.00	100.00	100.00	Full	ICON EOOD	2015-2021
HIGHLIGHT SRL	Romania	0.00	100.00	100.00	Full	ICON EOOD	2015-2021
MANTOUDI BUSINESS PARK S.A.	Greece	0.00	100.00	100.00	Full	TERNA SA	2015-2021
AVLAKI I BV	Netherlan.	100.00	0.00	100.00	Full	-	2018-2021
AVLAKI I BV	Netherlan.	100.00	0.00	100.00	Full	-	2018-2021
AVLAKI I BV	Netherlan.	100.00	0.00	100.00	Full	-	2018-2021
AVLAKI I BV	Netherlan.	100.00	0.00	100.00	Full	-	2018-2021
KASSIOPI BV	Netherlan.	100.00	0.00	100.00	Full	-	2018-2021
REAL ESTATE SEGMENT - ASSOCIATES							
KEKROPS S.A.	Greece	37.48	0.00	37.48	Equity	-	2015-2021
GEKA S.A.	Greece	0.00	33.34	33.34	Equity	TERNA SA	2015-2021
CONCESSIONS SEGMENT - SUBSIDIARIES							
MGGR LLC	Greece	100.00	0.00	100.00	Full	-	2021
MGE HELLINIKON BV	Greece	100.00	0.00	100.00	Full	-	2021
HIRON CONCESSIONS S.A.	Greece	99.56	0.44	100.00	Full	ILIOHORA SA	2015-2021
KIFISIA PLATANOU SQ. CAR PARK SA	Greece	90.64	9.36	100.00	Full	ILIOHORA SA	2015-2021
PARKING STATION SAROKOU SQUARE CORFU S.A	Greece	83.67	16.33	100.00	Full	ILIOHORA SA	2015-2021
HELLAS SMARTICKET S.A.	Greece	35.00	13.08	48.08	Full	TERNA ENERGY SA	2015-2021
PERIVALLONTIKI PELOPONNISOU SMSA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
AEIFORIKI EPIRUS MAEES	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2017-2021
NEA ODOS SA	Greece	0.00	100.00	100.00	Full	GEK TERNA MOTORWAYS SINGLE MEMBER SA	2015-2021
CENTRAL GREECE MOTORWAY S.A.	Greece	0.00	100.00	100.00	Full	GEK TERNA MOTORWAYS SINGLE MEMBER SA	2015-2021
GEK TERNA MOTORWAYS SINGLE MEMBER SA	Greece	100.00	0.00	100.00	Full	-	2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS
GEK TERNA KASTELI SINGLE MEMBER SA	Greece	100.00	0.00	100.00	Full	-	2021
CONCESSIONS SEGMENT - JOINT VENTURES							
PARKING OUIL SA	Greece	50.00	0.00	50.00	Equity	-	2015-2021
ATHENS CAR PARK S.A.	Greece	29.00	0.00	29.00	Equity	-	2015-2021
THESSALONIKI CAR PARK S.A.	Greece	24.70	0.00	24.70	Equity	-	2015-2021
AG. NIKOLAOS PIRAEUS CAR PARK S.A.	Greece	36.52	0.00	36.52	Equity	-	2015-2021
POLIS PARK SA	Greece	30.21	0.00	30.21	Equity	-	2015-2021
METROPOLITAN ATHENS PARK SA	Greece	25.70	0.00	25.70	Equity	-	2015-2021
INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.	Greece	0.00	32.46	32.46	Equity	TERNA SA	2019-2021
WASTE CYCLO S.A.	Greece	0.00	19.06	19.06	Equity	TERNA ENERGY SA	2015-2021
INDUSTRIAL-MINES SEGMENT - SUBSIDIARIES							
STROTIRES AEBE	Greece	51.00	0.00	51.00	Full	-	2016-2021
TERNA MAG SA	Greece	51.02	48.98	100.00	Full	TERNA SA	2016-2021
EUROMETALL AGENCIES SA	Greece	0.00	100.00	100.00	Full	TERNA SA	2016-2021
VRONDIS QUARRY PRODUCTS SA	Greece	0.00	100.00	100.00	Full	TERNA SA	2016-2021
CEMENT PRODUCTION AND EXPORT FZC	Libya	0.00	75.00	75.00	Full	TERNA SA	-
MALCEM CONSTRUCTION MATERIALS LTD	Malta	0.00	75.00	75.00	Full	TERNA SA	2013-2021
SEGMENT OF HOLDINGS - SUBSIDIARIES							
QE ENERGY EUROPE LTD	Cyprus	0.00	100.00	100.00	Full	TERNA SA	2013-2021
TERNA ENERGY USA HOLDING CORPORATION	U.S.A.	0.00	37.37	37.37	Full	TERNA ENERGY SA	2011-2021
TERNA ENERGY TRANSATLANTIC sp.z.o.o.	Poland	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
TERNA ENERGY TRADING LTD	Cyprus	0.00	33.63	33.63	Full	TERNA ENERGY SA	2015-2021
TERNA ENERGY FINANCING SA	Greece	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
GALLETTE LTD	Cyprus	0.00	37.37	37.37	Full	TERNA ENERGY SA	2015-2021
TERNA ENERGY OVERSEAS LTD	Cyprus	0.00	37.37	37.37	Full	TERNA ENERGY SA	2016-2021
GEK TERNA CONCESSIONS SINGLE MEMBER SA	Greece	100.00	0.00	100.00	Full	-	2021

(Amounts in thousands Euro, unless otherwise stated)

ECONOMIC ENTITY	DOMICILE	DIRECT PARTI-CIPATION %	INDIRECT PARTI-CIPATION %	TOTAL PARTI-CIPATION %	CONSOLI-DATION METHOD	SUBSIDIARY OF INDIRECT PARTICIPATION	TAX UNAUDITED YEARS

The percentages of voting rights of GEK TERNA SA in all the above participations coincide with the percentage it holds over the share capital of the companies in circulation.

* After the loss of control of the subsidiaries of TERNA ENERGY sub-Group, which owns and operates the three (3) Wind Farms in Texas, USA (see note 7.2 for details), these companies do not have any substantial activity.

<u>Assessing the control</u>

The companies TERNA ENERGY and TERNA QATAR LLC are fully consolidated as subsidiaries as the Group exercises control over them in accordance with the requirements of IFRS 10. Within the current year, no changes were made to the above estimates, compared to 31.12.2020 (see note 12.2).

The following table presents the joint ventures for the construction of technical projects and other companies, in which the Group participates. These joint ventures have already concluded the projects they were established for, their guarantee period has expired, their relations with third parties have been settled and their final liquidation is pending. Therefore, they are not included in the consolidated financial statements.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V MAIN ARROGATION CANAL D 1	75.00%
J/V AKTOR, AEGEK, EKTER, TERNA AIRPORT INSTAL. SPATA	20.00%
J/V FRAGMATOS PRAMORITSA	33.33%
J/V VIOTER SA – TERNA SA	50.00%
J/V J&P AVAX SA – TERNA SA – EFKLEIDIS	35.00%
J/V J&P AVAX-VIOTER-TERNA (OLYMPIC VILLAGE CONSTRUCTION)	37.50%
J/V TERNA-MOCHLOS-AKTOR TUNNEL KIATO-AIGIO	35.00%
J/V J&P AVAX-TERNA-AKTOR PLATANOS TUNNEL	33.33%
J/V ALPINE MAYREDER BAU GmbH-TERNA SA (PARAD. TSAKONA RING ROAD)	49.00%
J/V TERNA SA-NEON STAR SA-RAMA (OPAP 1)	51.00%
J/V EBEDOS-PANTECHNIKI-ENERGY	50.10%
J/V TERNA-Al OMAIER	60.00%
TERNA ENERGY AVETE & SIA LP	26.94%

Moreover, given that the consolidation has nullified the value of the associate, presented below, it has no effect on the Group’s financial statements.

ATTIKAT ATE	Greece	22.15	0.00	22.15	Equity

5.3 Changes in the Group structure in 2021

During 2021 the following changes were made in the structure of the Group compared to 2020:

- On 29.01.2021, the Group through the company TERNA ENERGY OVERSEAS LTD acquired an additional 10% of the shares of its subsidiary TERNA ENERGY TRADING LTD for an amount of 90 (65 were paid to the seller, while the remaining amount of 25 covered outstanding due capital of the seller to the company). On 01.12.2021, it acquired an additional 29% of the shares of its subsidiary TERNA ENERGY TRADING LTD for an amount of euro 1. As a result of the above transaction, the Group increased the percentage of its indirect participation in the subsidiaries TERNA ENERGY TRADING EOOD, TETRA DOOEL SKOPJE, TERNA ENERGY TRADING D.O.O and TERNA ENERGY TRADING SHPK to 33.63%.
- On 19.03.2021 100% of the company AXPO GEN HELLAS SA was acquired, with objective the production of electricity from gas units, and renamed to GEK TERNA FTHIOTIDAS SMSA. The acquisition price amounted to 50, while the Equity at the date of acquisition amounted to 170. In accordance with IFRS 3, the transaction was assessed as an acquisition of assets and the difference of 120 was therefore recognized as an adjustment to the value of the assets acquired.
- On 15.04.2021 the company THERMOELECTRIC KOMOTINI SOLE SHAREHOLDER S.A. was founded with share capital of 40, with the object of production and trade of electricity from natural gas units. Pursuant to the Extraordinary General Meeting of Shareholders from 26.08.2021, the share capital was increased by an additional 40 with the entry of a new shareholder, MOTOR OIL RENEWABLE ENERGY SMSA. As a result of this change, the Group's participation percentage was set at 50% and the company was reclassified into joint ventures.
- On 02.06.2021 the company GEK TERNA CONCESSIONS SMSA was founded with share capital of 25, with the object of exploiting investments in concession companies and companies for the production and trading of electricity from units of natural gas of the Group.
- On 16.06.2021 J/V TERNA KONSTANTINIDIS was founded with the object of construction of a technical project. The TERNA sub-group owns 55% of the above joint operation.
- According to what is mentioned in detail in Note 7.2 of the Financial Statements, on 30.06.2021, the Management of the subgroup TERNA ENERGY lost control of the subsidiaries of the subgroup TERNA DEN LLC, which own and operate the three (3) Wind farms Parks in Texas, USA.
- On 17.09.2021, JV GEK TERNA SA - GEK SERVICES SA was founded with the object of combined ancillary , cleaning , storage and reception services in buildings and outdoors. The Group owns 100% of this joint operation.
- In September 2021 the company TERNA ENERGY OVERSEAS LTD acquired for a token monetary exchange all the shares of the newly established company EOLOS DEVELOPMENT Sp.z o.o.
- In October 2021, after the signing of the deed amending the terms of the existing shareholders' agreement, the Group, through the TERNA ENERGY sub-Group, acquired the control of OPTIMUS ENERGY SA, which until that date was consolidated as a jointly controlled company using the equity method (see Note 7.3)

(Amounts in thousands Euro, unless otherwise stated)

- Within the year 2021, the companies MGGR LLC and MGE HELLINIKON BV were founded with the aim of implementing the project "Granting a Casino Business Operating License for a wide range of activities at the Metropolitan Pole of Elliniko - Agios Kosmas"
- Within the year 2021, and more specifically on 11.10.2021, in implementation of the agreement as of 12.07.2021, the parent company of the Group acquired 75% of HERON II THERMOELECTRIC VIOTIA SA. After the above acquisition, the total percentage of the Group settled at 100% (there was an indirect participation of 25% through the 100% subsidiary TERNA SA – i.e. until 11.10.2021 the Group's participation in the above company had amounted to 25% and was consolidated as a joint venture using the equity method). As a result of the above transaction, the Group acquired full control of HERON II THERMOELECTRIC VIOTIA SA (i.e. 100%) and from 11.10.2021 onwards the Group consolidates the above company in the consolidated financial statements via the full consolidation method.

Also, within the year 2021, the following companies and joint ventures were liquidated, which until the date of liquidation were consolidated into the Group, without, however, a significant effect on the financial figures of the Group.

COMPANY NAME	TOTAL PARTICIPATION % (Indirect)
J/V ARTA-FILIPPIADA BY-PASS	98.00%
J/V AEGEK-TERNA (SIATISTA – KRYSTALLOPIGI CONNECTION)	45.00%
J/V EVINOU-AEGEK-METON SA-TERNA SA-EYKLEIDIS SA	33.33%
MALESINA ENERGY SA	29.90%
ORCHOMENOS ENERGY Ltd	29.90%
TERNA ENERGY SA & CO AIOLIKI ROKANI DERVENOCHORION G.P.	29.90%

6 OPERATING SEGMENTS

An operating segment is a component of an economic entity: a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses that concern transactions with other components of the same economic entity) and, b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess of its performance.

The term “chief operating decision maker” defines the Board of Directors that is responsible for the allocation of resources and the assessment of the operating segments.

The Group presents separately the information on each operating segment that fulfils certain criteria of characteristics and exceeds certain quantitative limits.

The amount of each element of the segment is that presented to the “Chief operating decision maker” with regard to allocation of resources to the segment and evaluation of its performance.

The above information is presented in the attached statements of financial position, total comprehensive income and cash flows according to IFRS.

The Group recognizes the following operating reporting segments, whereas if less significant other segments exist are consolidated in the participations category (other segments).

Constructions: refers, almost exclusively, to contracts for the construction of technical projects.

Electricity from RES: refers to the electricity production from wind generators (wind farms), from hydroelectric projects and other renewable energy sources.

Electricity from thermal energy and HP trading: refers to the electricity production using natural gas as fuel, trading of electric energy and natural gas.

Real estate: refers to purchase, development, and management of real estate as well as to investments for value added from an increase of their price.

Mining/Industry refers to the production of quarry products and the exploitation of magnesite quarries.

Concessions: concerns the construction and operation of infrastructure (e.g. motorways), other public interest projects (Unified Automatic Collection System and municipal waste treatment plant) and other facilities (e.g., car stations, etc.) in exchange for their long-term exploitation in relation to the services offered to the public.

Holdings: refers to the supporting operation of all of the segments of the Group.

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2021	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and merchandise	0	224,428	252,599	3,218	9,987	0	0	0	**490,232**
Sales of services	5,530	0	0	204	0	29,240	407	0	**35,381**
Revenues from operation of motorways	0	0	0	0	0	141,563	0	0	**141,563**
Revenues from construction services	474,638	0	0	0	0	0	0	0	**474,638**
Income from leases	0	0	0	446	0	1,915	24	0	**2,385**
Revenue from external customers	**480,168**	**224,428**	**252,599**	**3,868**	**9,987**	**172,718**	**431**	**0**	**1,144,199**
Inter-segmental turnover	120,384	0	0	635	60	298	1,352	(122,729)	**0**
Revenue	**600,552**	**224,428**	**252,599**	**4,503**	**10,047**	**173,016**	**1,783**	**(122,729)**	**1,144,199**
Cost of sales	(538,621)	(87,623)	(221,861)	(4,214)	(11,179)	(136,835)	(1,475)	112,237	(889,571)
Gross profit/(loss)	**61,931**	**136,805**	**30,738**	**289**	**(1,132)**	**36,181**	**308**	**(10,492)**	**254,628**
Administrative and distribution expenses	(27,014)	(22,308)	(1,173)	(593)	(3,700)	(10,270)	(17,840)	1,934	**(80,964)**
Research and development expenses	(1,432)	(4,967)	0	0	(140)	0	(148)	0	**(6,687)**
Other income/(expenses)	8,944	9,114	(1,627)	(247)	1,239	7,726	1,810	(1,409)	**25,550**
Results (EBIT) from continuing operations	**42,429**	**118,644**	**27,938**	**(551)**	**(3,733)**	**33,637**	**(15,870)**	**(9,967)**	**192,527**
Other income/(expenses)	1,809	739	(18)	292	6	(15)	(1)	9	**2,821**
Results before taxes, financing and investing activities from continuing operations	**44,238**	**119,383**	**27,920**	**(259)**	**(3,727)**	**33,622**	**(15,871)**	**(9,958)**	**195,348**
Financial income	6,055	522	0	49	0	5,503	5,697	(6,185)	**11,641**
Financial expenses	(10,495)	(30,026)	(612)	(301)	(1,702)	(47,281)	(22,800)	6,224	**(106,993)**

(Amounts in thousands Euro, unless otherwise stated)

Gains / (Losses) from financial instruments measured at fair value	0	(873)	0	0	0	(11,101)	0	0	**(11,974)**
Results from associates and Joint Ventures	0	349	(8,515)	(304)	0	112	0	0	**(8,358)**
Results from participations and securities	(59)	735	3,994	0	0	0	62,444	(1,154)	**65,960**
Earnings/(Losses) before taxes from continuing operations	**39,739**	**90,090**	**22,787**	**(815)**	**(5,429)**	**(19,145)**	**29,470**	**(11,073)**	**145,624**
Income tax	(11,197)	(22,263)	265	(29)	(58)	17,066	780	32	**(15,404)**
Net Earnings/(losses) after taxes from continuing operations	**28,542**	**67,827**	**23,052**	**(844)**	**(5,487)**	**(2,079)**	**30,250**	**(11,041)**	**130,220**
Discontinued operations									
Net Earnings/(losses) after taxes from discontinued operations	**0**	**(94,035)**	**0**	**0**	**0**	**0**	**0**	**0**	**(94,035)**
Net Earnings/(losses) after taxes from continuing and discontinued operations	**28,542**	**(26,208)**	**23,052**	**(844)**	**(5,487)**	**(2,079)**	**30,250**	**(11,041)**	**36,185**

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2021	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets	870,717	1,543,897	378,559	95,028	105,527	1,289,214	578,529	(117,189)	**4,744,282**
Investments in associates	0	59	0	779	0	0	0	0	**838**
Investments in joint ventures	0	2,766	15,032	0	2,716	46,747	139	(82)	**67,318**
Total Assets	**870,717**	**1,546,722**	**393,591**	**95,807**	**108,243**	**1,335,961**	**578,668**	**(117,271)**	**4,812,438**
Liabilities	**743,881**	**1,104,646**	**262,158**	**69,588**	**150,586**	**947,438**	**722,344**	**(59,462)**	**3,941,179**
Loans	87,723	912,641	101,088	61,012	100,000	652,794	680,797	0	**2,596,055**
Cash and Cash Equivalents	334,875	312,169	53,299	5,102	1,261	123,287	534,358	0	**1,364,351**
Net debt / (surplus)	**(247,152)**	**600,472**	**47,789**	**55,910**	**98,739**	**529,507**	**146,439**	**0**	**1,231,704**
Capital expenditure for the period 31.12.2021	**7,058**	**217,131**	**4,851**	**2,280**	**5,447**	**8,744**	**105**	**0**	**245,616**

During the year ended 31 December 2021, an amount of 146.7 million (12.8%) (153.6 million euros – (17.2%) in the year 2020) of the Group's turnover comes from an external customer of the electricity sector from RES (Customer A).
During the year ended 31 December 2021, an amount of 116.1 million (10.1%) (154.5 million euros – (17.3%) in the year 2020) of the Group's turnover comes from an external customer of the construction sector (Customer B).

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2020 *	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Sales of products and merchandise	0	193,993	37,417	2,286	6,978	0	0	0	**240,674**
Sales of services	5,204	0	0	967	0	22,228	119	0	**28,518**
Revenues from operation of motorways	0	0	0	0	0	126,996	0	0	**126,996**
Revenues from construction services	493,117	0	0	0	0	0	0	0	**493,117**
Income from leases	0	0	0	410	95	2,042	53	0	**2,600**
Revenue from external customers	**498,321**	**193,993**	**37,417**	**3,663**	**7,073**	**151,266**	**172**	**0**	**891,905**
Inter-segmental turnover	27,562	0	0	535	5	7	96	(28,205)	**0**
Revenue	**525,883**	**193,993**	**37,417**	**4,198**	**7,078**	**151,273**	**268**	**(28,205)**	**891,905**
Cost of sales	(490,479)	(80,238)	(36,902)	(4,267)	(8,028)	(115,505)	(914)	31,597	**(704,736)**
Gross profit/(loss)	**35,404**	**113,755**	**515**	**(69)**	**(950)**	**35,768**	**(646)**	**3,392**	**187,169**
Administrative and distribution expenses	(31,184)	(21,179)	(366)	(604)	(4,155)	(10,897)	(11,714)	960	**(79,139)**
Research and development expenses	(1,145)	(2,716)	0	0	(160)	(479)	-16	0	**(4,516)**
Other income/(expenses)	3,867	1,505	625	(271)	(7,909)	19,934	648	(957)	**17,442**
Results (EBIT) from continuing operations	**6,942**	**91,365**	**774**	**(944)**	**(13,174)**	**44,326**	**(11,728)**	**3,395**	**120,956**
Other income/(expenses)	(5,477)	(5,172)	(4)	(854)	(391)	0	(4)	211	**(11,691)**
Results before taxes, financing and investing activities from continuing operations	**1,465**	**86,193**	**770**	**(1,798)**	**(13,565)**	**44,326**	**(11,732)**	**3,606**	**109,265**
Financial income	6,839	366	1	52	5	5,715	19,387	(14,978)	**17,387**
Financial expenses	(11,251)	(21,049)	(34)	(410)	(2,602)	(49,781)	(22,565)	14,980	**(92,712)**

(Amounts in thousands Euro, unless otherwise stated)

Gains / (Losses) from financial instruments measured at fair value	0	0	0	0	0	20,840	0	0	**20,840**
Results from associates and Joint Ventures	0	167	(67)	4	0	(557)	0	0	**(453)**
Results from participations and securities	28	(1)	0	(75)	0	0	(1,162)	(1)	**(1,211)**
Earnings/(Losses) before taxes from continuing operations	**(2,919)**	**65,676**	**670**	**(2,227)**	**(16,162)**	**20,543**	**(16,072)**	**3,607**	**53,116**
Income tax	(6,801)	(15,078)	(227)	(191)	(91)	6,937	2,500	(91)	**(13,042)**
Net Earnings/(losses) after taxes from continuing operations	**(9,720)**	**50,598**	**443**	**(2,418)**	**(16,253)**	**27,480**	**(13,572)**	**3,516**	**40,074**
Discontinued operations									
Net Earnings/(losses) after taxes from discontinued operations	**0**	**18,253**	**0**	**0**	**0**	**0**	**0**	**0**	**18,253**
Net Earnings/(losses) after taxes from continuing and discontinued operations	**(9,720)**	**68,851**	**443**	**(2,418)**	**(16,253)**	**27,480**	**(13,572)**	**3,516**	**58,327**

(Amounts in thousands Euro, unless otherwise stated)

Business segments 31.12.2020 *	Constructions	Electricity from RES	Electricity from thermal energy and HP trading	Real Estate	Mining / Industry	Concessions	Holdings	Eliminations on consolidation	Consolidated Total
Assets	732,104	1,887,505	19,123	97,782	108,243	1,288,269	516,497	(105,977)	**4,543,546**
Investments in associates	0	62	0	1,064	0	0	0	0	**1,126**
Investments in joint ventures	0	3,074	37,857	0	2,716	46,366	139	(21)	**90,131**
Total Assets	**732,104**	**1,890,641**	**56,980**	**98,846**	**110,959**	**1,334,635**	**516,636**	**(105,998)**	**4,634,803**
Liabilities	**632,726**	**1,395,248**	**10,910**	**72,117**	**147,484**	**990,328**	**618,955**	**(59,774)**	**3,807,994**
Loans	116,796	908,136	0	61,011	92,198	650,596	596,945	0	**2,425,682**
Cash and Cash Equivalents	275,104	263,427	2,311	4,638	1,336	97,045	464,556	0	**1,108,417**
Net debt / (surplus)	**(158,308)**	**644,709**	**(2,311)**	**56,373**	**90,862**	**553,551**	**132,389**	**0**	**1,317,265**
Capital expenditure for the period 1.1-31.12.2020	**4,245**	**113,356**	**61**	**841**	**5,625**	**9,881**	**22**	**0**	**134,031**

* Amounts adjusted to include only continuing operations. The results from discontinued operations are disclosed independently and analysed in a separate note (see Note 7.2), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".
In addition, the comparative figures for the year 2020 have been revised by the impact due to the change in the accounting policy of IAS 19 (see Note 2.7.3).

Geographical segments 31.12.2021	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	Consolidated total
Turnover from external customers	980,962	115,578	10,488	24,133	1,197	11,841	**1,144,199**
Non-current Assets (excl. deferred tax assets and financial assets)	1,940,109	41,734	226	110,208	2,942	0	**2,095,219**
Capital expenditure	243,790	1,299	255	19	254	0	**245,616**

Geographical segments 31.12.2020 *	Greece	Balkans	Middle East	Eastern Europe	USA	Other regions	Consolidated total
Turnover from external customers	775,921	58,756	28,645	22,983	195	5,405	**891,905**
Non-current Assets (excl. deferred tax assets and financial assets)	1,690,257	42,371	942	117,860	533,826	180	**2,385,435**
Capital expenditure	102,378	1,654	285	0	28,969	745.386	**134,031**

* Amounts adjusted to include only continuing operations. The results from discontinued operations are disclosed independently and analysed in a separate note (see Note 7.2), in accordance with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations".

7 SIGNIFICANT CHANGES IN GROUP STRUCTURE

7.1 Acquisition of control in HERON II THERMOELECTRIC VIOTIA SA

7.1.1 Agreement of the Group for the acquisition of control in HERON II THERMOELECTRIC VIOTIA SA and HERON ENERGY SA

On 12.07.2021, GEK TERNA announced that it had reached an agreement for the acquisition of 75% and 50% of the shares of the companies HERON II THERMOELECTRIC STATION VIOTIA SA and HERON ENERGY SA respectively. With the finalization of the agreement, which was initially under the approval of the competent authorities, the Group will acquire 100% of the above two companies. The total installed capacity of the above power plants utilizing natural gas accounts for about 600 MW.

On 11.10.2021 after the approval of the competent Authorities, the Group acquired 75% of HERON II THERMOELECTRIC VIOTIA SA (see details in note 7.1.2 below) and at the same time awaited the approval by the competent authorities for the acquisition of a further 50% of HERON ENERGY SA.

Within the year 2022, GEK TERNA has now completed the process of acquiring the additional 50% of HERON ENERGY SA (see note 51).

7.1.2 Description of the transaction and allocation of the acquisition price

Within the year 2021, and more specifically on 11.10.2021, in implementation of the agreement as of 12.07.2021, the parent company of the Group acquired 75% of HERON II THERMOELECTRIC VIOTIA SA. After the above acquisition, the total percentage of the Group settled at 100% (there was an indirect participation of 25% through the 100% subsidiary TERNA SA – i.e. until 11.10.2021 the Group's participation in the above company had amounted to 25% and was consolidated as a joint venture using the equity method). As a result of the above transaction, the Group acquired full control of HERON II THERMOELECTRIC VIOTIA SA (i.e. 100%) and from 11.10.2021 onwards the Group consolidates the above company in the consolidated financial statements via the full consolidation method.

More specifically, on 11.10.2021, GEK TERNA paid a total consideration of 4,830 to the companies ENGIE INTERNATIONAL HOLDING BV (50% shareholder) and QATAR PETROLEUM INTERNATIONAL GAS & POWER OPC for the acquisition of 50% and 25% respectively of the interests that the latter companies held in HERON II THERMOELECTRIC VIOTIA SA. The company operates a 435 MW power plant in Thebes, Greece. It is further noted that in the context of this acquisition, GEK TERNA granted on 08.10.2021 a long-term intra-group loan of 34.5 million euros to HERON II THERMOELECTRIC VIOTIA SA, and with the inflows of this loan the latter repaid outstanding loans to the departing shareholders. This lending of € 34.5 million is reflected in the consolidated cash flows of investment activities in the "Issued Loans" account.

The above investment for the period from 01.01.2021 to 11.10.2021 was consolidated via the equity method and therefore, the Results of the Group for the year 2021 include its share (25%) in the results of HERON II THERMOELECTRIC VIOTIA SA for the above period and more specifically they include earnings amounting to 3,655. This amount is included by 3,602 in the item " Profit / (loss) from the consolidation of joint ventures under the equity method" of the consolidated Income Statement and by 53 in the item "Proportion of Other Comprehensive Income from Joint Ventures" of the consolidated Statement of Comprehensive Income based on the percentage held by the Group until 11.10.2021 (i.e. 25%). Respectively, the contribution to the total results of the Group for the period 01.01.-31.12.2020 had amounted to 365.

The total after tax results of the above company for the period 11.10.2021 - 31.12.2021 amounted to earnings of 28,071. If the above company had been fully consolidated with the above percentage from 01.01.2021, then additional earnings of 10,754 would have been recognized.

Furthermore, in accordance with the requirements of IFRS 3 "Business Combinations", at the date of acquisition of control, the Group estimated the existing pre-acquisition equity (25%) at fair value. The above estimate resulted in a profit of 6,662 which was recognized in favor of the consolidated results for the year 2021 and was included in the item " Profit from Acquisition of Control in subsidiaries" of the consolidated Income Statement for the year 2021. The determination of fair value is based on significant assumptions not observable in the market. The main estimates and assumptions are related to the evolution of the company's future income which are expected to be formed based on the estimated representation that the company is expected to achieve in the total estimated electricity generation of the country as it is affected by national energy policy and gas prices. Estimated future cash flows are discounted at a discount rate of 9.50%.

(Amounts in thousands Euro, unless otherwise stated)

Acquired assets and undertaken liabilities

The completion of the procedure of Purchase Price Allocation in accordance with IFRS 3 "Business Combinations" was finalized within the first quarter of 2022 and the final fair values of the assets acquired and liabilities assumed in October 2021 are as follows:

	Fair values as at the date of obtaining control 11.10.2021
ASSETS	
Intangible fixed assets	70
Right of use assets	949
Tangible fixed assets	122,579
Investement in equity interests	10
Other long-term assets	125
Inventories	2,724
Trade receivables	7,236
Receivables from contracts with customers	3,324
Prepayments and other receivables	61,001
Income tax receivables	14
Cash and cash equivalents	54,335
Total assets	**252,367**
LIABILITIES	
Long-term loans	84,823
Liabilities from leases	936
Provisions for staff leaving indemnities	20
Other provisions	1,553
Deferred tax liabilities	22,797
Suppliers	4,120
Short-term loans	11,213
Long term liabilities payable during the next financial year	3,261
Short-term part liabilities from leases	57
Liabilities from contracts with customers	632
Accrued and other short term liabilities	42,244
Total liabilities	**171,656**
Net assets	**80,711**

The above table presents the finalized fair values of the acquired assets and assumed liabilities at the date of acquisition of control, as determined by an independent expert of the Group. More specifically, the measurement of the fair value of the company HERON II THERMOELECTRIC VIOTIA SA was determined according to the discounted cash flow valuation methodology. The determination of fair value is based on significant assumptions not observable in the market. The main estimates and assumptions refer to a discount rate of 9.5%, constant throughout the discount period, which was determined according to the remaining useful life of the assets. The fair value of property, plant and equipment according to the report of the independent appraiser amounted to 122,579 and has been determined according to the discounted expected cash flows of the company. The relevant work resulted into an adjustment on the book value of the tangible assets of the acquired company amounting to 4,908. Furthermore, the item "Long-term loan liabilities" decreased by a total amount of 19,111, which relates to a reduction in loan liabilities in relation to secondary loans of the departing shareholders. In particular, in the context of the transaction finalization process, it was agreed that GEK TERNA will provide an intra-group loan of total amount of 34,520 to HERON II THERMOELECTRIC VIOTIA SA, and the inflows of this loan will be used by the latter to repay the obligations to the departing shareholders. The previous shareholders, in this context, eliminated loans receivables (interest and capital) by 19,111.

(Amounts in thousands Euro, unless otherwise stated)

Previously held percentage (25%) and effect on the consolidated Statement of Comprehensive Income for the year 2021

As mentioned above, at the date of acquisition of control, the Group owned 25% of HERON II THERMOELECTRIC VIOTIA SA. Upon the acquisition of control, the above percentage was estimated at fair value and the following result was derived for the Group:

25% Investment at Heron II at 11.10.2021	
Fair value	21,105
Book value	(14,443)
Valuation gain of 25% that Group held through TERNA SA (see Note 7.4)	**6,662**

Determination of goodwill from the acquisition of control

The transaction price was calculated at 25,008, based on which an acquisition profit was determined as follows:

Acquisition Cost settled in cash for the 75% of shares	4,830
Plus: Fair value of previously held percentage (25%)	21,105
Minus: Fair value of Net Assets at the acquisition date	(80,711)
Goodwill / (Negative goodwill - Bargain gain) (Note 7.4)	**(54,776)**

Analysis of outflows as at the date of obtaining control of HERON II:

Cash settled consideration	4,830
Transaction costs	850
Total	**5,680**
Less: Cash available acquired	(54,335)
Total cash outflows/(inflows) as at date of obtaining control	**(48,655)**

In the context of all the above calculations and as shown in the previous table, the Group recognized a negative goodwill (profit from bargain acquisition) of 54,776 and a profit of 6,662 from the valuation of the previously held percentage of 25%. Those were recognized in the item "Profit from Acquisition of Control in subsidiaries" of the consolidated Income Statement for the year 2021.

7.2 Loss of control over the 3 wind farms of the sub-Group TERNA ENERGY in Texas, USA - Discontinued Operations

7.2.1 Overview of the February 2021 Natural Phenomenon in Texas, USA and its Impact on Energy Consumption, Energy Infrastructure and Energy Costs

On 11.02.2021, bad weather of unprecedented power and severity hit most areas of the State of Texas, adversely affecting TERNA ENERGY Sub-Group's activities [through TERNA ENERGY USA HOLDING CORP ("TERNA USA") and in particular the TERNA DEN LLC Subgroup (which includes US subsidiaries that own and operate the Group's 3 Wind Farms in Texas - FLUVANNA 1, FLUVANNA 2 / GOPHER CREEK and BEARKAT I – of total capacity of 510 MW - hereinafter referred to as "the three (3) Wind Farms")], as well as a significant number of other Texas power plants (not just renewables but also gas, coal, and nuclear power plants).

The phenomena began to hit the State severely and already as of 12.02.2021 and the 254 counties of the State of Texas were put in a state of disaster. Extremely low temperatures of up to -22oC were observed, with alternation to snowfall and icy rain, while the accumulation of ice on the wings of the wind farm machines resulted in their shutdown due to eccentric load.

Extremely low temperatures resulted in:

(i) the vertical increase in gas and electricity consumption (in the case of electricity, 20% higher consumption was recorded than projected by the grid operator).

(ii) the insufficiency of available energy production that could not meet the increased demand. The deep cold has greatly affected the electromechanical mechanism in the energy infrastructure, while the electricity transmission and distribution network has suffered significant damages. Due to the combination of the above, the electricity generation capacity was significantly affected.

iii) the imposition of controlled / rolling blackouts by ERCOT in order to avoid a generalized blackout throughout the State of Texas and to reduce the demand for electricity in the available (reduced) production. Production capacity in the Texas system was at 50% of the declared as available until the onset of the Natural Phenomenon.

(iv) the combined conditions of increased consumption and reduced production led to a dramatic increase in the price of electricity, which rose from a level of US $ 20 / MWh to US $ 9,000 / MWh, which is the maximum allowed by ERCOT.

Due to the generally strong fluctuations in electricity producer prices in Texas, 85% of total electricity generation at ERCOT is allocated through tariff hedging contracts, which, in practice share the risk between producers and their counterparties. In particular, the producers assume the obligation and the risk of production according to a promised profile (which is different per day, per season, or per hour, depending on the producer), while the counterparty assumes the obligation and the risk of purchasing the produced energy according to the agreed energy profile, at a specific price. In case the energy production deviates from the contractual profile, the market price is used. In this case, as the producers could not produce energy for distribution to their counterparties according to the contractual provisions (as it was the case in the Wind farms of the TERNA ENERGY sub-Group), the counterparties proceeded to purchase this energy from the free market against the prevailing up to US $ 9,000 / MWh and invoiced the producers the difference between the energy purchase price and the respective agreed / contract price (approximately US $ 20 / MWh), thus causing enormous financial burdens on the producers.

It is noted that all three wind parks in Texas, returned to full operation between 20 and 23 February 2021.

7.2.2 Financial burden on the three (3) Wind Parks of TERNA ENERGY Sub-Group as a result of the Natural Phenomenon

In the case of TERNA ENERGY Sub-Group's three Wind Farms, these conditions generated an energy shortfall of approximately $ 30 million per day and ultimately amounted to $ 179.4 million. In particular, the counterparties Merrill Lynch Commodities, Inc., Morgan Stanley Capital Group Inc. and JPMorgan Chase Bank respectively (hereinafter referred to as "Hedge Providers"), on the basis of the existing hedging contracts with the three Wind Farms, issued Liquidated Damages invoices, covering the period from 13 to 19 February 2021, totally amounting to $ 179.4 million, allocated as follows: FLUVANNA 1 $ 32.7 million, FLUVANNA 2/GOPHER CREEK $ 69.6 million and BEARKAT $ 77.1 million.

These invoices were disputed and were not accepted by TERNA ENERGY Sub-Group, as the Management invoked the occurrence of a Force Majeure Event – see Note 7.2.3.

7.2.3 Actions and decisions of the Management of TERNA ENERGY Sub-Group

The previous risk analysis was performed with the contribution of the best market consultants which did not include the occurrence of a similar event. At the same time, insurance coverage could not cover the event, as no projections were made for such an event in the risk analysis of the insurance companies.

The Management of TERNA ENERGY Sub-Group moved quickly from the first moments of the occurrence of the Natural Phenomenon and proceeded with all the necessary actions, in order to notify the Hedge Providers in time for the occurrence of a Force Majeure Event. With this action, the goal of TERNA ENERGY Sub-Group's Management was to activate the contractual provision for the exemption of the three (3) Wind farms from the obligation to provide energy to Hedge Providers due to force majeure.

The occurrence of Force Majeure was not accepted by the Hedge Providers, as a result of which they proceeded within February 2021 with invoices for unqualified energy ("Liquidated Damages invoices"), which cover the period from 13 to 19 February 2021.

Throughout the onset of the phenomenon, daily discussions with all stakeholders (Hedge Providers, Tax Equity Investors, and Lender) and their legal advisors continued with increasing intensity, in order to minimize the adverse effects on TERNA ENERGY Sub-Group. While these discussions were ongoing, TERNA ENERGY Sub-Group's Management considered the following three possible actions: (a) Maintaining the three (3) Wind farms and appealing to the competent courts to initiate a legal dispute with Hedge Providers over the pricing of non-supplied energy (Liquidated Damages invoices) covering the period from the 13th to the 19th of February 2021, (b) finding a mutually acceptable commercial solution to the dispute with the Hedge Providers and (c) divesting from the three (3) Wind Farms in the USA (Class B interests).

After the thorough examination of the above actions by the Management, it was found that the smallest possible impact on the financial results of TERNA ENERGY Sub-Group would result from the choice of the third action, as through the divestment, the loss for TERNA ENERGY Sub-Group is limited to Euro 94.04 million (see Note 7.2.4 below for details). In particular, the Management of TERNA ENERGY Sub-Group, after a thorough examination of all data and conditions, decided to enter into an agreement for the sale of 100% of the shares of Class B (membership interests) of the subsidiaries that own and operate the three (3) Wind Farms in Texas towards the lending bank "CI-II FLUVANNA BK / S" ("CIP"), in exchange for the release of the loan obligations of the company TERNA DEN LLC (100% parent of these subsidiaries, which financed the construction of the Wind farms through borrowing from the CIP).

Note 7.2.4 below presents the Management's decision to divest from the three (3) Wind Farms in Texas, as well as the total accounting loss recognized as a result of the consolidated results for the year of 2021. Finally, it is emphasized that the loss from Disinvestment from the 3 Wind Farms in Texas is a non-recurring event, the effects of which have no effect either on the TERNA ENERGY USA HOLDING GROUP in the USA or in TERNA ENERGY Sub-Group. As a result of the above, apart from the accounting loss that was recognized within 2021, no liquidity or financing issues arose for TERNA ENERGY Sub-Group.

7.2.4 Sale of the Three (3) Wind Farms in Texas, USA

As a consequence of all the above, and as a result of the continuous consultations and discussions with all the involved parties that started immediately after the occurrence of the Natural Phenomenon, the Management signed on 19.07.2021, with a date of entry into force of 30.06.2021, Put & Call Option Agreement with the lending bank CI-II FLUVANNA BK / S (hereinafter “CIP”) regarding the sale of Class B Interests held by TERNA ENERGY Sub-Group to the subsidiaries Sponsor BEARKAT I Holdco LLC ("Sponsor BEARKAT I"), FLUVANNA Investments 2 LLC ("GOPHER HOLDCo") and FLUVANNA 1 INVESTOR Inc ("FLUVANNA HoldCo") - hereinafter referred to as "the three (3) Wind Farms" or "Disposal Team".

According to the terms of the signed agreement, CIP (through its affiliated companies) has the right to purchase the Class B Interests of the above companies, and TERNA ENERGY Sub-Group has the right to sell the said holdings. The exercise price of the purchase and sale options was set at 1 US Dollar ($ 1.00) plus the theoretical repayment of TERNA ENERGY Sub-Group’ borrowings to CIP, i.e., the Sub-Group's lender bank for financing, through TERNA DEN LLC, the construction of the 3 Wind Parks.

In accordance with the terms of the agreement and the requirements of IFRS 10 "Consolidated Financial Statements", the Management of TERNA ENERGY Sub-Group assessed that it lost on 30.06.2021, the control of the above three (3) Wind Farms, while up to 30.09.2021 was set the deadline for the completion of the Transaction and the transfer of company shares to the Buyer. In particular, according to the definitions of IFRS 10, control exists when the investor exercises power over the investee, holds positions or variable returns rights from the investor's participation and has the ability to use his power over the investee in order to influence the amount of its returns. From the evaluation of the contractual rights deriving from the Put & Call Option Agreement, the Management assessed that, from 30.06.2021 and onwards, it has lost the element of power over the three (3) Wind farms in Texas, USA. Therefore, TERNA ENERGY Sub-Group divested from these investments, through the theoretical sale (deemed disposal) due to the Put Call Options Agreement, which led to a substantial loss of control (the three (3) Wind Farms were considered as a Disposal Team according to the requirements of the IFRS 5 "Non-current Assets Available for Sale and Discontinued Operations"). The deemed sale of the companies took place against the theoretical consideration equal to the amount of 1 US Dollar ($ 1.00) plus the theoretical repayment of the existing loan received by TERNA ENERGY Sub-Group through TERNA DEN in order to finance the construction of these Wind farms (non-cash consideration that essentially relates to the transfer of loans to the Buyer at the date of completion of the transaction - see Note 24).

(Amounts in thousands Euro, unless otherwise stated)

On 23.07.2021, the sub-Group, through its subsidiaries SPONSOR BEARKAT I HOLDCO, LLC, FLUVANNA INVESTMENTS 2, LLC, and FLUVANNA I INVESTOR, INC, exercised the put option that it had acquired through the above Put & Call Option Agreement. As a result of that exercise, the Contract for the Sale and Purchase of Class B company shares (interests) of the three (3) wind farms "Disposal Group of Assets" was signed on 30.09.2021. With the signing of this agreement, the process of transferring the aforementioned company shares to CIP was completed.

As a result of all the events described above and the loss of control from the sub-Group, on 30.06.2021, TERNA ENERGY sub-Group deconsolidated its participation in the three (3) US Wind Parks (Class B Interests). In the consolidated Financial Statements for the year 2021, the Gains / (Losses) of these Wind farms which were fully consolidated up until 30.06.2021, as well as the result obtained from the theoretical sale (deemed disposal), have been included in item "Profit / (Loss) after taxes from discontinued operations" (see Note 7.2.5).

In detail, the book values of the net assets of the above Wind Farms at the date of loss of control are as follows:

Deemed disposal as a consequence of the an option's Sale and Purchase Agree,ent which led to loss of control	**Book Values at the date of lose of control**
ASSETS	
Non-current assets	536,560
Current assets excluding cash and cash equivalents	22,070
Cash and cash equivalents	8,031
Total assets	**566,661**
LIABILITIES	
Long-term loan liabilities	8,602
Equity interests having a substance of financial liability	233,141
Other long-term liabilities	29,610
Short-term loans	28,264
Equity interests having a substance of financial liability	45,379

(Amounts in thousands Euro, unless otherwise stated)

Short-term liabilities including liabilities to Hedge Providers from billing for non-provided energy ("Liquidated Damages invoices")	136,267
Total liabilities	**481,263**
Fair value of identifiable net assets	**85,398**

Respectively, the calculation of the result of the above transactions is analyzed as follows:

Cash consideration ($1.00)	0
Theoritical CIP bank loans' repayment (lender bank of TERNA DEN for the 3 Wind Farms construction financing)- Non cash consideration	194,356
Deemed sale consideration (a)	**194,356**
Distribution expenses (b)	**1,076**
Net Asset Book Value (c)	**85,398**
Gain from the deemed disposal of the 3 Wind Farms due to loss of control (a)-(b)-(c)	**107,882**
Less: Reclassification of other comprehensive income from discontinued operations to period's result	(39,925)
Total gain from the deemed disposal due to loss of control	**67,957**
Results from discontinued operations of the 3 Wind Farms for the period 01.01-31.12.2021	(161,992)
Total results from discontinued operations (see Note 7.2.5)	**(94,035)**

The amount of profit was calculated as the difference between the theoretical consideration less the estimated disposal costs of the above holdings of TERNA ENERGY Sub-Group and the Net Asset Book Value at the date of loss of control. As a result of the decision of TERNA ENERGY Sub-Group's Management to de-consolidate from the investments in the 3 Wind Farms in Texas, USA, the total loss for TERNA ENERGY Sub-Group was reduced from Euro 161.99 million to Euro 94.04 million. No liquidity or financing issues arose for TERNA ENERGY Sub-Group.

In accordance with the above details, the presumed sale of the three (3) Wind Farms took place instead of the theoretical consideration equal to the amount of 1 US Dollar ($ 1.00) plus the theoretical repayment of the existing loan received by TERNA ENERGY Sub-Group (through their parent company TERNA DEN) to finance the construction of these Wind farms. Based on the requirements of IFRS, it was deemed appropriate to offset the above receivable (non-cash theoretical price of the sale transaction) with the borrowings of TERNA ENERGY Sub-Group (theoretical repayment of loan obligations of TERNA DEN LLC, through the transfer of this liability to the buyer). The presentation of the above receivable and loan liabilities on an offsetting basis, reflects the future cash flows of TERNA ENERGY Sub-Group from the settlement of these financial instruments. The offset reflects the essence of the transaction and was made on the basis that there is a legally strong right to set off the above-mentioned amounts (based on the relevant terms of the contract) and further TERNA ENERGY Sub-Group intends to settle the assets and the liability on an offsetting basis.

(Amounts in thousands Euro, unless otherwise stated)

The relevant settlement (theoretical repayment of Group's loans to CIP) occurred in 30.09.2021, when Class B Interests were transferred to the Buyer, namely the relevant Sale Agreement was signed (Purchase Sale Agreement).

7.2.5 Discontinued Operations

i) Discontinued operations for the comparative reporting period (01.01 – 31.12.2020)

The data of the consolidated Statement of Comprehensive Income for the comparative reporting period (01.01 – 31.12.2020) of have been restated in order to include only the continuing operations. The discontinued operations of the comparative period include:

- The results of the 3 Wind Farms (Sponsor BEARKAT I, GOPHER HOLDCo and FLUVANNA HOLDCo) in Texas, USA for the period 01.01 – 31.12.2020 of TERNA ENERGY Sub-Group (due to the loss of control on 30.06.2021 - see Notes 7.2.3 and 7.2.4),
- the results of the Mountain Air Wind Farm in Idaho, USA, of TERNA ENERGY Sub-Group for the period 01.01 – 31.12.2020 (due to sale on 15.07.2020), as a result of the decision of the Management of the Group to divest from the (3) remaining parks he owned in the USA in 2021. More specifically, in the annual Financial Statements for the year 2020, the data of the Income Statement of the said wind farm (for the period 01.01 – 15.07.2020), as well as the result obtained from the sale were included in the results of continued operations, as, based on the definition of discontinued companies and the criteria of IFRS 5, this transaction did not constitute a discontinued operation for the TERNA ENERGY Sub-Group activities. Specifically, after the sale of Mountain Air, TERNA ENERGY Sub-Group continued to operate the remaining three (3) wind farms with a total capacity of approximately 510 MW, in the state of Texas, therefore this sale did not represent for TERNA ENERGY Sub-Group an interruption of a significant separate line business activity or a separate significant geographical area of activity. Given the developments that took place in 2021 (see Note 7.2.3), TERNA ENERGY Sub-Group no longer has the activity of production and sale of electricity in the USA and for this purpose and for the correct presentation of the comparative results, the Mountain Air Park was presented under the discontinued operations of TERNA ENERGY Sub-Group for the comparative period 01.01 – 31.12.2020.

ii) Net Results of the Group from Discontinued Operations

The net results of the Group from discontinued operations for the periods 01.01 – 31.12.2021 and 01.01 – 31.12.2020 are analyzed as follows:

	1.1-31.12.2021	1.1-31.12.2020
Revenue	32,132	79,400
Cost of sales	(21,337)	(51,460)
Gross profit	**10,795**	**27,940**
Administrative & distribution expenses	(104)	(329)
Other income/(expenses)	(145,360)	8,532
Operating results	**(134,669)**	**36,143**
Financial income	260	45
Financial expenses	(19,447)	(44,580)
Losses from financial instruments measured at fair value	(7,991)	(412)

(Amounts in thousands Euro, unless otherwise stated)

Gains from disposals and valuation of participations and other investments	-	27,454
Losses before tax	**(161,847)**	**18,650**
Income tax expense	(145)	(397)
Net losses for the year	**(161,992)**	**18,253**
Less: Reclassification of other comprehensive income from discontinued operations to period's result	(39,925)	-
Disposal gain	107,882	-
Net losses for the year from discontinued operations	**(94,035)**	**18,253**
Attributed to:		
Shareholders of the parent	(35,140)	6,808
Non-controlling interests	(58,895)	11,445
Net losses for the year from discontinued operations	**(94,035)**	**18,253**

The table below presents the net cash flows from operating, investment and financial activities related to discontinued operations for the periods 01.01 – 31.12.2021 and 01.01 – 31.12.2020:

Cash flow analysis from discontinued operations	**1.1-31.12.2021**	**1.1-31.12.2020**
Net cash flows from operating activities	(28,234)	76,157
Net cash flows from investing activities	-	43,608
Net cash flows from financing activities	26,313	(61,519)
Total net cash flows from discontinues operations	**(1,921)**	**58,246**

The basic earnings per share from discontinued operations for the presented reporting periods 01.01-31.12.2021 and 01.01-31.12.2020 amount to Euro (0.36513) and Euro (0.07022) respectively (see detailed calculation method in Note 33). There are no diluted earnings per share from discontinued operations.

7.3 Acquisition of control of the company OPTIMUS ENERGY SA from the subsidiary TERNA ENERGY SA in 2021 (former joint venture)

The Group, through the sub-Group TERNA ENERGY, acquired on 25.10.2021 the control of OPTIMUS ENERGY SA according to the definitions of IFRS 10 "Consolidated Financial Statements", as a result of a relative amendment of the terms of the existing shareholders' agreement. OPTIMUS ENERGY SA aims to provide integrated representation and financial optimization services to Producers of Renewable Energy Sources (RES) in the Greek wholesale electricity market and is licensed by RAE as a Cumulative Representation Agency (CRA).

More specifically and despite holding a majority of the voting rights, TERNA ENERGY SA did not exercise control over OPTIMUS ENERGY SA according to the definitions of IFRS 10 "Consolidated Financial Statements", since as a consequence of the terms included in the relevant shareholders' agreement, the Management had assessed that it exercises joint control in accordance with IFRS 11 "Shares under Joint Control". Therefore, the above investment had been classified in the item "Investments in Joint Ventures" and was consolidated according to the equity method.
During the financial year 2021, and in particular in October 2021, an act of amendment of the terms of the above shareholders' agreement was signed. As a result, changes were made in the manner of

(Amounts in thousands Euro, unless otherwise stated)

exercising control on OPTIMUS ENERGY SA along with an amendment made in the latter company's articles of association. Following the above change, certain shareholder rights expired, which previously did not allow the Company to exercise control in accordance with the requirements of IFRS 10. Consequently, and after evaluation of the requirements of IFRS 10, from 25.10.2021 TERNA ENERGY acquired the control of the company OPTIMUS ENERGY SA.
As a result of the above, from 25.10.2021 onwards, OPTIMUS ENERGY SA is consolidated as a subsidiary in the consolidated financial statements by the method of the full consolidation. The investment in OPTIMUS ENERGY SA for the period 01.01.2021 – 25.10.2021 was consolidated based on the equity method and therefore, the results of the sub-Group TERNA ENERGY for the annual period ended 31.12.2021 include its share (51%) in the results of the above company and certain profits amounting to 470. This amount is included in the item "Earnings / (losses) from the consolidation of joint ventures via the equity method" of the consolidated Statement of Comprehensive Income based on the percentage held by the sub-Group TERNA ENERGY until 25.10.2021 (i.e. 51%). Respectively, the contribution to the total results of the Group for the period 25.10-31.12.2020 had amounted to 67.
Furthermore, in accordance with the requirements of IFRS 3 "Business Combinations", at the date of acquisition of control, sub-Group TERNA ENERGY measured the existing pre-acquisition equity rights (51%) at fair value. The above estimation indicated a profit of 3,994 which was recognized in favor of the consolidated results of the year 2021 and was included in the item "Profit from acquisition of control in subsidiary companies" of the consolidated Income Statement for the year 2021. The measurement of the fair value of OPTIMUS ENERGY SA amounted to 9,400 and was determined based on the valuation technique of discounted cash flows. The determination of fair value is based on significant assumptions not observable in the market. The main estimates and assumptions are related to the evolution of the future income of the company which is expected to be formed based on the estimated representation that the company is expected to achieve in the total estimated electricity production of the country as planned by the National Energy & Climate Plan. The estimated future cash flows have been discounted at a discount rate of 11.60%.

Acquired assets and assumed liabilities and Temporary Goodwill
The book values of the assets acquired and the liabilities assumed in October 2021 and the resulting temporary goodwill are as follows:

	Book Values before the acquisition of control
ASSETS	
Intangible assets and Right-of-use assets	179
Tangible fixed assets	6
Other long-term receivables	5
Trade receivables and Receivables from contracts with customers	7,422
Prepayments and other receivables	23,285
Cash and cash equivalents	22,914
Total assets	**53,811**

(Amounts in thousands Euro, unless otherwise stated)

LIABILITIES	
Lease liabilities	1
Suppliers and Liabilities from contracts with customers	337
Accrued and other short-term liabilities	51,626
Income tax payable	279
Total liabilities	**52,243**
Minus: Non controling interest at the date of obtaining control	**(768)**
Book Value of acquaried net assets	**800**

The goodwill arising from the above transaction, and which is included in the respective item of the consolidated Statement of Financial Position was determined based on the book values of OPTIMUS on 25.10.2021 and is deemed to be temporary. The process of determining the fair value of the acquired assets and liabilities, the purchase price allocation and the consequent final determination of the relevant goodwill is underway, as the Group made use of the option provided by IFRS 3 "Business Combinations" for the finalization of the above figures within the 12-month period from the date of acquisition of control.

Consideration at the date of obtaining control	-
Fair value of previously held percentage (51%-see above)	4,794
Minus:Net assets	(800)
Total temporary Goodwill	**3,994**

Analysis of outflows as at the date of obtaining control of OPTIMUS ENERGY:	
Cash settled consideration	0
Total	**0**
Less: Cash available acquired	(22,914)
Total cash outflows/(inflows) as at date of obtaining control	**(22,914)**

The total income after taxes and non-controlling interests of OPTIMUS ENERGY SA for the period 25.10.2021 up to 31.12.2021 amounted to earnings of 67 and were included in the consolidated Statement of Comprehensive Income of the Group. If the above company had been fully consolidated with the above percentage from 01.01.2021, then the consolidated turnover would have increased by 2,006, while the consolidated earnings after taxes and non-controlling interests would have increased by 989.

7.4 Profit from the acquisition of control over subsidiaries in GEK TERNA Group

The results of the transactions for the year 2021, as described in cases 7.1 (HERON II VIOTIA SA) and 7.3 (OPTIMUS ENERGY SA), are summarized in the following table as follows:

(Amounts in thousands Euro, unless otherwise stated)

	1.1-31.12.2021
Bargain gain of HERON II SA (Note 7.1.2)	54,776
Profit from the valuation in fair value of previously held percentage (25%) in HERON II at the date of obtaining control (Note 7.1.2)	6,662
Profit from the valuation in fair value of previously held percentage (51%) in OPTIMUS ENERGY at the date of obtaining control (Note 7.3)	3,994
Profit from Acquisition of Control in subsidiaries	**65,432**

7.5 Changes in the activity of the Company as a result of the Operation and Maintenance Contracts between GEK TERNA SA and the Concession companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA

On 05.03.2021, after an approval granted by the Greek State, the Operation and Maintenance Contracts (the "O&M Contracts") were signed, between GEK TERNA SA (hereinafter the "Operator") and the Concession companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA (hereinafter the "Concessionaires"), which entered into force on 17.05.2021.

In particular, based on the above contracts, the Concession Companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA (hereinafter the "Concessionaires"), subcontracted for a fee, the operation and maintenance of the Concession Projects to the company GEK TERNA SA, which is the parent company of GEK TERNA Group (the "Operator").

The O&M Contracts entered into force on 17.05.2021 and according to these contracts, GEK TERNA SA, as the Concession Works Operator, undertook to provide until the end of the Concession Period (i.e. 31.12.2040), the entire operation and maintenance services of the Concession Projects that until then were performed by the Concessionaires, on a back to back basis. Therefore, after the entry into force of the O&M Agreement, the Concessionaires ceased to provide the relevant services themselves, as those services were undertaken entirely by the Operator (GEK TERNA SA).

The Operation & Maintenance Services of the Concession Project undertaken by GEK TERNA concern the daily operation, the maintenance of the Concession Projects, including the execution of all the obligations of the Concessionaires under the Concession Contracts related to the operation and maintenance of the Concession Projects, which include following:

(i) operation and related services of Project Users,

(ii) toll collection services (in the name and on behalf of the Concessionaires),

(iii) traffic management services,

(iv) routine maintenance and periodic inspections;

(v) winter maintenance,

(vi) heavy maintenance of roads, engineering works, intelligent transport systems (ITS) and electronic toll collection system and replacement of highway equipment

(Amounts in thousands Euro, unless otherwise stated)

(vii) Project insurance in accordance with the requirements of the Concession Agreement and the Common Terms Agreement

(viii) services and obligations referred to in the Traffic Police Contract and the Fire Fighting Contract

(ix) services relating to the Return Period, and

(x) any other services arising from the Concession Agreements and / or related to the proper and complete operation and maintenance of the Concession Projects by the Operator, such as quality control and assurance services, including quality control systems and quality assurance, public relation services, promotional and marketing services, call center, legal support.

The O&M Contracts will expire at the end of the Concession Period according to the Project's Concession Agreement, without any prejudice to the provisions of the Operation and Maintenance Agreement regarding early termination. The contractual expiration date is in the year 2037 and, if the Concession Period is extended in accordance with the provisions of the Concession Agreement, in the year 2040.

In order to enable the execution of the work of the Operator, in accordance with the relevant terms of the O&M Contracts, the Concessionaires transferred to the Operator all the personnel involved in the maintenance and operation of the Project, the contracts with subcontractors and suppliers, the vehicles used for the maintenance and operation of the project as well as the relevant consumables and spare parts.

In particular, receivables, liabilities and equity items that were added to the Company on 17.05.2021, as a result of the above, are analysed as follows:

Amounts in € thousand	**17.05.2021**
Tangible fixed assets	1,272
Cash and cash equivalents	0
Inventories	1,921
Total assets	**3,193**
Total liabilities	**3,193**

The corporate results for the year 2021 were positively affected from the results of the above activity that occurred in view of the Operation and Maintenance Contracts, i.e. the results of the period from 15.07.2021 until 31.12.2021 amounted to 10,275.

For the Group, as a result of the above, no change occurred in the above items.

8 INTANGIBLE ASSETS AND GOODWILL

8.1 Intangible assets

Group's intangible assets presented in the attached financial statements and their movement for the periods from 1 January to 31 December 2021 and 2020, are analysed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP				
	Concessions and other Rights	**Rights from construction contract**	**Software**	**Development Costs**	**Total**
Acquisition Value					
1st January2021	**1,112,670**	**88,021**	**10,434**	**7,661**	**1,218,786**
Additions	795	0	2,644	283	**3,722**
Addition due to acquisition of entity (Note 7.1, 7.3)	202	0	414	0	**616**
Sales	(49)	0	(242)	0	**(291)**
Write offs	0	0	(106)	(182)	**(288)**
Transfers	0	0	(142)	6,997	**6,855**
Foreign exchange differences	(1)	0	18	0	**17**
31st December 2021	**1,113,617**	**88,021**	**13,020**	**14,759**	**1,229,417**
Accumulated amortization and impairments					
1st January 2021	**(382,885)**	**(86,780)**	**(7,235)**	**(1,118)**	**(478,018)**
Amortization	(41,633)	(137)	(979)	(924)	**(43,673)**
Addition due to acquisition of entity (Note 7.1, 7.3)	(44)	0	(324)	0	**(368)**
Sales	8	0	239	0	**247**
Write offs	0	0	106	103	**209**
Transfers	0	0	66	0	**66**
Foreign exchange differences	0	0	(18)	0	**(18)**
31st December 2021	**(424,554)**	**(86,917)**	**(8,145)**	**(1,939)**	**(521,555)**
Net book value					
31st December 2021	**689,063**	**1,104**	**4,875**	**12,820**	**707,862**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP				
	Concessions and other Rights	Rights from construction contract	Software	Development Costs	Total
Acquisition Value					
1st January2020	**1,087,815**	**88,021**	**8,856**	**7,377**	**1,192,069**
Additions	2,924	0	1,720	143	**4,787**
Addition due to acquisition of entity	30,611	0	0	0	**30,611**
Change due to sale of existing entity	(8,476)	0	0	0	**(8,476)**
Sales	(41)	0	(52)	0	**(93)**
Write offs	0	0	(66)	0	**(66)**
Transfers	0	0	0	141	**141**
Foreign exchange differences	(163)	0	(24)	0	**(187)**
31st December 2020	**1,112,670**	**88,021**	**10,434**	**7,661**	**1,218,786**
Accumulated amortization and impairments					
1st January2020	**(343,264)**	**(86,399)**	**(6,473)**	**(975)**	**(437,111)**
Amortization	(41,546)	(381)	(970)	(143)	**(43,040)**
Depreciation from discontinued operations (see Note 7.2.5)	(175)	0	0	0	**(175)**
Change due to sale of existing entity	2,867	0	0	0	**2,867**
Sales	23	0	52	0	**75**
Write offs	0	0	66	0	**66**
Impairments	(841)	0	0	0	**(841)**
Transfers from/(to) assets	0	0	66	0	**66**
Foreign exchange differences	51	0	24	0	**75**
31st December 2020	**(382,885)**	**(86,780)**	**(7,235)**	**(1,118)**	**(478,018)**
Net book value					
31st December 2020	**729,785**	**1,241**	**3,199**	**6,543**	**740,768**

The amortization for the years 2021 and 2020 has been recorded in the Cost of Sales by 42,731 (31.12.2020: 42,481), in the Administration and distribution expenses by 551 (31.12.2020: 458), in the Research and Development Expenses by 31 (31.12.2020: 14) , in the Other Income / (expenses) by 125 (31.12.2020: 95) and in the Inventories by 235 (31.12.2020: (8)).

The intangible assets of the Company, with an unamortized value of 330 (31.12.2020: 111) relate to software with an acquisition value of 813 (31.12.2020: 545) and accumulated amortization of 483 (31.12.2020: 434). The amortization charges for the year 2021 amounting to 44 (31.12.2020: 38) have been recorded in the Administration and distribution expenses and in the Cost of Sales by 5 (31.12.2020: 0).
Development costs relate mainly to costs incurred in the quarry and mining.

The item "Concessions and other rights" includes: (a) rights from concession contracts amounting to 617,012 (31.12.2020: 657,095), (b) purchased exploitation rights for quarries and limestone mines, with unamortized value of 24,272 (31.12.2020:24,850) and (c) paid installation fees for wind farms, with unamortized value of 47,616 (31.12.2020: 47,834).

During the previous year, the sub-Group TERNA ENERGY recognized intangible assets (licenses of wind farms) of 30,611 as a result of the acquisition of the subsidiary RF ENERGY OMALIES SA, which was subsequently renamed into TERNA ENERGY OMALIES SA. These intangible assets will start to be amortized on the date of completion of the construction of each farm and the date of electrification of the wind farms with an useful life of 25 years. In the interim reporting periods, the above intangible assets will be examined for impairment, in accordance with the relevant requirements of IAS 36 "Impairment of Assets". From the performance of the relevant test at the reporting date of the annual financial statements, i.e. on 31.12.2021, there was no need to recognize any impairment losses on these intangible assets.

The Group recognized the financial contribution of the State as a deduction to the value of the right recognised under the Concession Arrangements of Motorways, in accordance with the relevant provisions of IFRIC 12 “Service Concession Arrangements”.

For the construction of the Deferred Department A '(ATA), the State will pay as a Financial Contribution to the subsidiary CENTRAL GREECE MOTORWAY SA. total amount 305,735 in equal payments. For the construction of the Deferred Section B (ATB), signed in 2021, the State will pay as much as 436,967 in equal payments. In the year 2021, the Group through the subsidiary CENTRAL GREECE MOTORWAY SA received an amount of 145,827 (31.12.2020: 63.419) which concerns the financial contribution of the State, as a subsidy for the construction of the project of the two deferred sections (ATA & ATB) of the "Central Greece Motorway (E65)" which is in the form of a capital subsidy.

Based on the terms of the Concession Arrangement regarding the construction and operation of the Deferred Section A '(southern section E65 - connection of PATHE highway with Xiniada A / C) and the Deferred Section B (A / C Trikala - A / C Grevena & Grevena Fund - Egnatia Fund), the project is 100% financed by the State through European resources and no return is provided for the Concessionaire from the operation of these departments. Based on the above and the provisions of IFRIC 12, the Concessionaire does not recognize a profit during construction and the fair value of the concession from construction is equal to zero because the cost of construction services is fully covered by the financial contribution of the Greek State.

The unamortized value of the rights from the concession arrangements amounting to 617,012 (31.12.2020: 657,095) and is analysed as follows.

(Amounts in thousands Euro, unless otherwise stated)

COMPANY	CONCESSION	COST 31.12.2021	NET BOOK VALUE 31.12.2021	REMAINING CONCESSION PERIOD	NOTES
NEA ODOS SA	Ionia Odos and PATHE, parts of Athens – Skarfeia and Shimatari - Chalkida	578,279	272,171	16	In operation
CENTRAL GREECE MOTORWAY SA	Central Greece Motorway (E-65) and PATHE, part of Skarfeia - Raches	421,248	336,937	16	In operation
HERON CONCESSIONS SA	Tsalapata preserved pottery Center in Volos	6,672	319	8	In operation
HERON CONCESSIONS SA	Car park station	2,916	1,999	33	In operation
AEIFORIKI EPIRUS MAEES	Waste management in Ioannina	1,801	1,651	22	In operation
PARKING STATION PLATANOU SQ. KIFISIA S.A.	Parking station in Kifisia Square	8,020	3,834	16	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	101	101	-	Termination of development
TOTAL		**1,019,037**	**617,012**		

The rights from concession arrangements on 31.12.2020, are as follows:

COMPANY	CONCESSION	COST 31.12.2020	NET BOOK VALUE 31.12.2020	REMAINING CONCESSION PERIOD	NOTES
NEA ODOS SA	Ionia Odos and PATHE, parts of Athens – Skarfeia and Shimatari - Chalkida	578,279	290,713	17	In operation
CENTRAL GREECE MOTORWAY SA	Central Greece Motorway (E-65) and PATHE, part of Skarfeia - Raches	421,248	357,996	17	In operation
HERON CONCESSIONS SA	Tsalapata preserved pottery Center in Volos	6,672	328	9	In operation
HERON CONCESSIONS SA	Car park station	2,916	2,059	34	In operation
AEIFORIKI EPIRUS MAEES	Waste management in Ioannina	1,801	1,723	23	In operation
PARKING STATION PLATANOU SQ. KIFISIA S.A.	Parking station in Kifisia Square	8,020	4,175	17	In operation
PARKING STATION SAROKOU SQ. CORFU S.A.	Parking station in Corfu	101	101	-	Termination of development
TOTAL		**1,019,037**	**657,095**		

(Amounts in thousands Euro, unless otherwise stated)

Impairment test of depreciable intangible assets

The Group has not recognized non-depreciable intangible assets and for that reason, the Management proceeds to relevant impairment tests according to IAS 36, only when and where relevant indications of impairment arise.

For the impairment test of the assets of RES energy parks of the Group, the recoverable amount is determined according to the value in use of the park. This calculation uses cash flow forecasts, based on financial budgets, which have been approved by the Group's management and cover the remaining useful life of the park.

Regarding the rights deriving from the Concession Agreements, the management assessed that there are no indications of impairment of their value, as there are no deviations to their business plan.

During the year 2021, no impairment losses were recognized on the value of intangible assets (31.12.2020: 841).

8.2 Goodwill

The movement of goodwill in the consolidated Financial Statements for the year ended 31.12.2021 and 31.12.2020 is as follows:

	Constructions	Electricity from thermal energy and HP trading	Total
Net book value at 01.01.2020	3,025	0	3,025
Impairment of Goodwill	0	0	0
Net book value at 31.12.2020	**3,025**	**0**	**3,025**
Net book value at 01.01.2021	**3,025**	**0**	**3,025**
Addition (Note 7.3)	0	3,994	3,994
Impairment of Goodwill	(644)	0	(644)
Net book value at 31.12.2021	**2,381**	**3,994**	**6,375**
Gross book value on 31.12.2021	9,759	3,994	13,753
Accumulated impairment losses	(7,378)	0	(7,378)
Net book value at 31.12.2021	**2,381**	**3,994**	**6,375**

(Amounts in thousands Euro, unless otherwise stated)

The additions of the annual period of a total amount of 3,994 relate to temporary goodwill arising from the acquisition of control of the company OPTIMUS ENERGY during the fiscal year 2021 by the subgroup TERNA ENERGY (see note 7.3 for details).

With regard to goodwill recognized by the "Construction" operating segment, the impairment test is based on determination of the recoverable amount, which has been determined on a value-in-use basis (in previous years, the Group through the subsidiary TERNA SA acquired 66.7% of the construction consortia EUROIONIA and E-65, with which it would perform an additional significant construction object in existing construction contracts). This determination arises using the discounted cash flows method based on the remaining estimated expected cash flows expected until the completion of the construction work of the joint ventures.

This methodology of determining value-in-use is affected by the following key assumptions as adopted by the Management to determine future cash flows: (a) the projected revenue under the existing construction contracts of two joint ventures, b) the budgeted operating profit margins of construction projects, which are also calculated on the basis of the results of the last years. Based valuation performed, the need arose to recognize an impairment loss of 664 (2021: 0) was recognised.

9 RIGHT-OF-USE ASSETS

Right-of-use assets and changes for the periods 1 January to 31 December 2021 and 2020, presented in the accompanying financial statements, are analyzed as follows:

	GROUP					
	Land-Plots	**Buildings and Installations**	**Technological and mechanical equipment**	**Vehicles**	**Other**	**Total**
Acquisition Value						
1st January 2021	**12,331**	**10,802**	**3,470**	**2,954**	**0**	**29,558**
Additions	9,460	5,630	7	1,006	0	**16,103**
Addition due to acquisition of entity (Note 7.1, 7.3)	980	244	0	59	0	**1,283**
Transfers	0	0	(3,250)	(530)	0	**(3,780)**
Termination of contracts	(3,967)	(1,561)	(1)	(836)	0	**(6,365)**
Foreign exchange differences	(2)	66	0	0	0	**64**
31st December 2021	**18,802**	**15,181**	**226**	**2,653**	**0**	**36,863**
Accumulated amortization and impairments						
1st January 2021	**(1,435)**	**(4,702)**	**(914)**	**(1,815)**	**0**	**(8,866)**
Amortization	(846)	(2,601)	(129)	(736)	0	**(4,312)**
Addition due to acquisition of entity (Note 7.1, 7.3)	(69)	(223)	0	(41)	0	**(333)**

(Amounts in thousands Euro, unless otherwise stated)

Transfers	0	0	883	397	0	**1,280**
Termination of contracts	620	773	0	683	0	**2,076**
Foreign exchange differences	(17)	(43)	0	0	0	**(60)**
31st December 2021	**(1,747)**	**(6,796)**	**(160)**	**(1,512)**	**0**	**(10,215)**
Net book value						
31st December 2021	**17,055**	**8,385**	**66**	**1,141**	**0**	**26,648**

GROUP

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2020	**8,793**	**9,332**	**25,920**	**8,705**	**2**	**52,753**
Additions	3,492	2,489	145	368	0	**6,494**
Addition due to acquisition of entity	582	0	0	0	0	**582**
Transfers	0	0	(21,070)	(5,898)	0	**(26,968)**
Termination of contracts	(234)	(936)	(1,522)	(220)	(2)	**(2,914)**
Foreign exchange differences	(302)	(83)	(3)	(1)	0	**(389)**
31st December 2020	**12,331**	**10,802**	**3,470**	**2,954**	**0**	**29,558**
Accumulated amortization and impairments						
1st January 2020	**(768)**	**(2,947)**	**(10,242)**	**(4,130)**	**(2)**	**(18,089)**
Amortization	(864)	(2,355)	(1,244)	(995)	0	**(5,458)**
Transfers	0	0	9,119	3,099	0	**12,218**
Termination of contracts	138	557	1,451	211	2	**2,359**
Foreign exchange differences	59	43	2	0	0	**104**
31st December 2020	**(1,435)**	**(4,702)**	**(914)**	**(1,815)**	**0**	**(8,866)**
Net book value						
31st December 2020	**10,896**	**6,100**	**2,556**	**1,139**	**0**	**20,692**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2021	**0**	**529**	**0**	**6**	**0**	**535**
Additions	0	0	0	436	0	**436**
31st December 2021	**0**	**529**	**0**	**442**	**0**	**971**
Accumulated amortization and impairments						
1st January 2021	**0**	**(163)**	**0**	**(2)**	**0**	**(165)**
Amortization	0	(91)	0	(99)	0	**(190)**
31st December 2021	**0**	**(254)**	**0**	**(101)**	**0**	**(355)**
Net book value						
31st December 2021	**0**	**275**	**0**	**341**	**0**	**616**

COMPANY

	Land-Plots	Buildings and Installations	Technological and mechanical equipment	Vehicles	Other	Total
Acquisition Value						
1st January 2020	**0**	**525**	**0**	**6**	**0**	**531**
Additions	0	4	0	0	0	**4**
31st December 2020	**0**	**529**	**0**	**6**	**0**	**535**
Accumulated amortization and impairments						
1st January 2020	**0**	**(72)**	**0**	**(1)**	**0**	**(73)**
Amortization	0	(91)	0	(1)	0	**(92)**
31st December 2020	**0**	**(163)**	**0**	**(2)**	**0**	**(165)**
Net book value						
31st December 2020	**0**	**366**	**0**	**4**	**0**	**370**

The amortization of the Group for the year 2021 has been recorded in the Cost of Sales by 2,694 (31.12.2020: 4,128), in the Administration and distribution expenses by 1,290 (31.12.2020: 1,224), in the Research and Development Expenses by 157 (31.12.2020: 0) and in Other income / (expenses) by 122 (31.12.2020: 120) and in inventories by 49 (31.12.2020: (14)).
The amortization of the Company for the year 2021 has been recorded in the Cost of Sales by 113 (31.12.2020: 15), and in the administration expenses by 77 (31.12.2020: 77).
The total transfers of the Group for the year 2021 of the unamortized balance amounting to 2,500 (2020: 14,750), concern repurchased assets of bank leases which were transferred to the item "Tangible assets".

(Amounts in thousands Euro, unless otherwise stated)

10 PROPERTY, PLANT AND EQUIPMENT

The Group's and the Company's tangible fixed assets and their movements for the periods from 1 January to 31 December 2021 and 2020, in the accompanying financial statements, are analyzed as follows:

	GROUP						
	Quarries/Land-Plots	**Buildings and Facilities**	**Technological and mechanical equipment**	**Vehicles**	**Other**	**Assets under construction and prepayments for acquisition of fixed asset**	**Total**
Acquisition Value							
1st January 2021	**23,811**	**187,763**	**1,765,780**	**49,861**	**39,045**	**49,316**	**2,115,576**
Additions	1,325	5,392	32,026	2,628	3,562	190,368	**235,301**
Addition due to acquisition of entity (Note 7.1, 7.3)	240	18,223	273,730	0	626	1,188	**294,007**
Reductions from lose of control of subsidiaries (see Note 7.2)	0	(18,358)	(589,477)	0	(8)	118	**(607,725)**
Cost of borrowing	0	0	186	0	0	529	**715**
Provisions for restoration	0	0	258	0	0	0	**258**
Sales	(214)	(600)	(6,947)	(4,096)	(1,327)	0	**(13,184)**
Write offs	0	(68)	(1,060)	(110)	(2,507)	(458)	**(4,203)**
Transfers	0	1,392	14,907	530	(464)	(18,967)	**(2,602)**
Foreign exchange differences	0	211	17,141	(171)	71	190	**17,442**
31st December 2021	**25,162**	**193,955**	**1,506,544**	**48,642**	**38,998**	**222,284**	**2,035,585**

(Amounts in thousands Euro, unless otherwise stated)

Accumulated amortization and impairments							
1st January 2021	**(7,773)**	**(62,397)**	**(487,314)**	**(35,771)**	**(28,673)**	**0**	**(621,927)**
Depreciation	(280)	(6,410)	(48,096)	(2,182)	(2,723)	0	**(59,691)**
Depreciation from discontinued operations (see Note 7.2.5)	0	(373)	(11,769)	0	(1)	0	**(12,143)**
Addition due to acquisition of entity (Note 7.1, 7.3)	0	(8,426)	(161,119)	0	(484)	(1,083)	**(171,112)**
Reductions from lose of control of subsidiaries (see Note 7.2)	0	2,614	68,550	0	1	0	**71,165**
Sales	0	224	4,011	2,416	1,032	0	**7,683**
Write offs	0	68	1,050	105	2,304	0	**3,527**
Impairments	(10)	0	0	0	0	0	**(10)**
Reversal of Impairments	86	294	0	0	0	0	**380**
Transfers	0	0	(955)	(397)	64	0	**(1,288)**
Foreign exchange differences	0	169	(1,006)	110	(68)	0	**(795)**
31st December 2021	**(7,977)**	**(74,237)**	**(636,648)**	**(35,719)**	**(28,548)**	**-1083**	**(784,211)**
Net book value							
31st December 2021	**17,186**	**119,719**	**869,896**	**12,923**	**10,450**	**221,201**	**1,251,374**

(Amounts in thousands Euro, unless otherwise stated)

GROUP

	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed asset	Total
Acquisition Value							
1st January 2020	**25,198**	**180,797**	**1,955,983**	**43,325**	**41,633**	**62,858**	**2,309,794**
Additions	180	4,120	57,422	873	4,420	33,727	**100,742**
Addition due to acquisition of entity	200	0	(563)	0	0	3,915	**3,552**
Change due to sale of existing entity	0	(13,260)	(221,098)	0	0	0	**(234,358)**
Cost of borrowing	0	0	1,900	0	0	507	**2,407**
Provisions for restoration	0	0	960	0	0	0	**960**
Sales	0	(864)	(9,366)	(1,785)	(1,536)	(269)	**(13,820)**
Write offs	(83)	(247)	(3,919)	(473)	(5,317)	0	**(10,039)**
Transfers	(1,684)	19,543	50,834	8,066	8	(51,333)	**25,434**
Foreign exchange differences	0	(2,326)	(66,373)	(145)	(163)	(89)	**(69,096)**
31st December 2020	**23,811**	**187,763**	**1,765,780**	**49,861**	**39,045**	**49,316**	**2,115,576**
Accumulated depreciations and impairments							
1st January 2020	**(6,721)**	**(61,320)**	**(505,471)**	**(32,543)**	**(32,673)**	**(320)**	**(639,047)**
Depreciation	(280)	(5,435)	(39,469)	(2,234)	(2,578)	0	**(49,996)**

(Amounts in thousands Euro, unless otherwise stated)

Depreciation from discontinued operations (see Note 7.2.5)	0	(1,032)	(28,613)	0	(1)	0	**(29,646)**
Change due to sale of existing entity	0	4,485	74,037	0	0	0	**78,522**
Sales	0	661	8,057	1,550	1,131	0	**11,399**
Write offs	0	235	3,883	473	5,301	0	**9,892**
Impairments	(447)	(405)	(48)	0	(1)	(5)	**(906)**
Reversal of Impairments	0	0	20	5	0	801	**826**
Transfers	(325)	(13)	(9,099)	(3,140)	1	(476)	**(13,052)**
Foreign exchange differences	0	427	9,389	118	147	0	**10,081**
31st December 2020	**(7,773)**	**(62,397)**	**(487,314)**	**(35,771)**	**(28,673)**	**0**	**(621,927)**
<u>**Net book value**</u>							
31st December 2020	**16,039**	**125,367**	**1,278,466**	**14,090**	**10,372**	**49,316**	**1,493,649**

COMPANY

	Quarries/Land-Plots	Buildings and Facilities	Technological and mechanical equipment	Vehicles	Other	Assets under construction and prepayments for acquisition of fixed	Total
<u>**Acquisition Value**</u>							
1st January 2021	**2,113**	**12,821**	**126**	**365**	**1,705**	**0**	**17,130**
Additions	970	552	2	1850	653	0	**4,027**
Write offs	0	0	(118)	0	0	0	**(118)**
31st December 2021	**3,083**	**13,373**	**10**	**2,215**	**2,358**	**0**	**21,039**
<u>**Accumulated depreciation and impairments**</u>							
1st January 2021	**0**	**(6,868)**	**(125)**	**(132)**	**(1,666)**	**0**	**(8,791)**
Depreciation	0	(390)	0	(135)	(51)	0	**(576)**

(Amounts in thousands Euro, unless otherwise stated)

Write offs	0	0	118	0	0	0	**118**
31st December 2021	**0**	**(7,258)**	**(7)**	**(267)**	**(1,717)**	**0**	**(9,249)**
Net book value							
31st December 2021	**3,083**	**6,116**	**3**	**1,947**	**641**	**0**	**11,790**

COMPANY

	Quarries/Land-	Buildings and	Technological	Vehicles	Other	Assets under	Total
Acquisition Value							
1st January 2020	**2,113**	**12,821**	**126**	**365**	**1,687**	**0**	**17,112**
Additions	0	0	0	0	18	0	**18**
31st December 2020	**2,113**	**12,821**	**126**	**365**	**1,705**	**0**	**17,130**
Accumulated depreciation and impairments							
1st January 2020	**0**	**(6,481)**	**(125)**	**(80)**	**(1,649)**	**0**	**(8,335)**
Depreciation	0	(387)	0	(52)	(17)	0	**(456)**
31st December 2020	**0**	**(6,868)**	**(125)**	**(132)**	**(1,666)**	**0**	**(8,791)**
Net book value							
31st December 2020	**2,113**	**5,954**	**1**	**232**	**39**	**0**	**8,339**

The additions for the year 2021 of the Group totaling 235,301 mainly relate to investments of the sub-group TERNA ENERGY, amounting to 210,316. Specifically, these investments include additions amounting to 27,608 in Technological and Mechanical equipment related to construction of wind farms in Greek subsidiaries, as well as investments under construction and advances for the acquisition of fixed assets amounting to 182,708 related to the construction of wind farms in Greece.

The reductions presented in the item "Change due to sale of existing entity" of an unamortized cost of 536,560, concern reductions due to the loss of control, on 30.06.2021, of the subsidiaries of the subgroup TERNA ENERGY, which own and operate the three (3) Wind farms in Texas, USA (see Note 7.2 for details).

The item "Addition due to acquisition of entity" of an unamortized value of 122,579 mainly concerns the additions from the acquisition of control in the company HERON II THERMOELECTRIC VIOTIA SA, within the 4th quarter of 2021 (see Note 7 for further details).

The depreciation charge of the Group for the year 2021 has been recorded in the Cost of Sales by 54,532 (31.12.2020: 46,031), in the Administration and Distribution Expenses by 4,213 (31.12.2020: 3,179), in the Research and Development Expenses 124 (31.12.2020: 126) and in Other Income / (Expenses) by 609 (31.12.2020: 737) as well as in Inventories by 213 (31.12.2020: (77)).

The depreciation charge of the Company of 576 (31.12.2020: 457), is depicted in the Statement of total comprehensive income in the Cost of sales by 423 (31.12.2020: 306) and in the Administration and Distribution Expenses 153 (31.12.2020: 150).

The account “Technological and mechanical equipment” includes Wind Farm wind generators of the RES Segment, totaling 691,827 which have been pledged in favor of banks to secure long-term loans.

The categories “Land-plots”, “Buildings and installations” and “Technological and mechanical equipment”, include fixed assets of a net book value of 72,228 and 73,078 in 2020 respectively, which concern Installations of Distribution Networks constructed by TERNA ENERGY and as stipulated by contracts with D.E.D.D.I.E., are transferred to D.E.D.D.I.E., at no cost, during the initial operation of each Wind Farm. However, ever after their transfer, such installations continue to serve the purpose, for which they had been constructed, namely the sale of the produced electric energy to D.E.D.D.I.E. and D.A.P.E.E.P., remaining at the exclusive use of the Company, and thus the net book value after the transfer date will continue to be depreciated, as previously, until the end of the 25-year period of depreciation of Wind Farms.

11 INVESTMENT PROPERTY

The Group's and the Company's investment property and their movement for the period from January 1st to December 31, 2021 and 2020, is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance 1st January	**36,043**	**40,916**	**8,347**	**9,536**
Additions	247	0	247	0
Fair value adjustments	(52)	(530)	(8)	(140)
Sales	(1,801)	(4,399)	(933)	(1,049)
Transfers	264	69	0	0
Foreign exchange differences	(2)	(13)	0	0
Balance 31st December	**34,699**	**36,043**	**7,653**	**8,347**

Investment property is measured at fair value according to IAS 40. Measurement at fair value has been determined taking into account the Company's ability to achieve its maximum and best use by assessing the use of each item that is legally permissible and economically feasible. The Group made a revaluation of the fair value of its property portfolio in 2021, assigning its valuation projects to independent property appraisers. Revaluation of fair value of investment property resulted into a net loss of 52 (31.12.2020: loss of 530) (see Note 39).

The following table presents data regarding the key assumptions taken into consideration for the valuation of the investment property on 31.12.2021:

Property	Fair Value 31.12.2021	Method	Market value	Interest rate	Inflation	Return	Cost of developmen
Port of Thessaloniki - Parking spaces	900	Real estate market	7,200.00 per parking lot	-	-	-	-
Metaxourgeio- Apartments and Stores	1,152	Real estate market for apartments	Prices are based on offers as the whole property is for sale	-	-	-	-
Palaia Volos - Mall	4,220	Capitalization of revenues with cash flow discounting and replacement cost	500-750 euro per sqm	10,9%- 11,9%	-	9,0% - 10,0%	-
Oropos –Site plot	252	Real estate market	20.50 euro per sqm	-	-	-	-
Ipiros street (Athens)- transfer right of building factor	140	Real estate market	44 euro per sqm	-	-	-	-

(Amounts in thousands Euro, unless otherwise stated)

Property	Fair Value 31.12.2021	Method	Market value	Interest rate	Inflation	Return	Cost of developmen
Site plot, Agios Stefanos, Attica	989	Real estate market	Sale 300-800 euro per sqm	-	-	-	-
Monastiriou street, (Thessaloniki) – Site plot	7,765	Exploitation/Real estate market	300-900 euro per sqm	4.40%	-	7,5%-8,5%	5-12 euro per sqm/month
Lakeside (Ioannina)-Mall	5,660	Capitalization, replacement cost	2 - 10 euro per sqm 300 - 550 euro per sqm for the building and 50-200 euro per sqm for the land	11,40%-12,40%	1.90%	9,5% - 10,5%	-
Kos - Land	824	Real estate market	30,0 euro per sqm	-	-	-	-
Building and Plot position of Lezides Aliveri Evoia	1,087	Real estate market and capitalization of revenues	Building 2.00-5 euro/sqm, land 4.8-11.4 euro/sqm, lease of building 1.6 euro/sqm	12.25	-	12.25%	-
Plot in Posidonia position, Laurio, Attica	13	Real estate market	1.87 euro per sqm	-	-	-	-
Madoudi, (Evoia) – Plots	624	Real estate market	5.50 euro per sqm	-	-	-	-
Bulgaria-Plots for Logistics	677	Real estate market	15,44 euro per sqm	-	-	-	-
Bulgaria-Plots (Batac)	590	Real estate market /Exploitation	16-20 euro per sqm, 35.94 euro per sqm	-	-	-	-
Bulgaria-Plots for Logistics/Bulgaria-Plots (Batac)	248	Real estate market /Exploitation	19-20 euro per sqm	-	-	-	-
Bulgaria-Plots	5,421	Real estate market /Exploitation	34.85 euro per sqm	-	-	-	-
Bulgaria-Sofia –Plot	263	Real estate market	31.53 euro per sqm	-	-	-	
Bulgaria-Sofia –Plot	534	Real estate market /	2,158 euro per sqm	-	-	-	-

(Amounts in thousands Euro, unless otherwise stated)

Property	Fair Value 31.12.2021	Method	Market value	Interest rate	Inflation	Return	Cost of developmen
Romania-Plot	1,030	Real estate market	13 euro per sqm	-	-	-	-
Romania-Plot	2,310	Real estate market	404 euro per sqm	-	-	-	-
	34,699						

The relevant data regarding the key assumptions taken into consideration for the valuation of the investment property on 31.12.2020, are as follows:

Property	Fair Value 31.12.2020	Method	Market value	Interest rate	Inflation	Return	Cost of development
Port of Thessaloniki - Parking spaces	930	Capitalization of revenues with cash flow discounting and replacement cost	60 euro per sqm per month	-	-	10%	-
Metaxourgeio-Apartments and Stores	2,085	Real estate market for apartments	Prices are based on offers as the whole property is for sale	-	-	-	-
Palaia Volos -Mall	4,090	Capitalization of revenues with cash flow discounting and replacement cost	850-1,100 euro per sqm	8,4%-11,06%	-	8,5% - 9,5%	-
Oropos –Site plot	252	Real estate market	20.50 euro per sqm	-	-	-	-
Ipiros street (Athens)-transfer right of building factor	140	Real estate market	44 euro per sqm	-	-	-	-
Site plot, Agios Stefanos, Attica	850	Real estate market	Sale 350 euro per sqm	-	-	-	-
Monastiriou street, (Thessaloniki) – Site plot	8,336	Exploitation	550-1,150 euro per sqm	3.95%	-	7,5%-8,0%	5-12 euro per sqm,per month
Lakeside (Ioannina)-Mall	5,430	Capitalization, replacement cost, with weight factors 80% and 20% respectively	2 - 10 euro per sqm 310 - 776 euro per sqm for the building and 75 euro per sqm for the land	9,40%-12,06%	"-1,1%-1,6%"	9,5% - 10,5%	-
Kos - Land	900	Real estate market	28 euro per sqm	-	-	-	-

(Amounts in thousands Euro, unless otherwise stated)

Property	Fair Value 31.12.2020	Method	Market value	Interest rate	Inflation	Return	Cost of development
Building and Plot position of Lezides Aliveri Evoia	1,087	Real estate market and capitalization of revenues	Building 1.50-4 euro/sqm, land 6-10.5 euro/sqm, lease of building 1.66 euro/sqm	12.25	-	12.25%	-
Plot in Posidonia position, Laurio, Attica	13	Real estate market	1.87 euro per sqm	-	-	-	-
Madoudi, (Evoia) – Plots	624	Real estate market	5.50 euro per sqm	-	-	-	-
			4.93 euro per sqm per month	-	-	-	
Bulgaria-Plots for Logistics	677	Real estate market	15,44 euro per sqm	-	-	-	-
Bulgaria-Plots (Batac)	590	Real estate market /Exploitation	16-20 euro per sqm, 35.94 euro per sqm	-	-	-	-
Bulgaria-Plots for Logistics/Bulgaria-Plots (Batac)	248	Real estate market /Exploitation	19-20 euro per sqm.	-	-	-	-
Bulgaria-Plots	5,421	Real estate market /Exploitation	34.85 euro per sqm	-	-	-	-
Bulgaria-Sofia –Plot	263	Real estate market	31,53 euro per sqm	-	-	-	
Bulgaria-Sofia –Plot	534	Real estate market /	2,158 euro per sqm	-	-	-	-
Romania-Plot	1263	Real estate market	13 euro per sqm	-	-	-	-
Romania-Plot	2,310	Real estate market	404 euro per sqm	-	-	-	-
	36,043						

The Group recognized rental income from investment properties of 446 and 411 in the years 2021 and 2020 respectively.

12 INVESTMENTS IN SUBSIDIARIES

12.1 Analysis of changes of investments in subsidiaries for the year 2021

The subsidiaries of the Company are presented in details in Note 5.

The change in the book value of investments in subsidiaries in the Company’s financial statements is as follows:

(Amounts in thousands Euro, unless otherwise stated)

	COMPANY	
	2021	**2020**
Balance 1st January	**282,767**	**264,731**
Additions	6,540	45,392
Sales / Write Off	0	(5,582)
Capital return	(3,063)	(463)
Impairment loss	(889)	(21,792)
Recovery of impairment	0	2
Other movements	272	479
Balance 31st December	**285,628**	**282,767**

The additions of the item within the year 2021 are analyzed in:
• amount of 5,680 (cash price 4,830 plus transaction costs) for the acquisition of control in the company HERON II THERMOELECTRIC VIOTIA SA (See Detailed Note 7.1)
• amount of 860 for share capital increases in the subsidiaries IOANNINA ENTERTAINMENT-DEVELOPMENT SA, CAR STATION SAROKOU CORFU SA, GEK TERNA CONCESSIONS SMSA and GEK TERNA FTHIOTIDA SMSA.
Within the financial year 2021, the parent company received in the form of a capital return an amount of 3,063 from the subsidiary of GEK TERNA MOTORWAYS SMSA.
Impairment losses recognized during the year amounted to 889 and are further analyzed in Note 12.3 below.

12.2 Assessment of control under IFRS 10

- As at 31.12.2021, the Group holds 37.37% (31.12.2020: 37.30%) in the issued share capital of TERNA ENERGY SA. According to the requirements of IFRS 10, the parent company has power over TERNA ENERGY as it has the ability to direct the respective activities through appointing the members of the Board of Directors. The parent company also holds rights with variable returns from its participation in the subsidiary. GEK TERNA holds the largest share among the shareholders. The remaining percentage of shares not owned by the Company and/or its affiliated parties is highly dispersed and therefore cannot materially influence decision-making.

  Furthermore, the parent company can use the power over the subsidiary to influence the amount of its returns. This is the result of the decision-making on subsidiary's matters through the control of the decision-making bodies.

- The company TERNA QATAR LLC, in the share capital of which the Group participates by 35% (through the wholly owned subsidiary TERNA), is consolidated as a subsidiary, as a control is documented in accordance with the requirements of IFRS 10 "Consolidated Financial Statements". More specifically, due to contract, the Group has the control over the management and operation of the company.

Within the current reporting period, no changes were made in the estimates versus 31.12.2020.

12.3 Impairment test

In accordance with the applied accounting policies and in line with provisions of IAS 36, the Company performs an impairment test on the assets at the end of each annual reporting period if there is any indication of impairment. The test can be performed earlier if any evidence of impairment arises. The arising evaluation focuses on both - extrinsic and intrinsic factors. In addition, the Company, in the case of participations that have already been impaired and when there is evidence of reversal, compares the book value with their recoverable amount and evaluates the possibility of reversing part or all of the impairment recognized in prior periods.

Within the year ended on December 31, 2021 there was an impairment of the value of the participations in subsidiaries totaling 889 (31.12.2020: 21,792).

This amount is included in the account "Profits / (Losses) from valuation of participations and securities" of the separate Income Statement (see Note 41) and is further analyzed in losses as follows: of TERNA LEFKOLITHI SA for amount 0 (31.12.2020: 19,422), ICON EOOD for amount 181 (31.12.2020: 0), SROTIRES SA for amount 50 (31.12.2020: 241), VIPA THESALLONIKI SA for amount 186 (31.12.2020: 403), MONASTIRIOU TECHNIKI ANAPTYXIAKI SA for amount 472 (31.12.2020: 636), IOANNINA ENTERTAINMENT-DEVELOPMENT SA for amount 0 (31.12.2020: 176) and CAR PARKING STATIONS PL. PLATANOU KIFISSIA SA for amount 0 (31.12.2020: 913).

Within the current year, the indications that led the Management to perform a test for any impairments of these subsidiaries were the recorded losses from the measurement at fair values of the investment properties of the subsidiaries of the real estate sector, and the liquidation of the subsidiary STROTIRES SA.

Particularly, for the subsidiaries that are principally engaged in holding one or more investment properties, from which no income from leases arises (ex. Land plots), the recoverable amount was based on the fair value of the net assets, as determined by a study of independent valuers. Consequently, their impairment losses and/or reversals resulted in changes in the fair value of the investment property. In particular, the fair value of investment property is based solely on reports of independent valuers and is determined on a case-by-case basis, either individually or in combination, based on the method of depreciated replacement cost, the replacement cost method, the revenue capitalization method, the valuation method and the comparative data method.

The assumptions used for fair value measurement are analytically recorded above, in Note 11.

12.4 Subsidiaries with significant percentage of non-controlling interests

The data and the accounts of the financial statements of the significant subsidiary, in which there are minority interests concern TERNA ENERGY S.A., in which as at 31.12.2021 GEK TERNA holds participating interest of 37.37% (31.12.2020: 37.30%). The scope of this subsidiary’s operations is production of electricity from wind, hydroelectric power and other renewable sources and construction services.

The financial data of the consolidated sub-group TERNA ENERGY, in which the minority interest hold significant percentage are as follows:

(Amounts in thousands Euro, unless otherwise stated)

	31.12.2021	31.12.2020
Percentage of non-controlling interests	62.63%	62.70%
Capital return and dividends paid to non-controlling interests	25,908	37,739
Statement of Financial Position		
Non-current assets	1,140,496	1,492,406
Current assets	629,422	482,088
(Long-term liabilities)	(1,036,407)	(1,258,749)
(Short-term liabilities)	(301,868)	(219,651)
Net fixed assets	**431,643**	**496,094**
Total equity attributable in non-controlling interests	**(274,359)**	**(315,000)**
Total equity attributable to the owners of the parent	**157,284**	**181,094**
Statement of Comprehensive Income		
Turnover	405,406	248,691
Shareholders of the parent from continuing operations	(8,297)	26,793
Non-controlling interests from continuing operations	(12,820)	46,641
Net Earnings	**(21,117)**	**73,434**
Shareholders of the parent from continuing operations	(8,238)	26,385
Non-controlling interests from continuing operations	(12,713)	45,964
TOTAL COMPREHENSIVE INCOME	**(20,951)**	**72,349**
Statement of Cash Flows		
Net cash flows from operating activities	120,484	180,048
Net cash flows from investing activities	(160,984)	(87,180)
Net cash (outflows) /inflows from financing activities	145,203	(55,330)
Net increase/(decrease) in cash and cash equivalents	**104,703**	**37,538**
Opening cash and cash equivalents	290,907	257,464
Effect of exchange rate changes on cash & cash	1,799	(4,095)
Closing cash and cash equivalents	**397,409**	**290,907**

The above financial data of the subsidiary are prior to consolidation entries of the broader Group and concern amounts from continuing and discontinued operations.

(Amounts in thousands Euro, unless otherwise stated)

13 INVESTMENTS IN ASSOCIATES

The Group has participations in affiliated companies that are classified as associates because of their significant influence and are consolidated in the consolidated financial statements on the basis of the equity method (the object of the activity and the Group's shareholdings in these investments are presented in Note 5 of the financial statements).

The Group, based on the associate's contribution to the Group's Profits/ (Loss) before taxes, considered that each of the associates individually is immaterial and therefore it discloses in the table below only its aggregate share in these associates:

	GROUP	
	31.12.2021	**31.12.2020**
Profit/(loss) after tax from continuing operations	(306)	(1)
Other comprehensive income	19	(25)
Total comprehensive income	**(288)**	**(26)**
Total participating interest of the Group in the carrying amount of theses associates	**838**	**1,126**

Change in investments in associates in 2021 and 2020 is as follows:

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Balance 1st January	**1,126**	**1,152**	**4,800**	**4,800**
Results from the application of the equity consolidation method	(288)	(26)	0	0
Balance 31st December	**838**	**1,126**	**4,800**	**4,800**

Investments in associates mainly include the investment in KEKROPS SA, a company listed on the Athens Stock Exchange, with a book value recorded at 759 in the and 4,800 in the Company. The market capitalization of KEKROPS SA on 31.12.2021 according to the percentage held by the Group amounted to 13,730 (31.12.2020: 22.447).

14 INVESTMENTS IN JOINT ARRANGEMENTS

14.1 Investments in joint ventures

The Group holds rights in joint ventures, consolidated under equity method in accordance with the provisions of IAS 28 and presented in Note 5 to the Financial Statements.

(Amounts in thousands Euro, unless otherwise stated)

Changes in investments in joint ventures in 2021 and 2020 are presented below as follows:

	GROUP		COMPANY	
	2021	**2020**	**2021**	**2020**
Balance 1st January	**90,131**	**49,394**	**4,896**	**5,104**
Additions	442	41,520	263	0
Capital return	(102)	(401)	(40)	(240)
Profit/(loss) from liquidation of joint ventures	0	0	0	32
Total Comprehensive Income from the application of the equity consolidation method	(7,911)	(415)	0	0
Transfer from/(to) investments in subsidiaries(Note 7.1, 7.3)	(15,243)	33	0	0
Balance 31st December	**67,318**	**90,131**	**5,119**	**4,896**

The change in the account " Total Comprehensive Income from the application of the equity consolidation method " is mainly due to the recognition of 50% of the total losses of the company HERON ENERGY SA, ie (12,306) and the incorporation of 25% in the profits of the company HERON II up to the date of its acquisition, ie 3,655.

As of 31.12.2021, the most significant joint ventures included in this account are HERON ENERGY S.A. and INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A. (see Note 5 for additional analysis). The total data and items of the financial statements of these joint ventures during the year 2021 are as follows:

	HERON ENERGY SA	HERAKLION CRETE INTERNATIONAL AIRPORT SA CONCESSION
Interest	**50.00%**	**32.46%**
	31.12.2021	**31.12.2021**
Non-current assets	39,053	135,808
Cash and cash equivalents	49,707	115,450
Other current assets	366,086	29,568
Total assets	**454,845**	**280,826**
Long-term financial liabilities (less trade and other liabilities and provisions)	30,244	543
Other long-term liabilities	1,323	204,878
Short-term financial liabilities (less trade and other liabilities and provisions)	12,212	129
Other short-term liabilities	378,683	2,701
Total liabilities	**422,462**	**208,251**
Net assets	**32,383**	**72,575**

(Amounts in thousands Euro, unless otherwise stated)

Carrying amount of investments in financial statements	**16,192**	**43,579**
Turnover	1,047,854	35,041
(Depreciation / Amort.)	(4,153)	(151)
(Financial expenses)	(1,653)	(22)
Financial income	0	8
Tax expenses	6,214	(163)
Results from continuing operations	**(21,987)**	**(1,253)**
Other comprehensive income	(4)	0
Total Results	**(21,991)**	**(1,253)**
Share in the results of the Group	(12,115)	13
Share in the other comprehensive results of the Group	79	0
Share in the total comprehensive results of the Group	**(12,036)**	**13**

INTERNATIONAL AIRPORT HERAKLION CRETE CONCESSION SA:

It is noted that after starting date of the concession and in accordance with the provisions of the concession agreement, the participation percentages in the share capital were formed as: TERNA SA. 32.46%, GMR Airports Limited 21.64%, and Greek State with 45.9%. However, according to the Concession Agreement, TERNA and GMR Airports Limited have undertaken the obligation to fully cover the remaining amount of the share capital increase proportionally to participation percentage 60% and 40% respectively.

The respective data and items of the financial statements of these significant joint ventures during the year 2020 are as follows:

	HERON II	**HERON ENERGY SA**	**HERAKLION CRETE**
Interest	**25.00%**	**50.00%**	**32.46%**
	31.12.2020	**31.12.2020**	**31.12.2020**
Non-current assets	123,170	30,237	109,186
Cash and cash equivalents	8,466	19,131	37,921
Other current assets	27,213	145,097	27,562
Total assets	**158,849**	**194,466**	**174,668**
Long-term financial liabilities (apart from trade and other liabilities and provisions)	67,144	358	228
Other long-term liabilities	25,982	596	100,000
Short-term financial liabilities (apart from trade and other liabilities and provisions)	15,293	9,493	60
Other short-term liabilities	7,279	129,807	1,847
Total liabilities	**115,698**	**140,254**	**102,135**

(Amounts in thousands Euro, unless otherwise stated)

Net fixed assets	**43,151**	**54,211**	**72,534**
Proportion in the net fixed assets	**10,788**	**27,106**	**43,566**
Turnover	74,260	463,047	17,262
(Depreciation / Amort.)	(9,694)	(3,552)	(43)
(Financial expenses)	(8,868)	(787)	(9)
Financial income	28	11	0
(Expense)/Income from income tax	(3,379)	109	51
Results from continuing operations	**1,441**	**(855)**	**(162)**
Other comprehensive income	18	62	0
Total Results	**1,459**	**(793)**	**(162)**
Share in the results of the Group	360	(428)	(53)
Share in the other comprehensive results of the Group	5	31	0
Share in the total comprehensive results of the Group	**365**	**(397)**	**(53)**

Regarding HERON II, see details in Note 7.1.

During the years 2021 and 2020, no dividends were collected from the above joint ventures.

The major items of the Other Joint Ventures (with credit net equity), that form their equity, are as follows:

	31.12.2021	**31.12.2020**
Non-current assets	108,832	32,397
Current assets	23,419	2,395
Long-term liabilities	(14,286)	(16,347)
Short-term liabilities	(106,045)	(6,881)
Net fixed assets	**11,919**	**11,565**
Proportion in the net fixed assets	**7,547**	**8,672**

	1.1-31.12.2021	**1.1-31.12.2020**
Turnover	6,526	5,160
Results from continuing operations	259	(2,021)
Other comprehensive income	0	3
Total results	**259**	**(2,019)**
Share in the results of the Group	96	(331)
Share in the other comprehensive results of the Group	0	1
Share in the total comprehensive results of the Group	**96**	**(330)**

(Amounts in thousands Euro, unless otherwise stated)

14.2 Investments in joint operations – Proportional consolidation

The companies, accounted for using the proportionate consolidation method in the Company's consolidated and separate financial statements are analytically presented in Note 5. These companies pertain in schemes with joint operation with the other shareholders and in essence they are mainly tax construction consortiums that do not constitute a separate entity under IFRS. Their assets and liabilities are consolidated, in accordance with the proportion of the participating interest, in the Group and Company financial statements.

The following amounts are included in the consolidated and separate Financial Statements for FYs 2021 and 2020 and represent the Group's share in assets and liabilities and profit after tax of the jointly controlled entities:

	GROUP		**COMPANY**	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Non-current assets	6,180	8,007	115	95
Other current assets	114,123	157,980	3,307	2,009
Total assets	**120,303**	**165,987**	**3,422**	**2,104**
Long-term liabilities	5,307	17,036	35	72
Other short-term liabilities	109,385	145,039	742	280
Total liabilities	**114,692**	**162,075**	**776**	**352**
Equity	**5,611**	**3,912**	**2,646**	**1,752**
Turnover	120,394	99,215	2,176	1,811
Total income after tax	5,237	2,892	1,105	830
Profit after tax	**6,494**	**(1,024)**	**1,369**	**564**

15 FINANCIAL ASSETS – CONCESSIONS

The Group, through its sub-group TERNA ENERGY, constructs and operates the following concession agreements:

A. Unified Automatic Fare Collection System: On 29.12.2014, a partnership agreement (PPP) for study, financing, installation, maintenance and technical management of a Unified Automatic Fare Collection System was signed between OASA (Athens Transport) Group and the Company's subsidiary "HST SA" for the companies of OASA Group. The total duration of the agreement is 12 years and 6 months. The construction and installation were completed in 2017, while during the first half of 2017, the operation started, which is expected to last 10 years and 4 months**.**

B. Urban Waste Treatment Plant of the Region of Epirus: On 21.07.2017 a partnership agreement (PPP) was signed between the EPIRUS REGION and the subsidiary company "AEIFORIKI EPIRUS MONOPROSOPI SPECIAL PURPOSE SOCIETE ANONYME", for the implementation of the project for the urban waste treatment plant of the Region of Epirus. The agreement is executed in two periods, the period of project and the service period and is of a duration of 27 years. The construction of the project was completed in the 1st quarter of 2019, when the service period started.

C. Urban Waste Treatment Plant of Region Peloponnesus: On 14.06.2018, a partnership agreement was signed between the Region of Peloponnesus and the subsidiary company "PERIVALLONTIKI PELOPONNISOU MONOPROSOPI S.A. for the implementation of the project for the urban waste treatment plant of the Region of Peloponnesus. The agreement entails the construction of three (3) waste units and three (3) landfills in Arcadia, Messinia and Laconia, as well as two (2) waste management transit stations in Korinthia and Argolida. The Partnership Agreement includes study, licensing, financing, construction, insurance, operation and maintenance of the Project for the next 28 years. The construction term is 24 months, and from the 10th month after the agreement enters into force, a transitional waste management plant is projected to alleviate the major problem of the Region.

During the second half of 2021, the Private Partnership Entity reviewed and accepted the proposal of the Peloponnese Region on the distinct treatment of deadlines and time of completion of the Project's infrastructure works due to delays that had occurred in the licensing from the competent authorities of the regional units Messinia and Laconia as well as the Waste Transfer Station of Corinth (i.e. in three of the five Regional Units for the implementation of the Project), in order to avoid horizontal delays and facilitate the achievement of the Scheduled Date of Availability of Transitional Management Services and Related Units, meaning for the entire infrastructure of the Project.

Therefore, following the approvals by the competent authorities regarding the above proposal of the Peloponnese Region and the relevant amendments made by the Partnership Agreement, on 31.01.2022 the relevant Amended Partnership Agreement for the waste management project in the Peloponnese region was finally signed (see Note 51).

On 29.01.2021 the above partnership agreement (PPP) entered into force and during the year 2021, in addition to the actions related to the permits-studies of the project, the following were carried out: surveys of the supply of materials, equipment and subcontracting works, mobile equipment orders and basic equipment design processes. In addition, construction works were carried out in MEA-XYTY of Arcadia, SMA of Argolis, MEA-XYTY of Messinia and MEA-XYTY of Laconia.

Financial Contribution of Peloponnese Region

On 26.04.2021 the Peloponnese Region paid the amount of 11,701 which corresponds to an advance payment of the Financial Contribution of article 36.3 of the Partnership Agreement.

This amount has reduced the item "Financial Assets - Concessions" and in particular is included in the line of the following table "Decreases of financial item". Finally, the authority has paid the amount of 712 which corresponds to the price of the transfer of ownership of the land areas concerning the Waste Management Unit of Messinia, the units of Corinth and Argolida, as well as 1,190 for the expropriation costs of the land areas of the units of Arcadia and Laconia.

The Private Partnership Entity has submitted an account amounting to 13,056 thousand euros which corresponds to a partial achievement of the Milestones of the project according to the monthly reports and according to the term 36.2.7 of the Partnership Agreement.

(Amounts in thousands Euro, unless otherwise stated)

Finally, the Peloponnese Region has made the payment of the 1st Milestone concerning the Completion of Studies for the two Waste Transfer Stations (WTS).

Analytical information on the accounting policy followed and the concession agreements mentioned above is presented in Note 4.15.

The analysis of the changes of the generated Concession Financial Statements as well as the revenue per category are analyzed as follows:

Financial Assets - Concessions	**Unified Automated System for Ticket Collection**	**Installation of civil waste processing Epirus Region**	**Installation of civil waste processing Peloponnese Region**	**Total**
Opening balance 01.01.2020	**24,441**	**16,659**	**3,308**	**44,408**
(Decreases)/Increases in financial item	(6,151)	(314)	3,574	(2,891)
Reversal of discount	3,859	1,268	240	5,367
Impairment/Reverse of impairment under IFRS 9	30	39	(1)	68
Closing balance as of 31.12.2020	**22,179**	**17,652**	**7,121**	**46,952**
Opening balance 01.01.2021	**22,179**	**17,652**	**7,121**	**46,952**
(Decreases)/Increases in financial item	(2,381)	(1,773)	13,418	9,264
Reversal of discount (note 43)	3,631	1,254	266	5,151
Impairment/Reverse of impairment under IFRS 9	(1)	(4)	(9)	(14)
Closing balance as of 31.12.2021	**23,428**	**17,129**	**20,796**	**61,353**
Analysis of revenues per category 1.1-31.12.2020				
Income from construction services	0	332	3,574	3,906
Income from operation services	7,500	4,320	0	11,820
Reversal of discount (note 43)	3,859	1,268	240	5,367
Total	**11,359**	**5,920**	**3,814**	**21,093**
Analysis of revenues per category 1.1-31.12.2021				
Income from construction services	4,592	0	25,915	30,507
Income from operation services	9,898	4,320	0	14,218
Reversal of discount (note 43)	3,631	1,254	266	5,151
Total	**18,121**	**5,574**	**26,181**	**49,876**

(Amounts in thousands Euro, unless otherwise stated)

16 OTHER LONG-TERM RECEIVABLES

The account "Other long-term receivables" on 31.12.2021 and 31.12.2020 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Loans to joint ventures and other related companies	41,299	38,165	310,292	118,811
Approved but not collected grants	0	10,441	0	0
Given guarantees	3,168	3,486	14	14
Withheld amounts of invoiced receivables	2,745	10,854	0	0
Other long-term receivables	3,648	1,866	7	11
Provision for impairment of long-term financial assets	(821)	(844)	(8)	(20)
Total	**50,039**	**63,968**	**310,305**	**118,816**

The Company participates in the issuance of bond loans to subsidiaries and other affiliated companies, which will be repaid either by obtaining a bank loan or through early repayments or at their maturity. The change in the Company in the account "Loans to joint ventures and other related companies" concerns the granting of loans amounting to 210,962 regarding the temporary disbursement of the raised funds of the CBL of 500 million euros and the collection of principal and interest amounting to 19,992. At Group level, the balance of the account "Loans to joint ventures and other related companies" consists mainly of the loan of 30,000 during the fiscal year 2021 in a consortium (Note Cash Flows - Loans) and the outstanding loan balance of 8,322 previously uses in other equity securities.

The reversal of the amount of 10,441 in the account "Approved but not received grants" comes from the subsidiary TERNA LEFKOLITHI (see details in Note 29).

Provisions for impairment of other long-tern receivables under IFRS 9 are analyzed as follows:

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2020	**0**	**886**	**0**	**886**
Provision of credit loss	0	10	0	10
Recovery of provision of credit loss	0	(52)	0	(52)
Balance 31.12.2020	**0**	**844**	**0**	**844**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**844**	**0**	**844**
Recovery of provision of credit loss	0	(23)	0	(23)
Balance 31.12.2021	**0**	**821**	**0**	**821**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**200**	**0**	**200**
Recovery of provision of credit loss	0	(180)	0	(180)
Balance 31.12.2020	**0**	**20**	**0**	**20**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**20**	**0**	**20**
Recovery of provision of credit loss	0	(12)	0	(12)
Balance 31.12.2021	**0**	**8**	**0**	**8**

17 INVENTORIES

The account “Inventories” on 31.12.2021 and 31.12.2020 in the accompanying financial statements is analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Raw-auxiliary materials	12,145	5,559	304	0
Spare parts of fixed assets	10,304	4,595	927	0
Merchandise and Finished and semi-finished products	23,626	22,159	0	0
Property finished	22,312	22,876	944	944
Property to be developed	13,725	13,683	4,857	5,059
Property under construction	2,196	1,917	0	0
Impairment	(20,929)	(19,664)	(3,232)	(3,232)
Total	**63,379**	**51,125**	**3,800**	**2,771**

The account "Finished and semi-finished goods” mainly pertains to mined magnesite ore (processed and unprocessed).

As a total the Group recognized, under the annual procedure of reviewing the net realizable value of inventories and real estate items, an amount of loss standing at 342 (31.12.2020: 4,827) in the account “Other income/(expenses)” in the Statement of comprehensive income (see Note 39). From this loss, an amount of 322 (31.12.2020: 4.430) concerns products of the operating segment of industry / quarries. Moreover, the Group recognized losses from inventory impairment amounting to 21 in the account “Other income/ (expenses)” in the Statement of comprehensive income (see Note 39).

(Amounts in thousands Euro, unless otherwise stated)

In addition, due to the acquisition of HERON II (see Note 7.1 for details), fixed assets spare parts and impairment for inventory have been increased by 1,448.

With the exception of the above cases, there was no need for impairment of inventories on 31.12.2021.

The inventories are not burdened with liens.

18 TRADE RECEIVABLES

Trade receivables of the Group and the Company on 31.12.2021 and 31.12.2020 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Trade receivables	244,545	249,990	9,326	3,609
Customers – Doubtful and litigious	22,519	15,326	0	317
Notes / Checks Receivable overdue	824	868	0	0
Checks Receivable	117	1,144	99	0
Minus: Provisions for doubtful trade receivables	(45,839)	(36,282)	(631)	(948)
Total	**222,166**	**231,046**	**8,794**	**2,978**

The above trade receivables also include trade receivables from the Energy segment clients amounting to 23,598 (31.12.2020: 53,971) which are pledged to banks as security against provided long-term and bond loans to finance the construction of Wind Farms.

The increase in the receivables of the Company comes from the change that occurred within the year 2021 in its activities, as a consequence of the Operation and Maintenance Contracts (the "L&S Contracts") signed on 05.03.2021, between GEK TERNA S.A. (the "Operator") and the concession companies NEA ODOS S.A. and CENTRAL GREECE MOTORWAY S.A. (the "Concessionaires") and which entered into force on 17.05.2021 (see note 7.5).

The book values of trade receivables represent their fair value.

At every reporting date, the Group examines the need to recognize potentially arising impairment and expected credit losses, in accordance with the requirements of IFRS 9. The maximum exposure to credit risk at the financial statements reporting date is the book value of every category of receivables as recorded above. Provisions for impairment of trade receivables regarding 2021 and 2020 are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**522**	**35,324**	**35,846**
Provision of credit loss	0	1,006	416	1,422
Recovery of provision of credit loss	0	(451)	(386)	(837)
Change due to sale of existing entity	0	(8)	0	(8)
Other transfers	0	231	(180)	51
Foreign exchange differences	0	(9)	(183)	(192)
Balance 31.12.2020	**0**	**1,291**	**34,991**	**36,282**

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**1,291**	**34,991**	**36,282**
Provision of credit loss	0	1,217	2,986	4,203
Provision of credit loss due to acquisition of entity	0	60	7,463	7,523
Recovery of provision of credit loss	0	(958)	(344)	(1,302)
Eliminations	0	(12)	(850)	(862)
Change due to sale of existing entity	0	(82)	0	(82)
Foreign exchange differences	0	31	46	77
Balance 31.12.2021	**0**	**1,547**	**44,292**	**45,839**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**32**	**1,026**	**1,058**
Provision of credit loss	0	64	0	64
Recovery of provision of credit loss	0	(24)	(150)	(174)
Balance 31.12.2020	**0**	**72**	**876**	**948**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**72**	**876**	**948**
Provision of credit loss	0	5	0	5
Recovery of provision of credit loss	0	(10)	(6)	(16)
Eliminations	0	(8)	(298)	(306)
Balance 31.12.2021	**0**	**59**	**572**	**631**

The following table analyzes the total of trade receivables as well as the maturity of outstanding overdue trade receivables:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Non oustanding balances	206,086	211,413	8,536	2,196
Outstanding balances	61,919	55,914	889	1,730
Total trade receivables	**268,005**	**267,328**	**9,425**	**3,926**

The maturity of outstanding overdue balances trade receivables is analyzed as follows:

GROUP 2021

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	206,086	4,888	10,472	6,453	40,106	268,005
Expected credit loss	(3,333)	(99)	(4,760)	(3,753)	(33,894)	(45,839)
Total	**202,753**	**4,789**	**5,712**	**2,700**	**6,212**	**222,166**

GROUP 2020

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	211,413	2,792	14,549	6,480	32,093	267,328
Expected credit loss	(805)	(105)	(4,957)	(3,651)	(26,764	(36,282)
Total	**210,609**	**2,688**	**9,592**	**2,828**	**5,329**	**231,046**

COMPANY 2021

	Non outstanding balances	< 6 months	6 - 12 months	12 - 24 months	>24 months	Total
Total amount of receivables	8,536	47	133	14	695	9,425
Expected credit loss	0	0	0	0	(631)	(631)
Total	**8,536**	**47**	**133**	**14**	**64**	**8,794**

(Amounts in thousands Euro, unless otherwise stated)

	COMPANY 2020					
	Non outstanding balances	**< 6 months**	**6 - 12 months**	**12 - 24 months**	**>24 months**	**Total**
Total amount of receivables	2,196	91	358	710	571	3,926
Expected credit loss	(426)	0	0	0	(523)	(948)
Total	**1,770**	**91**	**358**	**710**	**48**	**2,978**

Not overdue amounts include an amount of Euro 38.1 million (31.12.2020: 34.9 million euros), which relates to good performance retentions (withheld guarantees).

Impaired and post-dated receivables after impairments that are overdue for more than 12 months amount to 8,912 (8,157 for 2020) for the Group and 78 (758 for 2020) for the Company. These receivables relate to Public Bodies, Related Parties and Third Parties and are, according to the Management's estimates, recoverable.

In the context of the Group's operations, necessary measures are taken on a case basis to ensure collectability of receivables.

Finally, the factor, ensuring collectability of balance, is the received prepayments concerning construction contracts, which on 31.12.2021 amounted to 288.3 million euros (31.12.2020: 231.3 million euro).

19 RECEIVABLES / LIABILITIES FROM CONTRACTS WITH CUSTOMERS

The receivables from contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Receivables from construction contracts with customers	145,401	108,475	0	37
Receivables from other contracts with customers	8,295	19,603	3,427	13
Less: Impairments of receivables from contracts with customers	(169)	(10,090)	0	0
Total	**153,527**	**117,988**	**3,427**	**50**

Provisions for impairment of receivables from contracts with customers are analyzed according to the IFRS 9 as following:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**10,513**	**(48)**	**10,465**
Provision of credit loss	0	118	75	193
Recovery of provision of credit loss	0	(54)	0	(54)
Other transfers	0	23	(27)	(4)
Foreign exchange differences	0	(510)	0	(510)
Balance 31.12.2020	**0**	**10,090**	**0**	**10,090**

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**10,090**	**0**	**10,090**
Provision of credit loss	0	0	76	76
Recovery of provision of credit loss	0	(10,504)	0	(10,504)
Foreign exchange differences	0	507	0	507
Balance 31.12.2021	**0**	**93**	**76**	**169**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**1**	**0**	**1**
Recovery of provision of credit loss	0	(1)	0	(1)
Balance 31.12.2020	**0**	**0**	**0**	**0**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**0**	**0**	**0**
Balance 31.12.2021	**0**	**0**	**0**	**0**

The reversal of provisions amounting to 9,997 within the current year, concerns the legal claim of contractual claims of the sub-Group TERNA SA, in Bahrain. Within the year 2017, the Group filed and initiated a Demand for Arbitration, claiming contractual receivables (plus interest and arbitration costs) relating to a construction project carried out by TERNA sub-Group (through its TERNA Contracting subsidiary) in Bahrain. At that time, the amount of the Group's recognized non-invoiced receivables from the execution of the specific construction contract amounted to 15.4 million euros (BD 6.5 million). The Group on the above balance has recognized cumulative provisions for possible credit losses of 10.5 million euros (BD 4.6 million). The multi-page court decision of the ICC International Court of Arbitration was issued on 25.05.2020 in particular, stating that the amount of 11.1 million euros (BD 4.7 million) is awarded for the benefit of the Group. The company initiated the proceedings for the execution of the above decision of the ICC, while in October 2020, the opposing company filed an appeal to the High Court against the execution of the decision, and as the appeal was rejected on 29 December, it filed the second appeal to the Supreme Court in February of 2021, once again seeking a suspension of the execution of the above decision of the ICC. The 2nd appeal was also rejected and thus, the Execution Court, after the first instance acquittal of the company by the High Court, has started the process of execution of the decision of the ICC, having submitted an application to the CENTRAL BANK OF BAHRAIN to investigate and find opponent SHARAKA FOR

(Amounts in thousands Euro, unless otherwise stated)

HOUSING PROJECTS BSCC deposits in commercial banks, in order to satisfy the Court decision. Subsequently, on 12.05.2021, the other party filed an appeal with the Cassation Court against the decision of the Supreme Court of 28.03.2021, the hearing of which was announced for 04.10.2021. The above appeal is not of a suspensive nature for the enforcement proceedings of the decision, which are expected to be completed with the issuance of the decision of the Cassation Court.

On 24.11.2021 the clear decision of the Cassation Court was issued, which rejects the appeal of SHARAKA FOR HOUSING PROJECTS BSCC. The decision for the execution of the decision was then submitted to the Execution Court, as well as against the parent company of SHARAKA, which as a parent company has the obligation to cover the obligation of its subsidiary, in case of failure of SHARAKA. Due to the entry into force of new legislation on the operation of the Execution Court, which provides this court with additional powers and will facilitate the execution of the decision, the implementation of the above procedures is expected to accelerate.

Summarizing all the above, the positive effect on the Group's financial results within the current year amounted to approximately 5.7 million euros (reversal of provisions by 10 million euros, derecognition of non-invoiced receivables of 15.3 million euros and recognition of receivables of 11 million euros).

Liabilities in relation to contracts with customers are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.202**
Customer advances	95,190	101,123	60	131
Non-completed liabilities from construction contracts	142,121	84,448	137	0
Non-completed liabilities from other contracts with customers	783	1,242	0	0
Total	**238,094**	**186,813**	**197**	**131**

Changes in Receivables and liabilities from Contracts with customers within the current fiscal year are due to the following factors:

Receivables from contracts with customers	**GROUP**
Balance 01.01.2020	**109,003**
Effect due to execution of existing contracts	19,197
Income for the period from new contracts	1,287
Foreign exchange differences	(1,409)
Balance 31.12.2020	**128,078**
Balance 01.01.2021	**128,078**
Effect due to execution of existing contracts	18,213
Income for the period from new contracts	6,865
Foreign exchange differences	540
Balance 31.12.2021	**153,696**

(Amounts in thousands Euro, unless otherwise stated)

Liabilities due to contracts with customers	**GROUP**
Balance 01.01.2020	**93,841**
Effect due to execution of existing contracts	(18,597)
Income for the period from new contracts	10,522
Foreign exchange differences	(76)
Balance 31.12.2020	**85,690**
Balance 01.01.2021	**85,690**
Effect due to execution of existing contracts	(22,870)
Income for the period from new contracts	80,075
Foreign exchange differences	9
Balance 31.12.2021	**142,904**

The contractual obligations of the Group amounted to 142,904 (31.12.2020: 85.690). The income recognized during the year 2021, which related to contractual obligations that existed on 31.12.2020 amounted to 85,690.

20 PREPAYMENTS AND OTHER RECEIVABLES

The account "Prepayments and other receivables" on 31.12.2021 and 31.12.2020 in the accompanying financial statements are analyzed as follows:

	GROUP		**COMPANY**	
Prepayments and other short-term non-financial receivables	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Advances to suppliers	151,778	30,823	331	1
VAT for rebate – offsetting	56,611	23,754	745	1,327
Receivables from Wind Parks' grants (Note 29)	1,479	1,479	0	0
Prepayment to insurance funds (Social Security Organization of technical works)	4,269	4,766	0	0
Accounts for the management of prepayments and credits	852	1,334	3	5
Receivables from other taxes other than income tax	120	79	0	0
Other deferred and prepaid expenses	23,442	13,439	1,392	326
Other transitory asset accounts	1,056	509	529	0
Total (a)	**239,607**	**76,183**	**3,000**	**1,659**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
Other short-term financial receivables	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Receivables from J/V, related companies and other associates	8,223	14,005	3,120	2,992
Short-term part of granted long-term loans	37,589	469	8,274	3,772
Financial receivables from other various debtors	11,523	10,388	55	143
Receivables from to indemnities in relation to concession projects	31,013	24,524	0	0
Operational support of Concession projects	4,673	23,501	0	0
Blocked bank deposit accounts	127,625	106,008	25,500	18,504
Doubtful – Litigious other receivables	372	1,132	0	0
Less: Impairments of other short-term financial receivables	(11,785)	(13,318)	(1,213)	(1,202)
Total (b)	**209,233**	**166,709**	**35,736**	**24,209**
Total prepayments and other receivables (a+b)	**448,840**	**242,892**	**38,736**	**25,868**

The Group includes in the account “Operational Support for Concession Contracts” the Operational Support that the subsidiary concession company CENTRAL GREECE MOTORWAY receives from the Greek State for every Calculation Period (calculation on a semi-annual basis as from 01.01.2016) and defined as the difference between the sum of eligible project expenses and distributed base performance, deducting the net income for every Calculation Period. According to the Concession Agreement, Operational Support that is being received constitutes gross income for income taxation purposes and is not subject to withholding tax and is charged with the corresponding VAT. An amount of 4,380 has been repaid before the approval of the attached financial statements.

On 31.12.2021, the account "Receivables from Indemnities in relation to Concession Projects Compensations" includes compensation in relation to: a) Incidents of Public Sector Delay (toll stations which have not been put into operation under the responsibility of the State) amounting to 14,573 and b) Reimbursement of loss of revenue arising from the restrictive measures imposed in order to address COVID-19 pandemic, amounting to 16.439. Until the approval of the attached financial statements, the Group has received an amount of 5,125 in relation to the above receivables.

The account "Advances to Suppliers" includes mainly advances for the purchase of natural gas amounting to 84,136 that have been granted by the acquired company HERON II THERMOELECTRIC VIOTIA SA (subsidiary company from 11.10.2021) to the affiliated company HERON ENERGY SA.

The change in the account "Short-term part of granted long-term loans" of the Group mainly concerns to the provision of a loan of Euro 36,372 within 2021 by subsidiary GEK TERNA CONCESSIONS SINGLE MEMBER S.A. to a joint venture that is consolidated via the equity method.

The movement in the provision for impairment of these current assets of the Group and the Company, following the application of the requirements of IFRS 9, is as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**202**	**13,309**	**13,511**
Provision of credit loss	0	152	0	152
Recovery of provision of credit loss	0	(193)	0	(193)
Eliminations	0	0	(98)	(98)
Other transfers	0	4	(47)	(43)
Foreign exchange differences	0	(1)	(10)	(11)
Balance 31.12.2020	**0**	**164**	**13,154**	**13,318**

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**164**	**13,154**	**13,318**
Provision of credit loss	0	72	0	72
Recovery of provision of credit loss	0	(43)	(724)	(767)
Eliminations	0	0	(725)	(725)
Other transfers	0	0	11	11
Foreign exchange differences	0	0	(124)	(124)
Balance 31.12.2021	**0**	**193**	**11,592**	**11,785**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2020	**0**	**5**	**1,180**	**1,185**
Provision of credit loss	0	14	0	14
Recovery of provision of credit loss	0	(3)	0	(3)
Other transfers	0	0	6	6
Balance 31.12.2020	**0**	**16**	**1,186**	**1,202**

	COMPANY			
	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2021	**0**	**16**	**1,186**	**1,202**
Other transfers	0	(1)	12	11
Balance 31.12.2021	**0**	**15**	**1,198**	**1,213**

21 INVESTMENTS IN SECURITIES

The movement in investments in securities in 2021 and 2020 is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance 1st January	**66,620**	**65,434**	**65,362**	**64,752**
Additions	374	774	0	0
Addition due to acquisition of entity (Note 7.1)	10	0	0	0
Reductions	(249)	(234)	0	(234)
Fair value through the Other Comprehensive Income	23,438	646	23,733	844
Balance 31st December	**90,194**	**66,620**	**89,095**	**65,362**

All the above investments refer to shares of unlisted securities, the most important of which are analytically described in Note 48.

Profit from fair value measurement was included in Other Comprehensive Income account in the Statement of Comprehensive Income, not reclassified in the Income Statement in later periods. The largest part, i.e. 21,924, concerns the investments in OLYMPIA ODOS SA and OLYMPIA ODOS LEITOURGIA SA. This change occurred as result of updating the financial model of the concession.

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

Financial assets at fair value through profit & loss are presented as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance 1st January	**7,811**	**3,407**	**5,598**	**3,407**
Additions	0	6,377	0	3,999
Disposals	(2,047)	0	(1,438)	0
Adjustment at fair through Earnings	(535)	(1,808)	(535)	(1,808)
Foreign exchange differences	157	(165)	0	0
Balance 31st December	**5,386**	**7,811**	**3,625**	**5,598**

As of 31.12.2021, the balance of 5,386 of the Group is further analyzed in mutual funds of 1,940 and shares of 3,446 (2,373 and 5,438 on 31.12.2020 respectively).

23 CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Group and the Company on 31.12.2021 and 31.12.2020 in the accompanying financial statements are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Cash in hand	1,834	1,133	1	29
Sight Deposits	1,251,134	665,231	452,688	25,465
Term Deposits	111,383	442,053	105,000	440,600
Total	**1,364,351**	**1,108,417**	**557,689**	**466,094**

Term deposits have a usual duration of 3 months and carry interest rates ranged during the year between 0.1%-3.00% (31.12.2020: 0.1%-0.35% during the previous year, respectively).

The Group's cash and cash equivalents include amounts for refund from subsidiary companies of 3,024 (31.12.2020: 3,024), relating to the grants received due to the cancellation of the construction or the expiry of the time limits of the inclusion decisions of certain wind parks. The aforementioned amount of the grant to be returned has not been returned until the date of approval of the accompanying financial statements, as the relevant audit by the competent authorities has not been completed.

On 31.12.2020, the Company's cash also included the unallocated amount of 400 million euros from the issuance of the Common Bond Loan (CBL) of 500 million euros Within the 4rth Quarter of 2021, the Company made a provisional allocation of 211,2 million euros (see Note VI). In December 2021 proceeded to a new issuance of CBL amounting to 300 million euros, the usage of which will start from 01.01.2022 (see Note VII) with the consequence that it remains unavailable on 31.12.2021

Furthermore, the Group possesses blocked deposits amounting to 127,625 (106,008 in the previous financial year), which are held in specific bank accounts in order to settle its short-term operating and financial liabilities. These blocked deposits are classified in the account "Advances and other receivables" (see Note 20).

24 BORROWINGS

Long-term loans in the accompanying separate and consolidated financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Long-term loans	2,500,281	2,308,651	917,915	623,546
Less: Long term liabilities payable during the next financial year	(114,064)	(109,958)	(8,802)	(8,538)
Long-term part of loan	**2,386,217**	**2,198,693**	**909,113**	**615,008**

Repayment period of long-term loans is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Up to 1 Year	114,064	109,958	8,802	8,538
Between 1 - 5 Years	646,072	702,251	110,576	110,827
Over 5 Years	1,740,145	1,496,442	798,536	504,181
Total	**2,500,281**	**2,308,651**	**917,915**	**623,546**

The Group has the obligation to maintain specific financial ratios relating to bond loans. As of December 31st, 2021, the Group was in full compliance with the required limits of these ratios, according to the provisions of the respective loan agreements.

The total financial cost of long-term and short-term loan liabilities, for the year 2021, and the corresponding comparative period of 2020 is included in the account "Net financial income / (expenses)" of the consolidated and separate Income Statement. The average interest rate for the Group for the period ended 31.12.2021 stood at 3.90% (31.12.2020: 4.38%).

The Group's long term debt is 99.09% in euro (91.99% at the end of the previous year), 0.91% in PLN (1.14% at the end of the previous year) and 0% in USD (6.87% at the end of the previous year), and represents approximately 96.3% of the Group's total debt (95.18% at the end of the previous year). The long term debt mainly covers the investment financing needs for all segments of the Group.

Within the year 2021, the amount of 153.7 million euros (2020: 399.7 million euros) was paid for the repayment of long-term loan debt, whereas the amount of 463.3 million euros (2020: 917.7 million euros) was collected from new loans.

It is noted that the total borrowing includes subordinated, non-recourse loans of the amount of 1,632.9 million euros (versus 1,762.7 million euros on 31.12.2020), while the amounts of recourse loan debt stood at 963 million euros (versus 663 million euros on 31.12.2020).

The significant changes in the Group's loans for the period ended 31.12.2021 are described in the following paragraphs.

(a) Loans of the Company (GEK TERNA)

As at 31.12.2021 the total loan liabilities of the Company amount to 917,915 (of which an amount of 910,953 relates to common publicly traded bond loans and an amount of 6,962 to intragroup loans), whereas an amount of 8,802 relates to long-term loan liabilities payable in the next 12 months.

Issuance of Common Bond Loan (CBL) of Euro 300 million:

On 02.12.2021, the meeting of the Hellenic Capital Markets Commission approved the Prospectus of the Company of the public offer through cash payment and the listing for trading on the Athens Stock Exchange of up to 300,000 common, bearer bonds, of a total amount of 300 million euros.

The features of this loan are the following: (a) The Bond Loan of 300 million euros was issued on the basis of the Fixed Bond Sustainability Framework and, according to the terms of the CBL Program, the Contractual Interest Rate will be equal to the Initial Interest Rate, i.e. 2.30% plus a spread of 0.20% which will be realized in case of non-achievement of the Sustainable Performance Objective with a starting date of calculation on 30.06.2022, (b) interest rate changing is every six months, and (c) the term of the loan is seven (7) years and its repayment will be implemented at the end of the period of seven (7) years. The new CBL makes provisions for compliance with financial ratios at every financial statements reporting date (six-month and annual) with the calculation date starting at 31.12.2021.

(b) Loans of the sub-group TERNA ENERGY

According to Note 7.2 of the Annual Consolidated and Separate Financial Statements, the sale of the three (3) Wind farms took place for a theoretical consideration of 194,357 thousand euros, which is equal to the amount of 1 US Dollar ($ 1.00) plus the theoretical repayment of the existing debt held by the sub-Group TERNA ENERGY for the financing of the construction of those Wind Farms. The relevant settlement (theoretical repayment of the Group's loan obligations to CIP) took place on 30.09.2021, when the Class B Interests were transferred to the Buyer, with the relevant Purchase Sale Agreement being signed.

The TERNA ENERGY sub-Group’s loans pertain to financing its business activities and mainly concern the financing of construction and the operation of installations in relation to renewable energy sources. The short-term loans of the sub-Group TERNA ENERGY pertain to bank borrowings of predetermined due dates and renewable in proportion to the needs. Collected amounts are mainly used to cover liquidity needs during the Wind Farms construction period of the energy operating segment of sub-Group TERNA ENERGY.

Within the year 2021, a new loan of 201,706 (of which 55,921 relates to discontinued operations) was undertaken by the sub-Group TERNA ENERGY. The liquidity raised was mainly used to finance investments in wind farms of subsidiaries, and repayment of short-term bank loans, issued to finance uninterrupted and timely compliance with the construction schedule, namely:

i. Regarding wind farms in Greece, TERNA ENERGY sub-Group utilized the bank debt lines through its subsidiaries in Greece, issued common bond loans of nominal value 85,563 repaying the outstanding borrowings of 88,363.

ii. TERNA ENERGY sub-Group issued domestic and foreign short-term bank loans amounting to 116,143.

In addition, the Group's total borrowings decreased by 231.2 million euros due to the loss of control of the three (3) Wind farms in Texas, USA, on 30.06.2021 (see Note 7.2).

(c) Loans of the sub-group TERNA

As at 31.12.2021 the total bank loan liabilities of TERNA sub-group amount to 106,476 and are analyzed in: (a) amount of 57,549 which relates to long-term bond loans, (b) amount of 4,996 which relates to long-term loan liabilities payable in the next 12 months and (c) an amount of 43,931 which relates to short-term loans. During the year, TERNA sub-group repaid bank loan liabilities amounting to 50,873.

Further within the year 2021, TERNA Group undertook a new short-term bank borrowing of 51,937 from financial institutions.

(Amounts in thousands Euro, unless otherwise stated)

(d) Loans of motorways concession companies

As of 31.12.2021, the bank bond loans of the companies NEA ODOS, CENTRAL GREECE MOTORWAY and GEK TERNA MOTORWAY SMSA amount to 724,134, of which an amount of 30,279 relates to loan liabilities payable in the next fiscal year. The companies NEA ODOS SA and CENTRAL GREECE MOTORWAY have signed bond loan agreements amounting to 241,700 and 470,915 respectively, in order to cover their needs for approved project costs during the T1 motorways construction period.

Within the financial year 2021, the above companies repaid bank loan liabilities amounting to 26,351.

Loan guarantees

To secure some of the Group's and other affiliated companies' loans:

- The sub-group TERNA ENERGY, for the needs of financing new projects, establishes a fictitious pledge on its mobile equipment (wind turbines of wind farms) as well as encumbrances (usually a mortgage note) on real estate owned by it to secure the lenders,
- Insurance contracts, receivables from the sale of electric energy to DAPEEP or DEDDIE and from construction services, motorways concession contracts and cash have been assigned to lending banks,
- Shares and secondary loans of subsidiaries and other related companies have been provided as collaterals with a nominal value of 197,897 (31.12.2020: 181,337).

The table below presents in summary the changes in the Group and Company's short-term and long-term loans in years 2021 and 2020:

	GROUP		COMPANY	
Long-term loans	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Opening balance	**2,308,651**	**1,893,896**	**623,546**	**351,359**
Capital withdrawals	504,919	917,662	300,000	507,297
Capital payments	(153,771)	(399,722)	(438)	(233,250)
Interest payments	(72,693)	(79,170)	(26,246)	(22,004)
Loan interest in financial results (note 43)	69,027	56,392	21,053	20,144
Other loan interest (capitalized etc.)	658	546	0	0
Finance cost from discontinued operations (see Note 7.2)	7,232	16,971	0	0
Derecognition from Disposal of the 3 Wind Parks in Texas (Note 7.2)	(202,958)	0	0	0
Addition due to acquisition of entity (note 7.1)	88,084	(563)	0	0
Elimination of intercompany loan acquired company (note 7.1)	(53,378)	0	0	0

(Amounts in thousands Euro, unless otherwise stated)

Change due to sale of existing entity	0	(94,487)	0	0
Foreign exchange differences	4,438	(17,752)	0	0
Transfers	72	14,878	0	0
Closing balance	**2,500,281**	**2,308,651**	**917,915**	**623,546**

	GROUP	
Short-term loans	**31.12.2021**	**31.12.2020**
Opening balance	**116,505**	**130,598**
Capital withdrawals	46,332	209,036
Capital Payments	(50,133)	(208,129)
Interest payments	(4,598)	(6,739)
Loan interest in financial results (note 43)	3,654	5,627
Other loan interest (capitalized)	0	1,861
Finance cost from discontinued operations (see Note 7.2)	401	621
Addition due to acquisition of entity (note 7.1)	11,213	0
Reductions from lose of control of subsidiaries (see Note 7.2)	(28,264)	0
Foreign exchange differences	519	(1,492)
Transfers	(72)	(14,878)
Closing balance	**95,557**	**116,505**

25 LEASE LIABILITIES

Lease liabilities as of 31 December 2021 and 31 December 2020 are analyzed as following in the accompanying financial statements:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Liabilities from bank leases (long-term)	0	200	0	0
Liabilities from bank leases (short-term)	217	326	0	0
Sub-total of bank leases (a)	**217**	**526**	**0**	**0**
Liabilities from third parties leases (long-term)	23,406	15,095	380	297

(Amounts in thousands Euro, unless otherwise stated)

Liabilities from third parties leases (short-term)	3,823	3,374	258	89
Sub-total of third parties leases (b)	**27,229**	**18,469**	**638**	**386**
Total leases (a)+(b)	**27,446**	**18,995**	**638**	**386**

The repayment period of lease liabilities is analyzed in the tables below as follows:

	GROUP		**COMPANY**	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Up to 1 Year	4,040	3,700	258	89
Between 1 - 5 Years	7,747	5,785	356	244
Over 5 Years	15,659	9,510	24	53
Total	**27,446**	**18,995**	**638**	**386**

Changes in these liabilities in 2021 and 2020 are presented below as follows:

	GROUP		**COMPANY**	
Liabilities from leases	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Opening balance	**18,995**	**23,789**	**386**	**466**
Repayments of lease contracts	(5,021)	(10,874)	(184)	(84)
Payments of interest	(247)	(1,006)	(23)	(23)
Liabilities from new contracts	15,802	6,368	436	4
Foreign exchange differences	4	(298)	0	0
Financial cost for the period (note 43)	998	1,006	23	23
Other loan interest (capitalized etc.)	93	0	0	0
Addition due to acquisition of entity (note 7.1)	994	582	0	0
Termination of lease	(4,172)	(572)	0	0
Closing balance	**27,446**	**18,995**	**638**	**386**
Long-term liabilities from leases	**23,406**	**15,295**	**380**	**297**
Short-term liabilities from leases	**4,040**	**3,700**	**258**	**89**

(Amounts in thousands Euro, unless otherwise stated)

26 EQUITY INSTRUMENTS HAVING A SUBSTANCE OF FINANCIAL LIABILITY

The accounting policy applied in respect of these financial liabilities is presented in Note 4.13.5 (iii).

In the USA, in order to make the best use of the tax benefits provided by local legislation, the sub-group TERNA ENERGY had entered into agreements with "Tax Equity Investors" investors (hereinafter "TEI"). According to these agreements, the cash flows and tax benefits generated by wind farms were contractually distributed amongst TEI investors and sub-group TERNA ENERGY.

According to the details mentioned in Note 7.2 of the Financial Statements, on 30.06.2021, the subgroup TERNA ENERGY lost control and derecognized the subsidiaries of the subgroup TERNA DEN LLC, which owned and operated the three (3) Wind Farms in Texas USA. As a result of this event, the Group through the sub-group TERNA ENERGY derecognized on 30.06.2021 an amount of 278,520 ($ 330,993 thousand) which related to these financial liabilities.

Equity instruments having a substance of financial liabilities (long and short-term component) as of December 31st 2021 and December 31st 2020 are analyzed in the accompanying Financial Statements as follows:

	GROUP	
	31.12.2021	**31.12.2020**
Financial liabilities	0	193,654
Deferred income (*)	0	42,530
Long-term part	**0**	**236,184**
Long-term financial liabilities payable in the following year	0	45,079
Short-term part	**0**	**45,079**
Total	**0**	**281,263**

(*) The item pertains to the value of financial losses attributable to Tax Equity Inventors and is recognized in other income and expenses for the year, on a pro rata basis according to the estimated period of investor's stay in the investment scheme.

Changes in equity instruments having a substance of financial liabilities are analyzed as follows in the Statement of Financial Position:

Financial liabilities	GROUP	
	2021	**2020**
Balance 1 January	**238,733**	**323,947**
Collectibles from TEI	1,535	1,052
Cash distribution from TEI	(169)	(4,334)
Value of tax benefits tranfered to Results from discontinued operations (see Note 7.2)	(23,040)	(43,893)

(Amounts in thousands Euro, unless otherwise stated)

Interest for the period transferred to Results from discontinued operations (see Note 7.2,)	11,745	26,362
Reductions from lose of control of subsidiaries	0	(41,243)
Reductions of loss of subsidiaries' control (see Note 7.2)	(248,285)	0
Foreign exchange differences transferred to Results from discontinued operations (see Note 7.2,)	19,481	(23,158)
Balance 31st December	**0**	**238,733**

Deferred income	**GROUP**	
	2021	**2020**
Balance 1 January	**42,530**	**51,825**
Value of tax benefits transferred to Results from discontinued operations (see Note 7.2)	1,403	1,430
Amortization of tax benefits transferred to Results from discontinued operations (see Note 7.2)	(3,435)	(6,711)
Reductions of loss of subsidiaries' control (see Note 7.2)	(43,957)	0
Foreign exchange differences tranfered to Results from discontinued operations (see Note 7.2)	3,459	(4,014)
Balance 31st December	**0**	**42,530**

27 PROVISIONS FOR EMPLOYEE COMPENSATION

According to Greek labor law, each employee is entitled to a lump-sum indemnity in case of dismissal or retirement. The amount of the indemnity depends on the length of service with the company and the employee’s wages the day he/she is dismissed or retires. Employees that resign or are justifiably dismissed are not entitled to such an indemnity.

The indemnity payable in case of retirement in Greece is equal to 40% of the indemnity calculated in case of dismissal. According to the practices in the countries where the subsidiaries of the Group are operating in, staff indemnity programs are usually not funded.

Estimates for staff indemnity liabilities were determined through an actuarial study. The following tables present an analysis of the net expenditure for the relevant provisions recorded in the consolidated Statement of Comprehensive Income for the year ended on 31 December 2021 and the change of the relevant provision accounts for staff indemnities presented in the attached consolidated Statement of financial position for the year ended on 31.12.2021.

The expense for employee compensation, recognized by the Group in the Income Statement and recorded in Cost of sales at 781, in administrative and distribution expenses at 455 and in financial expenses at 9 (1,804, 899 and 14 during the previous year, respectively), and by the Company in administrative and distribution expenses (during the closing and previous year), is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Current service cost	741	892	263	25
Financial cost	9	14	1	1
Effect of cut-backs or settlements	310	1,905	65	57
Recognition of actuarial (profits) / losses	53	(60)	(16)	(3)
Σύνολο	**1,113**	**2,751**	**313**	**80**

The changes in the relative provisions in the Statement of financial positions are as follows:

	GROUP		COMPANY	
	2021	**2020 ***	**2021**	**2020 ***
Balance as at 1 January	**2,623**	**7,402**	**29**	**164**
Adjustments due to retrospective application of change in IAS 19 accounting policy (please see 2.7.3)*	0	(3,585)	0	(118)
Adjusted opening balance	**2,623**	**3,817**	**29**	**46**
Provision recognized in Net earnings	1,060	2,717	330	83
Provision recognized in Other Comprehensive Income	53	(59)	(16)	(4)
Provision recognized in inventories	0	95	0	0
Addition due to acquisition of subsidiaries (Note 7.1)	20	0	0	0
Foreign exchange differences	61	(117)	0	0
Compensation payments	(1,435)	(3,830)	(96)	(96)
Transfers	5	0	0	0
Balance 31 December	**2,387**	**2,623**	**247**	**29**

* The comparative figures of the Group and the Company for the year 2020 have been revised due to the impact from the change of the accounting policy of IAS 19 (see Note 2.7.3).

The key actuarial assumptions for the years 2021 and 2020 are as follows:

	2021	**2020**
Discount rate	0.60%	0.60%
Future salaries increases	1.80%	1.25%
Inflation	1.80%	1.50%
Mortality	EVK 2000	EVK 2000
Movement of salaried workers (departure under their own will)	Table 1	Table 1

(Amounts in thousands Euro, unless otherwise stated)

Years of Service	Leaving rate
From 0 to 1 years	1.50%
From 1 to 5 years	1.00%
From 5 to 10 years	0.50%
From 10 years and above	0.00%

28 OTHER PROVISIONS

Changes in other provisions of the Group and the Company in 2021 and 2020 are as follows:

	GROUP		
	Provisions for environmental rehabilitation	**Other provisions**	**Total**
1st January 2021	**20,566**	**12,529**	**33,095**
Provision recognized in the results	33	27,522	**27,555**
Provision recognized in fixed assets	258	0	**258**
Provisions used	0	(15,412)	**(15,412)**
Interest from provisions recognized in Net Profit	881	0	**881**
Transfer from/ (to) another account	0	(10,412)	**(10,412)**
Unused provisions recognized in profit	0	(147)	**(147)**
Addition from company acquisition (note 7.1)	1,553	0	**1,553**
Change due to sale of existing entity (note 7.2)	(5,133)	0	**(5,133)**
Provisions for the period from discontinued operations (see Note 7.2)	147	0	**147**
Foreign exchange differences	137	(1,775)	**(1,638)**
31st December 2021	**18,442**	**12,305**	**30,747**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		
	Provisions for environmental rehabilitation	**Other provisions**	**Total**
1st January 2020	**20,770**	**14,546**	**35,316**
Provision recognized in the results	0	15,840	**15,840**
Provision recognized in fixed assets	960	0	**960**
Provisions used	0	(9,587)	**(9,587)**
Interest from provisions recognized in Net Profit	1,133	0	**1,133**
Transfer from/ (to) another account	0	(8,091)	**(8,091)**
Unused provisions recognized in profit	0	(10)	**(10)**
Change due to sale of existing entity	(1,660)	0	**(1,660)**
Foreign exchange differences	(637)	(169)	**(806)**
31st December 2020	**20,566**	**12,529**	**33,095**

The item "Other provisions" in the above table is analyzed as follows:

	GROUP	
	31.12.2021	**31.12.2020**
Provisions for tax for tax non-inspected years	3,610	3,610
Provisions for litigations	5,936	5,875
Provision for loss-bearing construction contracts	925	0
Other provisions	1,834	3,044
Total	**12,305**	**12,529**

The tables, presented above, record analysis of provisions based on the nature of the commitment as well as their analysis based on the expected timing of the outflow of financial resources. In particular, provisions are presented as a total as long-term ones.

The item "Provisions for rehabilitation of the natural landscape" records the provisions made by the companies of the Group's energy segment, as well as some provisions made by the companies of the industrial segment for the purposes of covering the costs of rehabilitation of the natural landscape where the power plants and quarry operators are installed, at the end of the holding period, according to the licenses received from the State. The above provision of 18,442 (31.12.2020: 20,566) reflects the cost of dismantling equipment and restoring the land where they are installed, applying modern technology and materials.

The item "Provision for heavy maintenance of motorways" includes the contractual obligation of NEA ODOS and CENTRAL GREECE MOTORWAY SA to maintain the infrastructure on the basis of heavy maintenance planning. Moreover, in compliance with the concession agreement, the Group is under obligation to deliver the infrastructure to the concessionaire in the previously defined condition at the end of the service concession agreement. Additional provisions were recognized in 2021, standing at 23,638 (31.12.2020: 16,544), while the total amount of 23,488 (31.12.2020: 15,261) is recorded in accrued and other liabilities, as the Group estimates that the respective operations will be carried out within 2022.

(Amounts in thousands Euro, unless otherwise stated)

29 GRANTS

The movement of grants of the Group in the Statement of financial position for the years 2021 and 2020 is as follows:

	GROUP	
	2021	**2020**
Balance 1st January	**102,266**	**154,699**
Receipts of grants	1,260	0
Derecognition not collected grants	(10,441)	0
Change due to sale of existing entity	0	(44,281)
Foreign exchange differences	(28)	(1,138)
Amortization of grants on fixed assets recognized in net results (Note 39)	(5,586)	(5,651)
Amortization of grants on fixed assets recognized in net results from discontinued operations(Note 7.2)	0	(1,383)
Amortization of grants on fixed assets recognized in inventories	(40)	20
Balance 31st December	**87,431**	**102,266**

The Group's grants refer to those provided by the State for the development of wind parks of TERNA ENERGY sub-group at 76,736 (31.12.2020: 82,140), industrial / trade zones, car park stations and industrial development. The grants are amortized in accordance with the granted assets' depreciation or utilization rates.

An amount of 10,441 was recognized in this item, which was related to a subsidy for the magnesium industrial segment and which was included respectively in the long-term receivables of the Group (see Note 16). This grant was recognized on the basis of the certainty of the Management that the conditions for their collection are to be met. During the current year, the Management reversed this amount from both the long-term liabilities and the long-term receivables of the Group, as on the one hand this grant has not been yet collected and on the other hand due to the legitimate postponement with regard to the completion date of the investment plans. It is pointed out that this reversal did not lead to any change in the Statement of Comprehensive Income, in the Statement of Changes in Equity or in the calculation of the working capital of the Group.

The account also includes approved but not collected grants, of a total amount of 1,479 (see Note 20) which were recognized on the basis of the Group's management's assurance that all the conditions for the collection of these grants are normally met and that these amounts will be collected following the final approval of the completion of the relevant investments.

(Amounts in thousands Euro, unless otherwise stated)

30 SUPPLIERS

As of 31 December 2021, and 31 December 2020, Suppliers in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Suppliers	289,805	218,068	20,662	1,983
Checks and notes payable	6,981	4,681	0	0
Total	**296,786**	**222,749**	**20,662**	**1,983**

The balance of the account comes by an amount of 154,387 (31.12.2020: 161,797) from the construction sector, by an amount of 3,693 (31.12.2020: 24,623) from the RES sector, by an amount of 29,705 (31.12.2020: 18,169) from the concessions sector, by amount 76,947 (31.12.2020: 9.575) from the sector "Electricity from thermal energy sources, electricity and gas trading" and by an amount 32.054 (31.12.2020: 8.585) from the other operating segments of the Group

Regarding the increase of the account balance in the Company, the increase occurred as a result of the O&M Contracts that entered into force on 17.05.2021 (see in detail Note 7.5).

31 ACCRUED AND OTHER LIABILITIES

As of 31st December 2021 and 31st December 2020, Accrued and other liabilities (long term and short term) in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
Other long-term financial liabilities	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Withheld amounts and guarantees to	1	123	0	0
Liabilities from acquisition of companies	25,879	25,176	15,330	14,886
Guarantees of leased property	439	366	181	86
Other long-term financial liabilities	736	49	0	0
Total (a)	**27,055**	**25,714**	**15,511**	**14,972**

The account "Liabilities from acquisition of companies" in the Group pertains to:

(a) by the amount of 15,330 the present value of the credited consideration for the acquisition by the parent GEK TERNA of percentages of the companies NEA ODOS CONCESSION SA and CENTRAL GREECE MOTORWAY CONCESSION SA, which took place in a previous year. The consideration will be repaid gradually through installments till 2028, with the next payment effective in 2024.

(Amounts in thousands Euro, unless otherwise stated)

(b) by the amount of 10,549 the liability of a contingent consideration related to the acquisition of the company RF ENERGY OMALIES SINGLE MEMBER SA , by TERNA ENERGY sub-Group, is expected to be paid on 31.07.2023, in accordance with the terms of the acquisition contract. This liability is discounted using an appropriate discount rate of 6.14%.

	GROUP		COMPANY	
Other long-term non-financial liabilities	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Collected advances from contracts with customers	200,448	135,492	0	0
Other long-term non-financial liabilities	15	19	0	0
Total (b)	**200,463**	**135,511**	**0**	**0**
Total other long-term liabilities (a+b)	**227,518**	**161,225**	**15,511**	**14,972**

The balance of the account "Collected advances from customers" concerns mainly:

(a) an advance payment from the client for the project of INTERNATIONAL AIRPORT OF HERAKLION CRETE amounting to 82,272.

(b) an advance payment from the client of the project CENTRAL GREECE MOTORWAY (E-65) amounting to 94,863 for the construction of Deferred Sections A 'and B'.

	GROUP		COMPANY	
Accrued and other short-term financial liabilities	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Liabilities from dividends payable and capital return	236	221	0	0
Liabilities to members of j/v and other associates	5,671	2,959	53	2,097
Accrued expenses	73,406	24,242	5,355	275
Acquisition under settlement	1,486	630	0	0
Liabilities from acquisition of companies	0	200	0.00	0
Sundry Creditors	10,671	6,117	4,527	989
Total (a)	**91,470**	**34,369**	**9,935**	**3,361**

	GROUP		COMPANY	
Other short-term non-financial liabilities	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Liabilities from taxes and duties	30,698	16,415	700	262
Social security funds	5,135	4,677	838	120
Liabilities for litigations	347	0	0	0
In favor of sci funds	12	0	0	0
Income carried forward and other transit accounts	1,055	5	0	0

(Amounts in thousands Euro, unless otherwise stated)

Approved and collected grants to be returned	3,024	3,024	0	0
Provisions for loss-bearing construction contracts	7,517	5,252	0	0
Provision for major maintenance of motorways	23,488	15,261	0	0
Total (b)	**71,276**	**44,634**	**1,538**	**382**
Total Accrued and other short-term liabilities (a+b)	**162,746**	**79,003**	**11,473**	**3,743**

The change in "Accrued expenses" mainly concerns an amount of 41,600 recognized by HERON II THERMOELECTRIC VIOTIA SA for the purchase of carbon dioxide emission rights.

The account “Grants to be reimbursed” include amounts of received subsidies to be reimbursed due to the cancellation or expiration of time-limits of the decisions qualifying certain wind farms and, in addition, include interest accrued on the aforementioned grants.

Regarding the increase of the item in the Company, the increase occurred as a consequence of the O&M Contracts that entered into force on 17.05.2021 (see in detail Note 7.5).

32 FINANCIAL DERIVATIVES

The Group and the Company financial derivatives as of 31.12.2021 and 31.12.2020 are analyzed as follows:

	GROUP	
	31.12.2021	**31.12.2020**
Liabilities from derivatives		
- Hedging cash flows		
Interest rate swaps (note 32.1)	16,743	29,810
Interest rate swaps CENTRAL GREECE MOTORWAY (note 32.2)	164,330	207,024
Electricity options (collar) (note 32.3)	0	1,873
Future contract for the sale of electric energy (physical forward) (note 32.3)	0	2,382
Fixed for floating swap contract (note 32.3)	5,164	0
Total Liabilities from Derivatives	**186,237**	**241,089**
- Long-term liabilities from derivatives	*157,657*	*214,066*
- Short-term liabilities from derivatives	*28,580*	*27,023*

(Amounts in thousands Euro, unless otherwise stated)

	GROUP	
	31.12.2021	**31.12.2020**
Receivables from derivatives		
- Hedging cash flows		
Electricity options (collar) (note 32.3)	0	6,753
Electricity options (swaption) (note 32.3)	0	780
Interest rate swaps (note 32.1)	2,363	0
Future contract for the sale of electric energy (physical forward)- Hedging cash flows (note 32.3)	0	7,011
Total	**2,363**	**14,544**
Embedded derivative according to the concession agreement (CENTRAL GREECE MOTORWAY) (note 32.2)	156,703	196,410
Total Receivables from Derivatives	**159,066**	**210,954**
- Long-term Receivables from derivatives	*140,119*	*191,734*
- Short-term Receivables from derivatives	*18,947*	*19,220*

All the aforementioned financial instruments are measured at their fair value (see Notes 4.13.6 and 4.14).

In particular, during the year 2021, from the above derivatives, a total loss of 11,974 (31.12.2020: profit 20,840) was recognized in the income statement of the year from changes in fair value, which is included in the item "Net financial income / (expenses)" as analyzed in note 43 in the item "Result of valuations of derivatives from continuing operations". Furthermore, the total changes in fair value recognized in other comprehensive income amounted to a total profit of 42,440 (31.12.2020: loss of 1,022).

According to the details mentioned in Note 7.2 of the Financial Statements, on 30.06.2021, the Group lost control and de-consolidated the subsidiaries of TERNA DEN LLC Sub-Group, which owned and operated the three (3) Wind Farms in Texas, USA.

As a result of the fact of the loss of control, on 30.06.2021, from the above derivatives, the loss in the results of the period deriving from changes in the fair value of 7,991 euros was accordingly recognized in the "Results for the period from discontinued operations". For purposes of comparability, the corresponding loss recognized in the year 2020 in the item "Losses from financial instruments valued at fair value" amounting to 412 thousand euros was transferred to the "Results for the period from discontinued operations".

More analytically:

32.1 Forward Interest Rate Swaps

In order to manage the interest rate risk it is exposed to, the Group has entered into forward interest rate swaps.

The objective of interest rate swaps is to offset the risk of adverse cash flows of future cash flows arising from interest on loan contracts entered into as a result of activities, in particular the electricity generation segment. Specifically, interest rate swaps relate to contracts whereby the variable interest rate on the loan is converted to fixed over the entire term of the loan, so that the Group is protected against any increase in interest rates. The fair value of these contracts was estimated by displaying the effective interest rate (euribor) curve as of 31.12.2021 throughout the time horizon of such contracts.

The fair value of these contracts as at 31.12.2021 amounted to a total liability of 14,380 (the total nominal value of the contracts amounts to 432,296 and concerns Greece and Bulgaria). At 31.12.2021, these derivatives met the conditions for cash flow hedging, in accordance with the requirements of IFRS 9 and from their measurement at fair value, a profit of 13,325 was recognized in other comprehensive income and a gain of the ineffective part of 160 was recognized in the results of the period. These financial liabilities have been classified in the hierarchy of fair value at level 2 (see Note 48).

32.2 Liabilities and Receivables on derivatives of CENTRAL GREECE MOTORWAY: Derivative financial instruments and Operational Support

The Group has recognized, through the fully owned by 100% subsidiary company CENTRAL GREECE MOTORWAY S.A., a derivative obligation of interest rate swaps of 164,330, (nominal value 353,913, with commencement in year 2008 and termination in year 2036 and with interest rate 4.766% and floating euribor rate) and respectively a receivable from an embedded derivative financial asset (i.e. the part of the Operating Support Scheme covering future payments of the interest rate swaps) of 156,703. Detailed information on the Concession Agreement and the basis for recognition of the imbedded derivative receivable, since the Group (through the 100% subsidiary company CENTRAL GREECE MOTORWAY SA) has contractually transferred the risk arising from the obligation of interest rate swaps to the State, are set out in note 4.14 of the accounting policies of the annual financial statements for the period ended on 31 December 2021.

- The fair value of the financial asset/receivable from embedded derivative on 31.12.2021 of 156,703 reflects the present value from future payments on interest rate swaps (31.12.2020: 196,410). The Group has taken into account the following for discounting future flows: a) future outflows as derived from the financial model of CENTRAL GREECE MOTORWAY SA, approved by all parties (Lenders, State, and Company), b) Government credit risk as embodied in the multi-maturity Greek government bond yield curve, c) Potential time difference between Derivative Payments and Operational Support Collection. The Group, at each reporting date, reviews the financial asset for impairment. The Group assessed that there is no indication of impairment as of 31 December 2021.

  In each Calculation Period, from the total Operating Support income, the amount relating to payments for interest rate swaps is recognized as deductible from the financial derivative receivable at December 31st 2021 amounting to 19,157 (31.12.2020: 18.704). Subsequently, any change in the valuation of the derivative is recognized in profit or loss in the period it arises, i.e. as of December 31st 2021, the arising loss of 20,551 which substantially reflects the change in interest rates, was recognized in the "Net financial income/(expense)" item of the consolidated Income Statement (see Note 43). This financial asset is classified at fair value hierarchy level 3 (see Note 48).

- Interest rate swaps are contracts where the variable interest rate on the loan is converted to fixed over the entire term of the loan so that the subsidiary is protected against any interest rate rise. These contracts meet the requirements for cash flow hedging in accordance with IFRS 9.

  The fair value of these contracts was valued by recording the effective interest rate (euribor) curve as of 31.12.2021 throughout the entire period of these contracts. As of 31.12.2021, the fair value of these contracts amounted to 164,330 in total and the Group recognized from its valuation of derivatives a total profit of 42,694, of which an amount of 1,904 relates to the ineffective part of the cash flow hedging derivatives which was reclassified from other comprehensive income to Income Statement of the period. This financial liability is classified at fair value hierarchy level 2.

32.3 Derivatives for hedging changes in energy market prices

Through the subsidiary TERNA ENERGY, the Group proceeds to the conclusion of derivatives with a view to compensating for the risk of a change in the cash flow variability of energy prices for the Group's investments in RES in the USA. Specifically:

Fixed for floating swap contract HERON EN.A program

On 25.01.2021, HERON ENERGY (ENERGEIAKI) SA, in collaboration with TERNA ENERGY Sub-Group presented in the Greek market the plan "HERON EN.A", through which the TERNA ENERGY Sub-Group has agreed to sell the production of Renewable Energy Sources (RES) to HERON for 25 years. In addition, on 20.09.2021, HERON ENERGY SA, in collaboration with TERNA ENERGY Sub-Group presented to the Greek market the plan "HERON EN.A BUSINESS", through which the TERNA ENERGY Sub-Group has agreed to sell the production of Renewable Energy Sources (RES) to HERON for 20 years. TERNA ENERGY Sub-Group, based on these agreements, will receive fixed cash flows from the EN.A plan, while it will pay the floating cash flows (Proxy Market Revenues) to HERON (fixed for floating swap contract).

During the year 2021, from the above-mentioned derivatives, a total loss of 873 thousand euros was recognized in the results of the year from changes in fair value, which is included in the item "Losses from financial instruments valued at fair value".

The fair value of this derivative on 31.12.2021 amounted to a total liability of 5,164 thousand euros. On 31.12.2021, this derivative met the requirements for cash flow hedging, in accordance with the provisions of IFRS 9 and from its measurement at fair value a loss of 4,290 thousand euros was recognized in the item "Cash flow hedging" in the other comprehensive income. This financial liability has been classified in the fair value hierarchy at level 3 (see Note 29).

Hedging derivatives of market energy prices for the Group's RES investments in the USA.

On 31.12.2020, the fair value of the hedging derivatives on the change in energy market prices for the investments of the sub-group TERNA ENERGY in RES in the USA was determined at the amount of 10,289 net receivables.

On 31.05.2021, the sub-Group TERNA ENERGY proceeded to the early termination of a collar type option and a swaption type option. The fair value derecognized on 31.12.2020 was 2,569 net receivables. Also, the early termination resulted in an additional cost of 1,618 which was initially recorded in the item "Net financial income / (expenses)" and then, due to the loss of control mentioned below, was transferred to the "Results of the period from discontinued operations".

(Amounts in thousands Euro, unless otherwise stated)

According to the details mentioned in Note 7.2 of the Financial Statements, on 30.06.2021, the Management of the Sub-Group TERNA ENERGY approved the loss of control of the subsidiaries of TERNA DEN LLC Sub-Group, which owns and operates the three (3) Wind Farms in Texas, USA. As a result of the above, the fair value of 31.12.2020 that was de-recognized is 7,720 thousand euros net receivable. In addition, within the year ended on 31.12.2021, from the above derivatives, a loss in the results of the period from changes in the fair value amounting to 7,991 thousand euros was recognized in the "Results of the period from discontinued operations". For purposes of comparability, the corresponding loss of 412 thousand euros recognized in the year 2020 in the item "Losses from financial instruments at fair value" was transferred to the "Results for the period from discontinued operations". Furthermore, the total changes in fair value recognized in the item "Cash flow hedging" of the statement of other comprehensive income, which is later reclassified in the results of the year, amounted to a loss of 39,219 euros (2020: profit 5,893 euros) and relate to the discontinued operations in the USA.

33 SHARE CAPITAL – EARNINGS PER SHARE

On 31.12.2021 the share capital of the Company amounted to 58,951,275.87 euros , was fully paid and divided into 103,423,291 common shares of a nominal value of 0.57 euro each. Each share of the Company entitles one vote. The share premium account on 31.12.2021 stands at 381,283.

In addition, on 31.12.2021 the Group held directly through the parent 5,858,714 equity shares and indirectly through subsidiaries 1,325,540, a total of 7,184,254 equity shares of a total acquisition value of 39,198, i.e. 6.9465% of the share capital (see Note 34).

Earnings per share

Basic earnings per share for the period 01.01.-31.12.2021 and the corresponding comparative period were calculated as follows:

	GROUP	
(a) Basic earnings / (losses) per share (Amounts in Euro / Share)	**1.1-31.12.2021**	**1.1-31.12.2020**
Profit / (Losses)		
Net gains / (losses) attributable to the shareholders of the parent for basic earnings per share (Amounts in Euro)		
-from continuing operations	85,087	5,909
-from discontinued operations	(35,140)	6,808

Number of Shares		
Average Weighted Number of Common Shares Used to Calculate Basic Earnings / (Losses) Per Share	96,240,065	96,945,620
Basic earnings / (losses) per share (Amounts in Euro / Share)		
-from continuing operations	0.88411	0.06095
-from discontinued operations	(0.36513)	0.07022
Total	**0.51898**	**0.13118**

Basic earnings per share were calculated applying the weighted average number of common shares, subtracting the weighted average number of treasury shares. No adjustments have been made to earnings (numerator). Finally, no diluted earnings per share are effective for the Group and the Company for the period ended on 31.12.2021 and the respective comparative period.

(Amounts in thousands Euro, unless otherwise stated)

34 RESERVES

The reserves for the fiscal years 2021 and 2020, in the accompanying financial statements, are analyzed as follows:

GROUP	Statutory reserves	Treasury Shares	Reserves from fair value difference of assets through Other Comprehensive Income	Differences from cash flows risk hedges reserves	Reserves from patricipating interest in other comprehensive income of associates and joint ventures	Reserves of foreign currency translation differences from incorporation of foreign operations	Development and tax legislation reserves	Actuarial revenue/ losses from defined benefit plan reserves & other reserves	Total
1st January 2020	**32,941**	**(22,865)**	**25,937**	**(23,817)**	**(4,152)**	**(258)**	**400,502**	**(283)**	**408,005**
Change in accounting policy (Note 2.7.3)	0	0	0	0	0	0	0	238	238
Restated Balances 1.1.2020	**32,941**	**(22,865)**	**25,937**	**(23,817)**	**(4,152)**	**(258)**	**400,502**	**(45)**	**408,243**
Earnings from other comprehensive income	0	0	592	(4,622)	12	(514)	0	26	(4,506)
Formation of reserves	3,061	0	0	0	0	0	66,977	0	70,038
Acquisition of treasury shares	0	(2,922)	0	0	0	0	0	0	(2,922)
Granting stock options	0	0	0	0	0	0	0	3,257	3,257
Transfers to minority interest and other changes	(43)	0	0	0	0	70	575	0	602

(Amounts in thousands Euro, unless otherwise stated)

31st December 2020 *	**35,959**	**(25,787)**	**26,529**	**(28,439)**	**(4,140)**	**(702)**	**468,054**	**3,238**	**474,712**
1st January 2021 *	**35,959**	**(25,787)**	**26,529**	**(28,439)**	**(4,140)**	**(702)**	**468,054**	**3,238**	**474,712**
Earnings from other comprehensive income	0	0	19,332	28,378	160	(121)	0	(193)	47,556
Formation of reserves	3,130	0	0	0	0	0	41,026	0	44,156
Change in interest of consolidated subsidiary	0	0	0	0	0	0	(1,065)	0	(1,065)
Acquisition of treasury shares	0	(23,225)	0	0	0	0	0	0	(23,225)
Granting stock options	0	0	0	0	0	0	0	1,979	1,979
Disposal of treasury shares	0	9,814	0	0	0	0	0	0	9,814
Transfers to minority interest and other changes	0	0	0	(66)	0	0	0	85	19
31st December 2021	**39,089**	**(39,198)**	**45,861**	**(127)**	**(3,980)**	**(823)**	**508,015**	**5,109**	**553,946**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY	Statutory reserves	Treasury Shares	Reserves from fair value difference of assets through Other Comprehensive Income	Development and tax legislation reserves	Actuarial revenue/ losses from defined benefit plan reserves & other reserves	Total
1st January 2020	**7,007**	**(16,325)**	**25,938**	**38,473**	**(216)**	**54,877**
Change in accounting policy (Note 2.7.3)	0	0	0	0	11	11
Restated Balances 1.1.2020	**7,007**	**(16,325)**	**25,938**	**38,473**	**(205)**	**54,888**
Earnings from other comprehensive income for the year	0	0	642	0	1	643
Acquisition of treasury shares	0	(2,922)	0	0	0	(2,922)
Granting stock options	0	0	0	0	3,257	3,257
31st December 2020 *	**7,007**	**(19,247)**	**26,580**	**38,473**	**3,053**	**55,866**
1st January 2021 *	**7,007**	**(19,247)**	**26,580**	**38,473**	**3,053**	**55,866**
Earnings from other comprehensive income for the year	0	0	19,416	0	(33)	19,383
Acquisition of treasury shares	0	(23,032)	0	0	0	(23,032)
Granting stock options	0	0	0	0	1,979	1,979
Disposal of treasury shares	0	9,814	0	0	0	9,814
31st December 2021	**7,007**	**(32,465)**	**45,996**	**38,473**	**4,998**	**64,010**

* The comparative figures for the year 2020 (starting from 01.01.2020) have been revised due to the impact from the change in the accounting policy of IAS 19 (see Note 2.7.3).

Statutory Reserves

In compliance with the Greek Commercial Law, companies shall transfer at least 5% of their annual net profits to a statutory reserve until such reserve equals 1/3 of the paid-up share capital. This reserve cannot be distributed but can be used for loss write off.

Development and tax legislation reserves

These reserves relate to profits that have not been taxed at the effective tax rate according to the applicable tax framework. Such reserves will be taxable at the tax rate applicable at the time of their distribution to the shareholders or their transfer to equity under specific circumstances.

The reserves in question also include reserves of 2 motorway concessions. In particular, under the provisions of Article 36.1.7 of the Concession Agreement, the companies NEA ODOS and CENTRAL GREECE MOTORWAY SA amortize the total investment cost for tax purposes, including the cost of interests within the Period T1. The portion of the State Financing Facility, corresponding to the construction cost for the fiscal year and, in particular, to the accounted for amortizations, is deducted from the amortizations in question as a proportion of the capital grant used (as Article 36.1.2 of the Concession Agreement). The amount of the proportion of the capital grant used as above is transferred to the account of tax exempted reserves. In the case the reserves are distributed, the State Financing Facility will be taxed at the tax rate applicable at the time of distribution to the shareholders. Within the current year, the aforementioned reserves increased by 36,573.

Cash flows risk hedging reserves

Cash flows hedging reserves are used to record profit or losses on derivative financial instruments, which may be designated as cash flow hedges and recognized in other comprehensive income. When the transaction to which the hedging relates affects the statement of comprehensive income, then the corresponding amounts are also transferred from the other comprehensive income to the statement of comprehensive income. During the fiscal year 2021, the Group recognized as an increase to these reserves, derivative gains of 42,439 (losses 1,022 for 2020) which after taxes and proportion of non-controlling interest were amounted to gains 28,378 (losses 4,622 for 2020). The total of these reserves amounting to a debt balance of 127 at 31.12.2021 (see Note 32).

Treasury shares

On 31.12.2020 the Company directly holds 5,245,229 treasury shares, i.e. a percentage of 5.0716%, of acquisition value 19,248,258.63 euros . In 2021, the Company acquired 2,489,485 treasury shares of value 23,031,181.19, i.e. a percentage of 2.4071% while in parallel granted in the context of exercising stock options 1,876,000 treasury shares of value 9,813,731.20 euros i.e. a percentage 1.81139%. The subsidiary TERNA SA acquired within 2021 20,500 treasury shares i.e. a percentage of value 193,640 euros and holds a total of 708,705 shares, i.e. a percentage of 0.6852% of the acquisition value 1,760,091.44 euros. The subsidiary ILIOCHORA SA, holds 616,835 treasury shares, i.e. 0.5964% of the acquisition value 3,751,325 euros.

In the context of the aforementioned changes, on 31.12.2021 GEK TERNA SA holds directly and indirectly through its subsidiaries a total of 7,184,254 treasury shares, i.e. 6.9465% of the share capital of a total acquisition value of 39,198,428.84 euros.

(Amounts in thousands Euro, unless otherwise stated)

Stock Options:

The Extraordinary General Meeting of GEK TERNA S.A. held on 09.12.2019 approved the Company's Remuneration Policy, in accordance with Articles 110 and 111 of Law 4548/2018. In the context of the preparation of the Remuneration Policy, a new plan (abolishing the plan approved on 27.06.2018 by the General Meeting) was introduced to provide stock options up to the limit of 4,000,000 shares of the Company for the five-year period 2019-2023, which will address up to 20 executives.

As of 20.02.2020, during the meeting of the Company's Board of Directors the sale price of the shares to the beneficiaries at the amount of 2.00 euro per share was approved and the Board of Directors appointed numerically 16 executives to be included in the Plan, as well as defined the specific conditions of the plan, mainly related to meeting the performance conditions, not related to the market (e.g. EBITDA of operating segment, distributions in the parent company, etc.). On 08.07.2020, at a new meeting, the Board of Directors approved further terms of the plan, related to meeting the terms of market performance (share price). Furthermore, there is an obligation of two years to hold the shares.

At the meeting held as of 23.12.2020, the Board of Directors determined the final beneficiaries of the plan and the allocation percentage according to the proposal of the Nomination and Remuneration Committee (hereinafter "NRC").

Within the current fiscal year 2021, the achievement of three (3) 6-month VWAP targets, as they were set in the plan, was confirmed along with the attainment of the targets related to the construction sector, the energy sector, the concessions sector as well as the debt service ratio.

Specifically, according to the decision of the Board of Directors dated on 27.04.2021, stock options were secured for 16 beneficiaries defined by the decision of the Board of Directors dated 23.12.2020, to whom a total of 1,876,000 treasury shares were allocated and sold, for a total price of 3,752,000 euros. The exercise of the stock options took place through an over-the-counter transaction on 11.06.2021, with a market value of 9.98 euros per share. More specifically, 1,561,000 shares were distributed to senior executives and members of the Board of Directors of the parent company GEK TERNA and 315,000 shares to the other beneficiaries of the stock option plan, i.e. to executives of the Group's subsidiaries, corresponding to the 2-year period of 2019-2020.

During the meeting of the Board of Directors from 27.04.2021, it was decided to add to the beneficiaries another member of the Board of Directors of the Company for the rest of the program, to fill one of the 4 vacancies.

In summary, the movement of stock options is presented below:

	GROUP	
	Number of shares	**Weighted average exercise price per share in €**
1st January 2021	**3,992,853**	**4.21 €**
Shares vested and exercised	(1,876,000)	3.23 €
31st December 2021	**2,116,853**	**4.32 €**
Shares vested and not exercised	470,812	4.13 €
Shares to be vested	1,646,041	4.13 €

(Amounts in thousands Euro, unless otherwise stated)

Cost of stock options	**GROUP**	**COMPANY**
Expense of stock options valuation	1,979	1,979
Expense of exercised stock options	6,062	5,789
Total	**8,041**	**7,768**

For valuation of the existing shares related to the Company's share price (VWAP), the fair value of the options was calculated using the Monte Carlo Black – Scholes simulation as the most appropriate method in projecting the probability of different results when random variables intervene. The entry data in this model are the share price at the announcement date, the exercise price, the dividend yield 0%, the discount rate or risk free return (-0.447%) and the volatility of the share price standing at 49.824%. Based on the above, the fair value was determined within the range of 3.57 to 3.95.

For valuation of shares related to other non-market equity (KPIs), the fair value was determined using the Black-Scholes valuation model. The entry data in this model are the share price, standing at 6.20 euros on the announcement date, the exercise price (2.00 euros), the discount rate or risk-free return (-0.447%) and its volatility share price, standing at 49.824%. Based on the above, the fair value was determined within the range of 4.20 to 4.34.

35 INCOME TAX – DEFERRED TAX

Following the vote of the L. 4799/2021, from which paragraph 1 of the article 58 of the L. 4172/2013 was amended, the tax rate for the income of the legal entities in Greece for the year 2021 and now on is reduced by 2% and it is now set to 22%, while for the year 2020 it was 24%.

The effect from the reduction of the tax rate from 24% to 22% brought by the Law 4799/2021 in 2021, on the results and other comprehensive income for the Group amounted to an income of 1,141 and loss of 4,085 respectively.

The effective tax rate differs from the nominal. The calculation of the effective tax rate is affected by several factors, the most important of which are the non-exemption of specific expenses, differences from the use of depreciation rates that emerge between the fixed asset’s useful life and the use of rates stipulated by Law 4172/2013, and the ability of companies to generate tax-exempted discounts and tax-exempted reserves.

(a) Income Tax Expense

Income tax in the Statement of comprehensive income is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Current tax	20,215	17,485	285	(11)
Tax adjustments of previous years	3	(530)	1	0
Adjustments for tax audit differences	(932)	2,247	41	0
Total	**19,286**	**19,202**	**327**	**(11)**
Deferred tax expense/(income)	(3,882)	(6,160)	(452)	(2,313)
Total income tax expense/(income) from continued operations	**15,404**	**13,042**	**(125)**	**(2,324)**
Total income tax expense/(income) from discontinued operations (Note 7.2.5)	145	397	0	0
Total income tax expense/(income) from continued and discontinued operations	**15,549**	**13,439**	**(125)**	**(2,324)**

	GROUP		COMPANY	
	31.12.2021	**31.12.2020 ***	**31.12.2021**	**31.12.2020 ***
Profit before income tax expense from continued operations	**145,624**	**53,116**	**327**	**58,450**
Nominal tax rate	**22%**	**24%**	**22%**	**24%**
Income tax expense/(income) from continued operations based on the nominal tax rate	**32,037**	**12,748**	**72**	**14,028**
Results not included in the calculation of tax	(3,673)	(59,071)	591	(47,907)
Impact due to change in tax rate	1,141	0	632	0
Adjustments of tax of previous years and additional taxes	3	(527)	1	0
Difference in taxation of foreign companies	(2,251)	(109)	0	0
Write-off/(Offsetting) of tax losses	(10,406)	8,057	218	(350)
Adjustments for tax audit differences	(932)	2,247	41	0
Taxable differences of previous years for which no deferred tax has been recognized	(201)	(7)	0	0

(Amounts in thousands Euro, unless otherwise stated)

Effect of net temporary tax differences for which no deferred tax has been recognized	(2,847)	49,555	(1,680)	31,905
Effect of participating in net results of associates and joint venture	2,533	149	0	0
Income tax expense	**15,404**	**13,042**	**(125)**	**(2,324)**

Tax return statement is submitted on an annual basis but declared profits or losses remain provisional until the tax authorities inspect the taxpayer's books and records and issue an audit report. The Group annually assesses any contingent liabilities, expected to arise from the audit of past years, making relevant provisions where appropriate. Information regarding unaudited tax years is presented in Notes 5 and 50.1 to the Financial Statements.

(b) Deferred Tax

Deferred income tax is calculated on all the temporary tax differences between the book value and the tax basis of the assets and liabilities.

A deferred tax asset is recognized for the transferred tax losses to the extent that a respective tax benefit can be realized via future taxable profit.

It is noted that a deferred tax asset amounting to 352,531 (31.12.2020: 373,750) has been recognized in the particular part of the tax losses where according to the Management their offsetting against future taxable earnings is relatively certain over the next 5-year period. The above Deferred Tax Asset on the recognized losses for taxation purposes, includes a deferred tax asset for an amount of 331,007 (31.12.2020: 358,035) in relation to the reported tax losses of NEA ODOS SA and CENTRAL GREECE MOTORWAY SA, which mainly derive from performing accelerated amortization charges in the construction cost of the Projects. These tax losses based on the provisions of the Concession Agreements offset future earnings without any time limit (meaning that the limit of the 5-year period is not required).

From the approved Financial Models of the particular companies, it is demonstrated that until the end of the concession period, meaning until 2037, there will be taxable earnings, which can be offset against the accumulated tax losses.

The Group offsets deferred tax assets and obligations, when there is an effective legal right to offset the current tax assets against current liabilities provided that the deferred taxes relate to the same tax authority. The offset amounts in 31.12.2021 and 31.12.2020 for the Group and the Company are analyzed as follows:

	GROUP		**COMPANY**	
	31.12.2021	**31.12.2020 ***	**31.12.2021**	**31.12.2020 ***
Deferred tax assets	75,856	80,675	0	0
Deferred tax liabilities	(74,589)	(42,959)	(6,671)	(2,756)
Net deferred asset/ (liability)	**1,267**	**37,716**	**(6,671)**	**(2,756)**

(Amounts in thousands Euro, unless otherwise stated)

The change of the net deferred tax asset / (liability) in the Statement of Financial Position is analyzed as follows:

	GROUP		COMPANY	
	31.12.2021	**31.12.2020 ***	**31.12.2021**	**31.12.2020 ***
Net deferred tax asset / (liability)	**1,267**	**37,716**	**(6,671)**	**(2,756)**
Opening Balance	**37,716**	**29,451**	**(2,756)**	**(4,838)**
Change in accounting policy (Note 2.7.3)	0	(852)	0	(29)
Opening Balance	**37,716**	**28,599**	**(2,756)**	**(4,867)**
Effect of acquisitions, sale of subsidiary (Note 7.1, 7.3)	(21,611)	282	0	0
Effect of discontinued operations (Note 7.2.5)	0	(397)	0	0
(Expense)/Income recognized in net earnings	3,882	6,160	451	2,313
(Expense)/Income recognized in Other comprehensive income	(18,805)	2,862	(4,366)	(202)
Foreign Exchange Differences	85	207	0	0
(Expense) / Income recognized directly in the equity	0	3	0	0
Closing Balance	**1,267**	**37,716**	**(6,671)**	**(2,756)**

(Amounts in thousands Euro, unless otherwise stated)

Deferred taxes (assets and liabilities) in 2021 and 2020 are analyzed as follows:

GROUP

Deferred tax	01.01.2021	Change in accounting policy (Note 2.7.3)	Revised opening balance	Acquisition, sale of a Subsidiary	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	Foreign exchange differences	31.12.2021
Investment property	80	0	80	0	269	0	0	0	**349**
Tangible and Intangible Assets	(38,728)	0	(38,728)	(23,535)	2,332	(106)	0	101	**(59,936)**
Investments	(13,680)	0	(13,680)	0	(859)	(4,312)	0	0	**(18,851)**
Contract Assets/Contract Liabilities	8,465	0	8,465	0	(15,204)	0	0	0	**(6,739)**
Recognized tax losses	373,750	0	373,750	0	(21,219)	0	0	0	**352,531**
Recognition of assets from concession contracts	(334,735)	0	(334,735)	(2,056)	28,761	0	0	(2)	**(308,032)**
Other non-current liabilities	3,028	0	3,028	1,860	(1,346)	0	0	(9)	**3,533**
Provision for staff indemnities	380	0	380	5	44	(6)	0	0	**423**
Companies’ acquisitions and sales	10,367	0	10,367	0	(2,372)	0	0	0	**7,995**
Derivatives	9,658	0	9,658	0	10,648	(14,348)	0	0	**5,958**
Trade receivables	4,844	0	4,844	1,655	(789)	0	0	0	**5,710**
Other Provisions	7,321	0	7,321	141	2,482	0	0	0	**9,944**
Lease Contracts	1,809	0	1,809	0	2,885	0	0	(5)	**4,689**
Other	5,157	0	5,157	319	(1,750)	(33)	0	0	**3,693**
Total	**37,716**	**0**	**37,716**	**(21,611)**	**3,882**	**(18,805)**	**0**	**85**	**1,267**

(Amounts in thousands Euro, unless otherwise stated)

GROUP

Deferred tax	01.01.2020	Change in accounting policy (Note 2.7.3)	Revised opening balance	Acquisition, sale of a Subsidiary	Statement of Profit or loss (Debit)/Credit	Other comprehensive income (Debit)/Credit	Equity	Foreign exchange differences	31.12.2020
Investment property	132	0	132	0	(52)	0	0	0	**80**
Tangible and Intangible Assets	(27,267)	0	(27,267)	(161)	(11,623)	(7)	0	330	**(38,728)**
Investments	(13,808)	0	(13,808)	0	283	(155)	0	0	**(13,680)**
Contract Assets/Contract Liabilities	18,862	0	18,862	0	(10,397)	0	0	0	**8,465**
Recognized tax losses	353,352	0	353,352	13	20,385	0	0	0	**373,750**
Recognition of assets from concession contracts	(335,297)	0	(335,297)	430	146	0	0	(14)	**(334,735)**
Other non-current liabilities	2,895	0	2,895	0	204	0	0	(71)	**3,028**
Provision for staff indemnities	1,215	(852)	363	0	30	(13)	0	0	**380**
Companies' acquisitions and sales	10,862	0	10,862	0	(495)	0	0	0	**10,367**
Derivatives	7,136	0	7,136	0	(513)	3,035	0	0	**9,658**
Trade receivables	4,921	0	4,921	0	(77)	0	0	0	**4,844**
Other Provisions	5,247	0	5,247	0	2,074	0	0	0	**7,321**
Lease Contracts	(2,153)	0	(2,153)	0	4,006	0	0	(44)	**1,809**
Other	3,354	0	3,354	0	1,792	2	3	6	**5,157**
Total	**29,451**	**(852)**	**28,599**	**282**	**5,763**	**2,862**	**3**	**207**	**37,716**

(Amounts in thousands Euro, unless otherwise stated)

COMPANY

Deferred tax	**01.01.2021**	**Change in accounting policy (Note 2.7.3)**	**Revised opening balance**	**Statement of Profit or loss (Debit)/ Credit**	**Other comprehensive income (Debit)/ Credit**	**31.12.2021**
Investment property	726	0	726	(208)	0	**518**
Tangible and Intangible Assets	(92)	0	(92)	(56)	(21)	**(169)**
Investments	(10,077)	0	(10,077)	(631)	(4,317)	**(15,025)**
Contract Assets/Contract Liabilities	(1,709)	0	(1,709)	280	0	**(1,429)**
Recognized tax losses	6,488	0	6,488	840	0	**7,328**
Provision for staff indemnities	8	0	8	74	(28)	**54**
Trade receivables	190	0	190	(86)	0	**104**
Other Provisions	1,812	0	1,812	174	0	**1,986**
Lease Contracts	4	0	4	1	0	**5**
Other	(106)	0	(106)	63	0	**(43)**
Total	**(2,756)**	**0**	**(2,756)**	**451**	**(4,366)**	**(6,671)**

(Amounts in thousands Euro, unless otherwise stated)

	COMPANY					
Deferred tax	**01.01.2020**	**Change in accounting policy (Note 2.7.3)**	**Statement of Profit or loss (Debit)/Credit**	**Statement of Profit or loss (Debit)/Credit**	**Other comprehensive income (Debit)/Credit**	**31.12.2020**
Investment property	859	0	859	(133)	0	**726**
Tangible and Intangible Assets	31	0	31	(123)	0	**(92)**
Investments	(10,308)	0	(10,308)	434	(203)	**(10,077)**
Contract Assets/Contract Liabilities	(1,930)	0	(1,930)	221	0	**(1,709)**
Recognized tax losses	5,148	0	5,148	1,340	0	**6,488**
Provision for staff indemnities	39	(29)	10	(3)	1	**8**
Trade receivables	255	0	255	(65)	0	**190**
Other Provisions	1,753	0	1,753	59	0	**1,812**
Lease Contracts	2	0	2	2	0	**4**
Other	(687)	0	(687)	581	0	**(106)**
Total	**(4,838)**	**(29)**	**(4,867)**	**2,313**	**(202)**	**(2,756)**

(Amounts in thousands Euro, unless otherwise stated)

36 TURNOVER

Company's turnover of years 2021 and 2020 in the accompanying financial statements is analyzed as follows:

	COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**
Revenues from Operation and Maintenance Services	51,539	0
Revenues from real estate exploitation	2,228	2,239
Revenues from operation of ticket system	2,157	1,469
Administrative Support Revenues and Other Revenues	2,370	2,558
Total	**58,294**	**6,266**

Group's turnover of years 2021 and 2020 in the accompanying financial statements is analyzed as follows:

Revenues from contracts with customer per segment

	GROUP	
1) Revenues from contracts with customer per segment	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Revenues from construction services' segment		
Infrastructure Projects– Motorways - Airport	303,522	274,949
Industrial –Energy	171,116	218,168
Other services of construction services' segment	5,530	5,204
	480,168	**498,321**
Revenues of electric power energy production from RES		
Electric power energy production from wind parks and hydro-electric plants	222,746	145,437
Revenues from tax benefits (PTCs)	0	42,463
Other revenues of electric power energy segment from RES	1,683	6,093
Revenues of electric power energy production from RES from continued operations	**224,429**	**193,993**
Revenues of electric power energy production from RES from discontinued operations	32,132	79,400
Revenues of electric power energy production from RES from continued and discontinued operations	**256,561**	**273,393**
Revenues from real estate segment		
Revenues from real estate exploitation segment	3,868	3,663
	3,868	**3,663**

(Amounts in thousands Euro, unless otherwise stated)

Revenues from concession exploitation segment		
Revenues from motorways' tolls	141,563	126,997
Revenue from the operation of waste management plants	1,670	2,771
Revenues from operation of ticket system	4,808	10,438
Other services from concession exploitation segment	24,677	11,060
	172,718	**151,266**
Revenues from industry segment		
Sales of industrial products - quarries	9,987	7,074
	9,987	**7,074**
Revenues from thermo-electric energy power production and trading of electric energy		
Trading of electric energy	252,599	37,417
	252,599	**37,417**
Revenues from Holding segment and other presented operating segments		
Other revenues of Holding segment	430	171
	430	**171**
Total revenues from contracts with customers from continued operations	**1,144,199**	**891,905**
Total revenues from contracts with customers from discontinued operations (Note 7.2.5)	**32,132**	**79,400**
Total revenues from contracts with customers from continued and discontinued operations	**1,176,331**	**971,305**

* The comparative figures for the year ended 31.12.2020 have been restated in order to include only the continuing operations (see Note 7.2 of the Annual Financial Statements).

	GROUP	
2)The analysis of turnover from contracts with customers at the time of income recognition is analyzed as follows:	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Transfer of goods and services at a specific time	650,860	376,387
Services rendered with the passage of time	493,339	515,518
Total turnover from contracts with customers from continued operations (Note 7.2.5)	**1,144,199**	**891,905**
Transfer of goods and services at a specific time from discontinued operations	32,132	79,400
Total turnover from contracts with customers from continued and discontinued operations	**1,176,331**	**971,305**

3) The backlog of Group's construction contracts of the Group amounts to 2,506 million euro on 31.12.2021 (see Note 50.2). The predicted execution course of backlog is analyzed as: (a) Euro 835 million in 2022, and b) Euro 1,671 million for a period until 2026.

4) Turnover for the period per country and operating segment is analyzed below as follows**:**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP						
	1.1-31.12.2021						
	Greece	**Balkans**	**Middle East**	**Eastern Europe**	**USA**	**Other regions**	**Total**
Revenue of Construction Segment	429,480	40,225	10,463	0	0	0	480,168
Revenue of Electricity from RES Segment	199,959	0	0	23,273	1,197	0	224,429
Revenue of Real Estate Segment	2,578	1,290	0	0	0	0	3,868
Revenue of Concessions Segment	172,718	0	0	0	0	0	172,718
Revenue of Industry Segment	407	48	25	860	0	8,647	9,987
Revenue of Electricity from thermal energy and HP trading	175,390	74,015	0	0	0	3,194	252,599
Revenue of Holding and other presented operating segments	429	0	0	0	0	0	429
Total from continued operations	**980,961**	**115,578**	**10,488**	**24,133**	**1,197**	**11,841**	**1,144,199**
Revenue of Electricity from RES Segment from discontinued operations (Note 7.2.5)	0	0	0	0	32,132	0	32,132
Total from continued and discontinued operations	**980,961**	**115,578**	**10,488**	**24,133**	**33,329**	**11,841**	**1,176,330**

(Amounts in thousands Euro, unless otherwise stated)

	GROUP						
	1.1-31.12.2020 *						
	Greece	**Balkans**	**Middle East**	**Eastern Europe**	**USA**	**Other regions**	**Total**
Revenue of Construction Segment	438,328	31,581	28,412	0	0	0	498,321
Revenue of Electricity from RES Segment	166,403	5,110	0	22,285	195	0	193,993
Revenue of Real Estate Segment	2,780	883	0	0	0	0	3,663
Revenue of Concessions Segment	151,266	0	0	0	0	0	151,266
Revenue of Industry Segment	644	94	233	698	0	5,405	7,074
Revenue of Electricity from thermal energy and HP trading	16,329	21,088	0	0	0	0	37,417
Revenue of Holding and other presented operating segments	171	0	0	0	0	0	171
Total from continued operations	**775,921**	**58,756**	**28,645**	**22,983**	**195**	**5,405**	**891,905**
Revenue of Electricity from RES Segment from discontinued operations (Note 7.2.5)	0	0	0	0	79,400	0	79,400
Total from continued and discontinued operations	**775,921**	**58,756**	**28,645**	**22,983**	**79,595**	**5,405**	**971,305**

(Amounts in thousands Euro, unless otherwise stated)

37 COST OF SALES - ADMINISTRATIVE AND DISTRIBUTION EXPENSES - RESEARCH AND DEVELOPMENT EXPENSES

The cost of sales for the years 2021 and 2020 in the accompanying financial statements, is analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Cost of sales and inventory consumption	325,225	201,298	1,530	2,204
Employee remuneration	71,384	70,294	11,303	1,479
Sub-contractors	161,305	158,243	19,557	41
Fees of civil engineers, technical consultants and other third parties	105,285	74,755	5,217	2,914
Other third-party expenses	15,883	12,598	4,764	148
Taxes-duties	9,619	8,485	104	113
Provisions	26,822	15,280	0	0
Transportation expenses	775	1,190	14	3
Lab audit expenses	185	304	0	0
Depreciation	99,958	92,640	541	322
Litigation and other indemnities	96	20	0	0
Expenses concerning litigation cases	117	517	17	3
Leases	10,477	14,257	67	0
Insurance premiums	13,890	11,255	2,671	95
Transportation expenses	9,988	7,573	933	6
Repairs-Maintenance expenses	22,228	20,160	909	24
Commissions and other financial expenses	10,859	11,391	191	285
Other	5,475	4,477	855	59
Total Cost of Sales from continued operations	**889,571**	**704,736**	**48,673**	**7,696**
Total Cost of Sales from discontinued operations (Note 7.2.5)	21,337	51,460	0	0
Total Cost of Sales from continued and discontinued operations	**910,908**	**756,196**	**48,673**	**7,696**

The increase in the Group's cost of sales is mainly due to the full consolidation of the fourth quarter 2021 results, as a result of the acquisition of HERON II THERMOELECTRIC (see Note 7.1), as well as due to the increase of inventory consumption related to execution of construction contracts.

The increase on the Company level is due to the implementation of Operation and Maintenance Contracts between GEK TERNA SA (the "Operator") and the Concession companies NEA ODOS SA and CENTRAL GREECE SA MOTORWAY (the "Concessionaires") which entered into force on 17.05.2021 (see detailed Note 7.5).

(Amounts in thousands Euro, unless otherwise stated)

Administrative and distribution expenses for the years 2021 and 2020 in the accompanying financial statements are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020**
Employee remuneration	16,760	19,240	711	463
Fees of civil engineers, technical consultants and other third parties	29,054	31,984	3,305	3,940
Stock options expense (note 34)	8,041	3,257	7,768	2,778
Other third-party expenses	1,361	1,509	44	45
Travel expenses	505	437	115	30
Subscriptions and contributions	1,116	713	63	39
Promotion and advertising expenses	4,930	2,970	2,635	1,339
Depreciation	6,053	4,861	274	265
Repairs - Maintenance	1,096	954	34	7
Insurance Premiums	333	630	34	56
Remuneration of BoD	2,596	1,959	1,450	1,086
Leases	1,078	1,173	2	5
Taxes - Duties	2,287	3,115	739	1,759
Transport expenses	2,006	1,289	1	0
Expenses concerning litigation cases	28	263	0	5
Other	3,720	4,785	128	47
Total Administrative and Distribution Expenses from continued operations	**80,964**	**79,139**	**17,303**	**11,864**
Total Administrative and Distribution Expenses from discontinued operations (Note 7.2.5)	104	329	0	0
Total Administrative and Distribution Expenses from continued and discontinued operations	**81,068**	**79,468**	**17,303**	**11,864**

Research and Development expenses for the years 2021 and 2020 in the accompanying financial statements are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Employee remuneration	390	400	0	0
Fees of civil engineers, technical consultants and other third parties	3,922	2,905	147	439
Other third party expenses	12	14	0	0
Depreciation	312	140	0	0
Taxes - Duties	1,415	654	0	0
Transportation expenses	25	23	0	0
Travel expenses	34	56	0	0
Insurance Premiums	0	1	0	0
Other	577	323	0	0
Total	**6,687**	**4,516**	**147**	**439**

38 AUDITORS’ FEES

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Total	1,334	1,379	103	96

The above fees relate to fees of Certified Public Accountants for all the companies of the Group.

For the year ended December 31, 2021, these include the fees of the statutory auditor and the auditing firm amounting to 44.5 (2021: 40) for the Group and 3.5 (2020: 3) for the Company, which relate to authorized non-auditing services (excluding compulsory and tax audit services).

It is noted that within the year 2021, services amounting to 122 have been provided to the Company regarding the conduct of a special financial audit, in the context of the issuance of the Common Bond Loan of 300 million euros (see Note 24). These fees have been deducted from the relevant loan obligation as costs of bond issuance.

39 OTHER INCOME/(EXPENSES)

Other income/ (expenses) for the period, in the accompanying financial statements in the years 2021 and 2020 are analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	GROUP		COMPANY	
	1.1-31.12.2021	1.1-31.12.2020 *	1.1-31.12.2021	1.1-31.12.2020
Other income				
Amortization of grants on fixed assets	5,586	5,651	0	0
Operational support income of Motorway Concession	11,930	12,014	0	0
State's indemnities towards Motorway Concession companies	28,547	44,627	0	0
Income from insurance indemnities	5,072	1,495	4	0
Income from legal indemnities	5	0	0	0
Income from the forfeiture of guarantees received and penalty clauses	6,792	1,442	0	189
Foreign exchange differences on payments	3,968	0	0	0
Recovery of impairments of fixed, intangible assets, right of use assets and goodwill	435	843	0	0
Recovery of impairments of inventories	0	198	0	198
Recovery of impairments of assets	2,120	1,205	28	359
Gains from sale of fixed assets	1,592	1,088	0	0
Gains from valuation of Investment Property	876	345	139	0
Earnings from elimination of liabilities	1,099	2,186	65	0
Other services rendered	2,995	2,102	0	0
Income from CO2 right sales	31,770	0	0	0
Other revenue	11,833	4,214	2,801	941
Total other income from continuing operations	**114,620**	**77,410**	**3,037**	**1,687**
Total other income from discontinued operations (Note 7.2.5)	3,485	8,532	0	0
Total other income from continuing and discontinued operations	**118,105**	**85,942**	**3,037**	**1,687**
Other Expenses				
Depreciation not included in the cost	(857)	(952)	0	0
Operational support expense of Motorway Concession	(36,566)	(37,153)	0	0
Expenses related to insurance indemnities	(42)	(127)	0	0
Foreign exchange differences on payments	0	(10,641)	(1)	(1)
Impairments/Writte off of fixed, intangible assets, right of use assets and goodwill	(1,582)	(1,894)	0	0
Impairments/Writte off of inventories	(364)	(5,571)	0	(57)
Impairments/Writte off of receivables	(4,694)	(2,489)	(17)	(78)
Other provisions	(553)	(550)	0	0
Losses from sale of fixed assets	(156)	(145)	0	0

(Amounts in thousands Euro, unless otherwise stated)

Loss from valuation of Investment Property	(928)	(875)	(147)	(140)
Taxes – duties	(68)	(650)	(1)	(16)
Employee remuneration	(1,998)	(2,384)	0	0
Cost of CO2 Emission Rights	(30,031)	0	0	0
Other expenses	(8,410)	(8,228)	(100)	(203)
Total other expenses from continuing operations	**(86,249)**	**(71,659)**	**(266)**	**(495)**
Total other expenses from discontinued operations (Note 7.2.5)	(148,845)	0	0	0
Total other expenses from continuing and discontinued operations	**(235,094)**	**(71,659)**	**(266)**	**(495)**
Total other income/(expenses) from continuing operations	**28,371**	**5,751**	**2,771**	**1,192**
Total other income/(expenses) from discontinued operations (Note 7.2.5)	(145,360)	8,532	0	0
Total other income/(expenses) from continuing and discontinued operations	**(116,989)**	**14,283**	**2,771**	**1,192**

40 PROFIT/(LOSSES) FROM SALE OF PARTICIPATIONS AND SECURITIES

Profit/ (losses) from the sale of participations and securities in the accompanying financial statements for the years 2021 and 2020, are analyzed as follows:

	GROUP		**COMPANY**	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020**
Profit / (loss) from disposal of subsidiaries	0	(225)	0	73,402
Profit / (loss) from disposal of shares and other Equity interests	(441)	4	(442)	4
Profit / (loss) from liquidation of associates, joint ventures and joint operations	(60)	(38)	0	32
Profit / (loss) from sale of participations and securities from continuing operations	**(501)**	**(259)**	**(442)**	**73,438**
Profit / (loss) from sale of participations and securities from discontinued operations (Note 7.2.5)	0	27,453	0	0
Profit / (loss) from sale of participations and securities from continuing and discontinued operations	**(501)**	**27,194**	**(442)**	**73,438**

(Amounts in thousands Euro, unless otherwise stated)

Within the previous year, within the framework of Corporate Transformation, the Company recognized in favor of its results from continuing operations a profit of 73,405 from the sale of the fully owned by 100% subsidiary CENTRAL GREECE MOTORWAY SA to the fully owned by 100% subsidiary GEK TERNA MOTORWAYS SMSA. From this transaction, no effect arose on the consolidated financial statements of the Company.

Losses from the sale of shares and other equity securities of the Company of the current financial year relate to the sale of shares of the trading portfolio.

41 GAINS/(LOSSES) FROM VALUATION OF INTERESTS AND SECURITIES

Gains / (Losses) from valuation of interests and securities, for the financial years 2021 and 2020, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Profit / (loss) from valuation of financial assets at fair value through profit & loss (Note 22)	(535)	(1,808)	(535)	(1,808)
Loss /reverse of loss from valuation on interest in subsidiaries (Note 12)	0	0	(889)	(21,790)
Total	**(535)**	**(1,808)**	**(1,424)**	**(23,598)**

42 GAINS / (LOSSES) FROM PARTICIPATIONS AND OTHER EQUITY INSTRUMENTS

Gains / (Losses) from participations and other equity instruments, for the financial years 2021 and 2020, in the accompanying financial statements, are analyzed as follows:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Dividends of subsidiaries	0	0	24,329	23,350
Dividends on joint ventures and equity instruments	1,564	856	891	1,004
Total	**1,564**	**856**	**25,220**	**24,354**

The "Dividends of subsidiaries" account includes mainly amounts of 14,720 from the subsidiary TERNA ENERGY and 8,517 from the subsidiary GEK TERNA MOTORWAY SINGLE MEMBER S.A.

(Amounts in thousands Euro, unless otherwise stated)

43 FINANCIAL INCOME/(EXPENSES)

Financial income/ (expenses) for years 2021 and 2020, are analyzed as follows in the accompanying financial statements:

	GROUP		COMPANY	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020 ***
Deposit interest	924	1,223	254	240
Loan interest	2,531	9,576	5,003	19,147
Other financial income	2,930	1,221	440	6
Income from unwinding of long-term receivables	5,255	5,367	0	0
Total financial income from continuing operations	**11,640**	**17,387**	**5,697**	**19,393**
Total financial income from discontinued operations (Note 7.2.5)	260	45	0	0
Total financial income from continuing and discontinued operations	**11,900**	**17,432**	**5,697**	**19,393**
Interest and expenses of short-term loans	(3,654)	(5,627)	0	0
Interest and expenses of long-term loans	(69,027)	(56,392)	(21,053)	(20,144)
Financial cost from lease contracts	(998)	(1,006)	(23)	(23)
Bank commissions and expenses	(8,477)	(6,096)	(1,703)	(1,381)
Contracts of interest/financial instruments swaps services expenses	(22,768)	(22,023)	0	0
Other financial expenses	(2,068)	(1,568)	(887)	(1,048)
Total financial expenses from continuing operations	**(106,992)**	**(92,712)**	**(23,666)**	**(22,596)**
Total financial expenses from discontinued operations (Note 7.2.5)	(19,447)	(44,580)	0	0
Total financial expenses from continuing and discontinued operations	**(126,439)**	**(137,292)**	**(23,666)**	**(22,596)**
Net interest income/(expenses) from continuing operations	**(95,352)**	**(75,325)**	**(17,969)**	**(3,203)**
Net interest income/(expenses) from discontinued operations	(19,187)	(44,535)	0	0
Net interest income/(expenses) from continuing and discontinued operations	**(114,539)**	**(119,860)**	**(17,969)**	**(3,203)**
Gains from derivatives financial instruments measured at fair value (Note 32)	9,918	22,611	0	0
Losses from derivatives financial instruments measured at fair value (Note 32)	(21,892)	(1,771)	0	0

(Amounts in thousands Euro, unless otherwise stated)

Derivatives valuation results from continuing operations	**(11,974)**	**20,840**	**0**	**0**
Derivatives valuation results from discontinued operations (Note 7.2.5)	(7,991)	(412)	0	0
Derivatives valuation results from continuing and discontinued operations	**(19,965)**	**20,428**	**0**	**0**
Net financial income/(expenses) from continuing operations	**(107,326)**	**(54,485)**	**(17,969)**	**(3,203)**
Net financial income/(expenses) from discontinued operations	(27,178)	(44,947)	0	0
Net financial income/(expenses) from continuing and discontinued operations	**(134,504)**	**(99,432)**	**(17,969)**	**(3,203)**

The change in the net financial income / (expenses) of the Company is due to the Corporate Transformation that took place within the 2nd half of 2020 which led to the repayment of the intragroup loans granted by the Company to the two concession companies of the highways and consequently to the significant decrease of the interest income in the closing year compared to the corresponding year of 2020.

The change in the net financial income / (expenses) of the Group concerns an increase of the financial costs in the RES sector and increased interest finance cost (from the CBL of 500 million at the beginning of the 2nd Half of 2020).

The decrease in the "Result of valuations of derivatives from continuing operations" is due to the embedded derivative under a Concession Agreement (see Note 32).

44 PAYROLL COST

Payroll cost expenses in 2021 and 2020 are analyzed as follows:

	GROUP		**COMPANY**	
	1.1-31.12.2021	**1.1-31.12.2020 ***	**1.1-31.12.2021**	**1.1-31.12.2020**
Wages and related employee benefits	73,192	73,871	9,588	1,506
Social security fund contributions	16,086	15,802	2,098	354
Provision for employee indemnities	1,049	2,645	329	83
Total payroll costs from continuing operations	**90,327**	**92,318**	**12,015**	**1,943**
Total payroll costs from discontinued operations (Note 7.2.5)	273	748	0	0
Total payroll costs from continuing and discontinued operations	**90,600**	**93,066**	**12,015**	**1,943**

At the end of the closing period, the Group employed 3,700 people worldwide and the Company 724. Respectively, at the end of the previous year, the Company employed 24 and the Group employed 3,400 people worldwide.

The change in the expenses for personnel remuneration as well as in the number of employees of the Company comes from the change that occurred in 2021 in its activities, as a consequence of the Operation and Maintenance Contracts (the "O&M Contracts") signed on 05.03.2021, between of GEK TERNA SA (the "Operator") and the Concession companies NEA ODOS SA and CENTRAL GREECE MOTORWAY SA (the "Concessionaires") and which entered into force on 17.05.2021 (see note 7.5).

(Amounts in thousands Euro, unless otherwise stated)

45 TRANSACTIONS WITH RELATED PARTIES

The transactions of the Company and the Group with related parties for the period ended 31.12.2021 and 31.12.2020, as well as the balances of receivables and liabilities arising from such transactions as of 31.12.2021 and 31.12.2020 are as follows:

Period 31.12.2021	**GROUP**						**COMPANY**					
Related party	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Inflows / (Outputs) from Loans**	**Capital Increase / (Decrease)**	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Inflows / (Outputs) from Loans**	**Capital Increase / (Decrease)**
Subsidiaries	0	0	0	0	0	0	84,348	20,537	322,246	17,782	(204,223)	2,203
Joint Ventures	110,295	181,368	179,519	117,820	(66,442)	222,735	201	539	249	486	(69)	(263)
Associates	43	3	850	6	0	0	43	3	850	0	0	0

Year 31.12.2020	**GROUP**						**COMPANY**					
Related party	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Inflows / (Outputs) from Loans**	**Capital Increase / (Decrease)**	**Revenue**	**Purchases**	**Debit Balances**	**Credit Balances**	**Inflows / (Outputs) from Loans**	**Capital Increase / (Decrease)**
Subsidiaries	0	0	0	0	0	0	38,354	4,140	104,227	9,442	(9,060)	17,820
Joint Ventures	21,705	9,172	21,412	118,829	0	0	264	446	163	19	0	0
Associates	9	0	810	6	(800)	0	9	0	809	0	(800)	0

(Amounts in thousands Euro, unless otherwise stated)

Transactions with related parties take place under the same terms effective for transactions with third parties.

Transactions and remuneration of the Board of Directors members and senior executives: The remuneration of the Board of Directors members and senior executives of the Group and Company, recognized for the periods ended on 31.12.2021 and 31.12.2020, as well as the balances of receivables and liabilities that have emerged from such transactions on 31.12.2021 and 31.12.2020 are as follows:

	GROUP		**COMPANY**	
	1.1-31.12.2021	**1.1-31.12.2020**	**1.1-31.12.2021**	**1.1-31.12.2020**
Remuneration for services rendered	4,396	5,463	584	347
Remuneration of employees	1,300	814	371	295
Remuneration for participation in Board meetings	2,157	1,863	995	990
Stock options expense (Note 34)	8,041	3,257	6,432	2,778
Total	**15,894**	**11,397**	**8,382**	**4,410**
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Liabilities	103	373	101	180
Receivables	11	15	0	0

46 RISK MANAGEMENT POLICIES AND PROCEDURES

The Group is exposed to multiple financial risks such as market risk (volatility in exchange rates, interest rates, market prices etc.), credit risk, and liquidity risk. The risk management plan aims to eliminate the negative effect of these risks on financial results of the Group as these effects arise from uncertainty in financial markets and the changes in costs and sales. The risk management policy is applied by the financial services of the Group.

The procedure followed is as follows:

- Evaluation of risks related to Group's activities and operations.
- Planning the methodology and selecting the necessary financial products for decreeing the risk.
- Execution/application, in accordance with the approved procedure by the management, of the risk management plan.

The financial instruments of the Group are mainly deposits in banks, short-term financial products of high liquidity traded in the money market, trade debtors, and creditors, loans to and from associates, shares, dividends payable, liabilities arising from leasing and derivatives.

46.1 Foreign Exchange Risk

Euro is the functional currency of the parent company and the reporting currency of the Group.

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will be subject to fluctuations due to changes in exchange rates. This type of risk may arise, for the Group, from foreign exchange differences at the valuation and conversion into the Group's currency (Euro) of financial assets, mainly financial receivables, and financial liabilities, related to transactions that are carried out in a currency other than the functional currency of the Group's entities. The transactions mainly concern purchases of fixed assets and inventories, commercial sales, investments in financial assets, loans, as well as net investments in foreign operations.

The Group operates through branches and companies in Greece, the Middle East, the Balkans, and in Poland and thus it may be exposed to foreign exchange risk. The Group's current foreign operations concern construction projects, real estate development and development of production of electricity from renewable energy resources.

Regarding the construction projects in the Balkans: the contractual receivables, liabilities to basic suppliers (cement, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in euro and thus the exposure to foreign exchange risk is limited. Moreover, the Bulgarian lev (BGN) has a fixed exchange rate against euro. Development of real estate in the Balkans is mainly realized by the Group's construction companies and thus it is exposed to the same foreign exchange risk as the aforementioned construction companies. Sales (and receivables), are performed in euro, and thus the exposure to foreign exchange risk is limited.

Regarding the construction projects in the Middle East, the contractual receivables, liabilities to basic suppliers (concrete, iron products, asphalt, cobble, skids etc.) and sub-contractors are realized in local currencies, which are related to the US dollar (USD) and thus there is exposure to foreign exchange from change in the USD exchange rate against Euro.

Electricity production from renewable energy sources activity is performed in Poland, Serbia and North Macedonia, where the local currency fluctuates in relation to euro and may lead to foreign exchange translation differences and exposure to foreign exchange risk from the fluctuations of the exchange rate of Polish zloty (PLN), the Serbian dinar (RSD), the dinar of North Macedonia (MKD) and the Albanian lek (ALL) against Euro.

The following table presents the financial assets and liabilities in foreign currency:

(Amounts in thousands Euro, unless otherwise stated)

	2021											
(amounts in euro)	**RON**	**ALL**	**MKD**	**AED**	**QAR**	**BHD**	**IQD**	**SAR**	**USD**	**LYD**	**PLN**	**RSD**
Financial assets	462	36	18,675	999	2,530	32,509	1	1,388	31,984	749	21,152	4,625
Financial liabilities	(194)	(3,425)	(4,552)	(1,075)	(2,004)	(12,406)	(28)	(696)	(6,284)	(2)	(4,448)	(11,246)
Total current assets	**268**	**(3,389)**	**14,123**	**(76)**	**526**	**20,103**	**(27)**	**692**	**25,700**	**747**	**16,704**	**(6,621)**
Financial assets	4	0	0	58	9	3	8	0	17	0	133	347
Financial liabilities	0	0	0	0	0	0	0	0	(11)	0	(24,046)	(27)
Total non-current assets	**4**	**0**	**0**	**58**	**9**	**3**	**8**	**0**	**6**	**0**	**(23,913)**	**320**

	2020											
(amounts in euro)	**RON**	**ALL**	**MKD**	**AED**	**QAR**	**BHD**	**IQD**	**SAR**	**USD**	**LYD**	**PLN**	**RSD**
Financial assets	97	79	4,159	3,397	19,698	36,919	1	1,428	90,740	2,381	14,822	14,799
Financial liabilities	(217)	(5,330)	(2,622)	(3,078)	(15,394)	(14,819)	(79)	(701)	(87,458)	(7)	(4,615)	(8,521)
Total current assets	**(120)**	**(5,251)**	**1,537**	**319**	**4,304**	**22,100**	**(78)**	**727**	**3,282**	**2,374**	**10,207**	**6,278**
Financial assets	3	0	0	116	10	727	68	0	14,560	0	130	180
Financial liabilities	0	0	0	(533)	(388)	(180)	0	(23)	(387,420)	0	(27,189)	(40)
Total non-current assets	**3**	**0**	**0**	**(417)**	**(378)**	**547**	**68**	**(23)**	**(372,860)**	**0**	**(27,059)**	**140**

The following table presents the sensitivity of Net Earnings as well as other comprehensive income to fluctuations of exchange rates through their effect on financial assets and liabilities. For BGN currency we did not examine the sensitivity as it maintains a stable exchange rate against euro. For all other currencies, we examined the sensitivity at a change of +/- 10%.

The table presents the effects of the +10% change. The effects of the -10% change are represented by the opposite amount.

(Amounts in thousands Euro, unless otherwise stated)

	2021											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	(5)	(0)	0	0	0	97	0	514	0
Effect on other comprehensive income	27	(347)	1,404	3	54	1,956	(65)	123	2,523	75	(1,288)	(630)

	2020											
	RON	ALL	MKD	AED	QAR	BHD	IQD	SAR	USD	LYD	PLN	RSD
Effect on Net earnings	0	0	0	(9)	0	0	0	0	89	0	383	0
Effect on other comprehensive income	(12)	(761)	155	38	485	2,205	(167)	122	(37,015)	237	(2,129)	(696)

To manage this category of risk, the Group's Management and financial department make sure that the largest possible part of receivables (income) and liabilities (expenses) are realized in euro or in currencies pegged to euro (i.e. the Bulgarian lev, BGN) or in the same currency in order to be matched against each other.

46.2 Interest Rate Risk Sensitivity Analysis

The Group's policy is to minimize its exposure to cash flows interest regarding long-term financing. On 31.12.2021, 41.05% of the Group's total debt refer to fixed rate loans, 29.20% refer to floating rate loans that are covering by cash flow hedges against changes in interest rates, while 29.75% refer to floating interest rate loans based on euribor or wibor on case basis.

The following table presents the sensitivity of net profit for the year towards a reasonable change in interest rates (on receivables and liabilities) amounting to +/-20% (2020: +/-20%) on the variable part of the interest rate (e.g. Euribor 6M). The changes in interest rates are estimated to be normal in relation to current market conditions.

	2021		2020	
	20%	-20%	20%	-20%
Net earnings after income tax (from interest bearing liabilities)	(437)	437	(237)	237
Net earnings after income tax (from interest earning assets)	15	(15)	49	(49)

The Group is not exposed to other interest rate risks or price risk of securities whose price is traded on a financial market.

46.3 Credit Risk

The credit risk exposure of the Group is limited to financial assets, which are as follows:

(Amounts in thousands Euro, unless otherwise stated)

	31.12.2021	31.12.2020
Receivables from derivatives	159,066	210,954
Cash and cash equivalents	1,364,351	1,108,417
Loans and receivables	475,300	626,663
Total	**1,998,717**	**1,946,034**

The Group continuously monitors its receivables, either separately or per group and encompasses any differences in its credit risk. In cases when deemed necessary, external reports related to current or potential customers are used.

The Group is not exposed to significant credit risk from trade receivables. This is attributed to - on one hand- to the Group's policy which is focused on the cooperation with reliable clients and - on the other - to the nature of the Group's operations.

In particular, the total amount of receivables, whether related to the narrow or the broader public segment, or clients with significant financial position in Greece and abroad, are under special monitoring and the Management constantly assesses the reliability of its customers, the size of each of them, regardless of whether they are a broader public or private entity, for possible implications, in order to take the necessary measures to minimize any implications for the Group.

It is to be noted, however, that there are some delays in payments by the public sector and the companies controlled by it.

Credit risk in respect of cash available and other receivables is considered limited, given that the counterparties are reliable banks with high quality capital structure, the Greek State and the broader public sector and strong business Groups.

The Management assumes that the aforementioned financial assets for which necessary impairment is calculated are of high credit quality.

46.4 Liquidity risk

The Group manages its liquidity needs by closely monitoring its long-term financial liabilities and daily payments. The liquidity needs are monitored in different time-zones daily and weekly as well as in a rolling 30 day period. The liquidity needs for the coming 6 months and the coming year are estimated on a monthly basis.

The Group maintains cash and deposits in banks in order to cover its liquidity needs for periods up to 30 days. The capital for long-term liquidity needs is disbursed from time-deposits of the Group. The maturity of financial liabilities on December 31st 2021 is analyzed as follows:

(Amounts in thousands Euro, unless otherwise stated)

	0 to 12 months	1 to 5 years	Over 5 years	Total
Long-term borrowing	114,064	646,072	1,740,145	2,500,281
Liabilities from leases	4,040	7,747	15,659	27,446
Liabilities from derivatives	28,580	69,319	88,338	186,237
Other long-term financial liabilities	0	21,497	5,558	27,055
Short-term borrowing	95,557	0	0	95,557
Suppliers	296,786	0	0	296,786
Accrued and other short-term financial liabilities	91,470	0	0	91,470
Total	**630,497**	**744,635**	**1,849,700**	**3,224,832**

The respective maturity of financial liabilities for December 31st 2020 was as follows:

	0 to 12 months	1 to 5 years	Over 5 years	Total
Long-term borrowing	109,958	702,251	1,496,442	2,308,651
Securities equivalent to financial liabilities	45,079	178,478	57,706	281,263
Liabilities from leases	3,700	5,785	9,510	18,995
Liabilities from derivatives	27,023	91,671	122,395	241,089
Other long-term financial liabilities	0	16,928	8,786	25,714
Short-term borrowing	116,505	0	0	116,505
Suppliers	222,749	0	0	222,749
Accrued and other short-term financial liabilities	34,369	0	0	34,369
Total	**559,383**	**995,113**	**1,694,839**	**3,249,335**

The above contractual maturities reflect the gross cash flows, which may differ from the book values of liabilities as of the balance sheet date.

46.5 Global Public Health Crisis Arising from COVID-19 Pandemic

GEK TERNA Group is one of the most significant Greek business groups, which holds a leading position in the sectors of infrastructure, clean energy, electricity generation, and concessions. The Management determines that the Group operates in the sectors that are more defensive during the phases of the economic cycle and are recognized by the investors as "safe haven" that provides stable repeatable cash flows even in times of turmoil and uncertainty, such as the current crisis. Furthermore, during the Greek financial crisis, (i.e. the most difficult and longest financial crisis in

Europe), the Group has already demonstrated its ability to develop and strengthen its position in the market.

The result of the negative effects of pandemic in all sectors of the economy was that global GDP fell by 6.0% in 2020 due to the pandemic and the Greek economy contracted by 8.2%, with a major impact in the area of tourism.

The Greek State is constantly trying to implement targeted measures to protect and address the negative problems caused by the pandemic. Important factors that might improve the economic climate are:

- The inclusion of Greek bonds in the framework of the extraordinary asset purchase program (PEPP, a total of 1.85 billion euros) in combination with the government guarantees of the government of Greece, resulted into lower cost of debt and higher banking credit lines for large Greek corporates. Equally important has been the temporary instrument designed by EU to boost the recovery path of the European economy (next-generation EU recovery fund of over € 800 billion), which will eventually replace the benefits of PEPP,

- European Union funding from which the Greek State is expected to raise € 72 billion, of which € 31 billion will be tapped through the Recovery and Sustainability Fund (€ 18 billion in grants, € 13 billion in loans) and 40 billion euros through the ESPA Cohesion Fund for the period 2021-2027.

Throughout the pandemic, the Group constantly acts based on the instructions and decisions of all the competent institutions, observing the requirements and the action plan adopted by the Greek authorities.

The Group's Management, applying an extremely high sense of responsibility, towards its customers, employees, suppliers, partners and investors, monitors the developments regarding the coronavirus pandemic (COVID-19), studying the possible risk factors that could affect the financial position, operations and results of the Group.

(i) Group Organizational Planning

The Management of the Group has adopted extremely stringent operating rules in all points of presence and operation of the Group in both Greece and abroad, in order to constantly confirm the highest possible level of safety for all.

(ii) Effects of COVID-19 per major operating segment of the Group and measures to limit them

The Group has taken all the necessary measures in order to continue the development of its core operations, continuing the exploitation of RES and Concessions and implementation of its investment plan in the energy segment, strengthening the efforts aimed at stabilizing the Greek economy and improving prospects of employment. More analytically per segment

- **Construction Operating Segment**

In the Operating Segment of Construction there have been delays in some cases, however it is pointed out that none of the existing signed contracts has been canceled. In this context, the construction works continued smoothly within 2021 as well, but without achieving the rate of execution envisaged under the original planning.

Regarding the delays that have existed, it is noted that the Group does not face the risk of non-compliance with the contractual schedules, as the relevant deadlines are extended respectively. It is to be noted that the construction contracts also include relevant terms regarding force majeure events, providing an additional conventional level of security regarding the progress of the projects and their performance/compensation.

- **Electric Energy Operating Segment (Electricity Generation from Renewable Energy Sources [RES]):**

In the segment of electricity from RES, in Greece there was no interruption or other adverse impact on the activity of the Group's facilities that are in operation. As far as the RES facilities under construction are concerned, until today no delays have been caused due to the coronavirus pandemic (COVID-19) and the estimated time of completion and launching of the projects has not changed.

Regarding the collection of revenues, no delays were found in 2021. Furthermore, any delay in the collection of revenues by DAPEEP does not seem today to exceed the production value of six months, as it was the case in the past, mainly due to the implementation of measures of Law 4414/2016.

- **Real Estate Operating Segment**

From the valuations of the Group's investment properties within the current year, no significant amounts of negative valuations emerged.

- **Concession Operating Segment – Self/co-financed projects**

Concession operating segment mainly includes motorways concessions companies (NEA ODOS CONCESSION S.A. and CENTRAL GREECE MOTORWAY CONCESSION S.A.) and Kastelli airport concession (INTERNATIONAL AIRPORT OF HERAKLION CRETE CONCESSION S.A.).

During the first quarter of 2021 and especially due to the implemented travel restrictive measures, the turnover of the subsidiaries "NEA ODOS CONCESSION S.A." and "CENTRAL GREECE MOTORWAY CONCESSION S.A." (hereinafter referred to as "Motorway Concession Companies") is at about the same level with the reduced revenues of 2020.

Pursuant to the above provisions of the Concession Agreements, the aforementioned companies of the Group submitted to the State claims for compensation for the loss of income that occurred in 2020 amounting to Euro 16.4 million, which favorably affected the consolidated Statement of Comprehensive Income for the annual period ended 31.12.2021 and were included in the item "Other income / (expenses)".

Regarding the concession company of the New International Airport of Heraklion in Crete, after the start date of the concession in February 2020, the study-construction period of the Project has started (five years) which continues according to the concession agreement. In addition, as during the first period of the construction period, the project is in the process of completing technical studies for a period of at least six (6) additional months, no impact is expected.

In addition, it is worth noting that the concession agreement of the project in Kastelli, is structured to protect the Concessionaire from force majeure events - such as COVID-19 - providing an additional conventional level of security in respect of the development of the project and its performance.

(Amounts in thousands Euro, unless otherwise stated)

- **Quarry / Industry Operating Segment**

The segment's activity in extracting and processing whitewash and subsequent production of magnesium products, which are almost entirely exported to various countries, has decreased significantly due to the COVID-19 pandemic, as a result of the problems created in the transportation of goods to the customers' countries.

Consequently, during the first half of 2021 the subsidiary TERNA LEFKOLITHI decreased the production level awaiting the normalization of the market conditions, while at the same time it rescheduled the production procedures towards the optimal use of existing inventory and related equipment. During the second half of 2021, the company's production largely returned to the pre-COVID-19 levels.

Summary

The coronavirus pandemic (COVID-19) continues to affect the global economy. As the situation is constantly evolving, it is difficult to assess the consequences of the pandemic based on the evidence and information so far available, despite the fact that the increase in the vaccinated population offers a positive outlook in dealing with these conditions. The Management estimates that the operation, the financial performance, the cash flows and the financial position of the Group will not be significantly affected.

47 PRESENTATION OF FINANCIAL ASSETS AND LIABILITIES PER CATEGORY

Financial assets as well as financial liabilities the end of the reporting period can be classified as follows:

	31.12.2021			
Financial Assets	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**
Listed shares and Mutual funds	0	5,386	0	**5,386**
Investments in securities	0	0	90,194	**90,194**
Financial assets from concessions	61,353	0	0	**61,353**
Other long-term receivables	50,039	0	0	**50,039**
Receivables from derivatives	0	156,703	2,363	**159,066**
Trade and other receivables	363,908	0	0	**363,908**
Cash and cash equivalents	1,364,351	0	0	**1,364,351**
Total	**1,839,651**	**162,089**	**92,557**	**2,094,297**

(Amounts in thousands Euro, unless otherwise stated)

	31.12.2020			
Financial Assets	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**
Listed shares and Mutual funds	0	7,811	0	**7,811**
Investments in securities	0	0	66,620	**66,620**
Financial assets from concessions	46,952	0	0	**46,952**
Other long-term receivables	63,968	0	0	**63,968**
Receivables from derivatives	0	196,410	14,544	**210,954**
Trade and other receivables	515,743	0	0	**515,743**
Cash and cash equivalents	1,108,417	0	0	**1,108,417**
Total	**1,735,080**	**204,221**	**81,164**	**2,020,465**

	31.12.2021			
Financial Liabilities	**Amortised cost**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Total**
Long-term borrowing	2,500,281	0	0	**2,500,281**
Other long-term liabilities	27,055	0	0	**27,055**
Trade and other receivables	388,256	0	0	**388,256**
Short-term borrowing	95,557	0	0	**95,557**
Liabilities from leases	27,446	0	0	**27,446**
Liabilities from derivatives	0	0	186,237	**186,237**
Total	**3,038,595**	**0**	**186,237**	**3,224,832**

	31.12.2020			
Financial Liabilities	**Amortised cost**	**Fair value**	**Fair value**	**Total**
Long-term borrowing	2,308,651	0	0	**2,308,651**
Securities equivalent to financial	281,263	0	0	**281,263**
Other long-term liabilities	25,714	0	0	**25,714**
Trade and other receivables	257,118	0	0	**257,118**
Short-term borrowing	116,505	0	0	**116,505**
Liabilities from leases	18,995	0	0	**18,995**
Liabilities from derivatives	0	0	241,089	**241,089**
Total	**3,008,246**	**0**	**241,089**	**3,249,335**

(Amounts in thousands Euro, unless otherwise stated)

48 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities measured at fair value in the Group's Statement of Financial Position are classified under the following 3 level hierarchy in order to determine and disclose the fair value of financial instruments per valuation technique:

- **Level 1:** Investments that are valued at fair value based on quoted (unadjusted) prices in active markets for comparable assets or liabilities.
- **Level 2:** Investments that are valued at fair value, using valuation techniques for which all inputs that significantly affect the fair value, are based (either directly or indirectly) on observable market data.
- **Level 3:** Investments that are valued at fair value, using valuation techniques, in which the data that significantly affects the fair value, is not based on observable market data.

The Group's financial assets and liabilities measured at fair value on 31.12.2021 and 31.12.2020 are classified in the aforementioned levels of hierarchy as follows:

	31.12.2021			
Financial Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Non listed shares (Financial assets at fair value through results)	0	0	3,446	3,446
Mutual Funds (Financial assets at fair value through results)	1,940	0	0	1,940
Investments in securities	0	0	90,194	90,194
Receivables from derivatives	0	1,546	157,520	159,066
Total	**1,940**	**1546**	**251,160**	**254,646**
Financial Liabilities				
Liabilities from derivatives	0	181,073	5,164	186,237
Contingent consideration from acquisition of assets	0	0	10,549	10,549
Total	**0**	**181,073**	**15,713**	**196,786**
Net fair value	**1,940**	**(179,527)**	**235,447**	**57,860**

	31.12.2020			
Financial Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Listed shares (Financial assets at fair value through	1,438	0	0	1,438
Non listed shares (Financial assets at fair value through results)	0	0	4,000	4,000
Mutual Funds (Financial assets at fair value through	2,373	0	0	2,373
Investments in securities	0	0	66,620	66,620
Receivables from derivatives	0	0	210,954	210,954
Total	**3,811**	**0**	**281,574**	**285,386**
Financial Liabilities				

Liabilities from derivatives	0	236,834	4,255	241,089
Contingent consideration from acquisition of assets	0	0	10,290	10,290
Total	**0**	**236,834**	**14,545**	**251,379**
Net fair value	**3,811**	**(236,834)**	**267,029**	**34,007**

There were no changes in valuation technique applied by the Group within the period. There were no transfers between Levels 1 and 2 during financial year ended on 31.12.2021 and financial year 2020.

Valuations at fair value through Level 3

Changes in financial instruments classified in Level 3 of the Group for the financial year ended on 31.12.2021 and financial year 2020 are presented as follows:

(Amounts in thousands Euro, unless otherwise stated)

	1.1-31.12.2021				1.1-31.12.2020			
	Investment s in securities	**Financial assets at fair value through profit & loss**	**Derivatives**	**Contingent consideration from acquisition of assets**	**Investments in securities**	**Financial assets at fair value through profit & loss**	**Derivatives**	**Contingent consideration from acquisition of assets (Note 6.1)**
Opening balance	**66,620**	**4,000**	**206,699**	**(10,290)**	**65,434**	**0**	**198,844**	**0**
Proceeds	0	0	(19,157)	0	0	0	(18,704)	0
Additions	374	0	(5,164)	0	774	4,000	0	(10,290)
Addition due to acquisition of entity (Note 7.1)	10	0	0	0	0	0	0	0
Sales	(249)	0	0	0	(234)	0	0	0
Transfers	0	0	817	0	0	0	0	0
Finance cost	0	0	0	(259)	0	0	0	0
Transfer to discontinued operations (see Note 7.2.5)	0	0	(10,289)	0	0	0	0	0
Effect valuation in Profit / (loss)	0	(554)	(20,550)	0	0	0	21,525	0
Profit /(loss) in Other Comprehensive Income	23,438	0	0	0	646	0	5,893	0
Foreign exchange differences	0	0	0	0	0	0	(858)	0
Closing balance	**90,194**	**3,446**	**152,356**	**(10,549)**	**66,620**	**4,000**	**206,699**	**(10,290)**

(Amounts in thousands Euro, unless otherwise stated)

Regarding the above, the amount of 152,356 (31.12.2020: 206,699) pertains to the value of embedded derivative and the value of the receivables from electric energy prices risk hedging derivatives of 157,520 (31.12.2020: 210,954) and liability of 5,164 (31.12.2020: 4,255).

Assets of level 3 are related to investments in non-listed companies with participation less than 20% (Note 21) and assets from imbedded derivatives (Note 32). These investments are analyzed as follows:

	Fair value of investment 31.12.2021	**Fair value of investment 31.12.2020**	**Fair value calculation method**	**Other Information**
Embedded Derivative	156,703	196,410	Discount of future cash flows	The following data was used for the discounting: - Estimated flows for the period 2020 - 2038 203 million euro. - Average interest rates for the period 2020-2038 0,46% - Average Discount Factor for the period 2020 - 2038 0.95
Receivables / (Obligations) from Interest Rate Swap Derivatives (IRS)	(4,347)	10,289	Discount of future cash flows	The following data was used discounting the estimated future value into present value
Contingent consideration from acquisition of assets	(10,549)	(10,290)	Approximation of weighted probabilities	Measurement at present values using a discount rate of 6.14%
OLYMPIA ROAD	71,540	51,160	Discounted dividend yield method	Cost of Capital 7.58%
OLYMPIA ROAD OPERATION	10,135	8,591	Discount of future cash flows	Cost of Capital 7.58%
OTHER INVESTMENTS	11,965	10,869	Equity method at fair values	Fair value of equity on 31.12.2021
Total	**235,447**	**267,029**		

Level 2 financial assets and liabilities pertain to risk hedging derivatives. These investments are analyzed as follows:

	Fair value of investment 31.12.2021	Fair value of investment 31.12.2020	Fair value calculation method	Other Information
Receivables / (Obligations) from Interest Rate Swap Derivatives (IRS)	(179,527)	(236,834)	Valuation by financial institutions combined with an internal valuation using interest rate curves	
Total	**(179,527)**	**(236,834)**		

The carrying amounts of the following financial assets and liabilities approximate their fair value due to their short-term nature:

- Trade and other receivables
- Cash and cash equivalents
- Suppliers and other liabilities

49 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The objectives of TERNA ENERGY Group regarding the management of its capital are as follows:

- To ensure the Group's ability to continue as a going-concern, and
- To ensure satisfactory capital structure and returns for the shareholders.

The Group defines the level of capital in proportion to the risk of its activities, it monitors the developments of the economic environment and their effect on the risk characteristics, and it manages the capital structure (relation of debt to equity) with the adjustment of the amount and maturity of debt, the issue of new shares or the return of capital to shareholders, with the adjustment of the dividend and the sale of individual or a group of assets.

For this purpose, the Management monitors the financial leverage of the Group on the basis of the ratio, defined as: Total Bank debt/ Total Capital Employed. "Total bank debt" is defined as the aggregate of Short Term Loans, Long Term Loans, Bank lease liabilities and Long term liabilities payable during the next financial year. The "Total Capital Employed" is defined as the aggregate of Total Equity, Total bank debt and Equity investments equivalent to financial liabilities (Note 26), the repayment of which follows the repayment of primary debt of the corresponding Wind Farms and is performed only to the extent that the required return from their operation is met, the state grants minus the amount of cash and cash equivalents which are not subject to any limitation in use or to any commitment.

(Amounts in thousands Euro, unless otherwise stated)

The ratio at the end of 2021 and 2020 was as follows:

	GROUP	
	31.12.2021	**31.12.2020 ***
Total bank debt (Note6) (a)	2,596,055	2,425,682
Total equity	871,259	826,809
Equity investments equivalent to financial liabilities (Note26)	0	281,263
Grants (Note 29)	87,431	102,266
Sub total (b)	**3,554,745**	**3,636,020**
Less:		
Cash and cash equivalents (Note23)	(1,364,351)	(1,108,417)
Blocked bank deposit accounts (Note20)	(127,625)	(106,008)
Approved and collected grants to be returned (Note31)	3,024	3,024
Sub total (c)	**(1,488,952)**	**(1,211,401)**
Total Capital Employed (b+c)=(d)	**2,065,793**	**2,424,619**
Total Bank Debt / Total Capital Employed (a)/(d)	**125.67%**	**100.04%**

50 CONTINGENT LIABILITIES AND ASSETS

50.1 Tax unaudited years

The tax obligations of the Group are not definitive as there are unaudited tax years, which are analyzed in Note 5 to the Financial Statements for the six-month period ended as of 31.12.2021.

For the unaudited tax years it is possible that additional taxes and surcharges can be imposed at the time when they are examined and finalized. The Group makes an annual estimate of the contingent liabilities that are expected to arise from the tax audit of past years, making relevant provisions were deemed necessary. The Group has made provision for unaudited tax years of 3,610 (31.12.2020: 3,610).

Under circulars POL 1154/2017, POL 1191/2017, POL 1192/2017, POL 1194/2017 and POL. 1208/2017, the Governor of the Independent Public Revenue Authority (AADE) provided instructions for the equable implementation of what was approved under num. StE 1738/2017 (Olom.), StE 2932/2017, StE 2934/2017 and StE 2935/2017 decisions of the Council of State (StE) as well as num. 268/2017 Opinion of the Legal Council of the State (NSK).

The above circulars present a five-year limitation period - based on the general rule - for FYs from 2012 thereafter, as well as for the tax years for which the Code of Tax Procedure - CTP applies (from 2014 thereafter), except for special exceptions as defined in the relevant provisions of the CTP.

Therefore, and in accordance with the provisions of POL. 1192/2017, the right of the State for tax attribution until the fiscal year 2015 has expired within the fiscal year 2021, unless there is a case of application of the special provisions regarding 10, 15 and 20 years of limitation. The unaudited years per Group Company are analytically presented in Note 5.

The Management considers that in addition to the provisions made, any tax amounts that may arise will not have a material impact on equity, profit or loss and cash flows of the Group and the Company.

Tax Compliance Certificate

For the years 2011 and until 2015, the companies of the Group operating in Greece and meeting the relevant criteria for tax auditing by the Certified Public Accountants have received Tax Certificate according to par. 5 of article 82 of Law 2238/1994 and Article 65A paragraph 1 of Law 4174/2013, without any substantial differences. It should be noted that, according to Circular POL. 1006/2016, the companies which have been subject to the above special tax audit are not exempted from the regular tax audit by the competent tax authorities. Furthermore, according to the relevant legislation, for the years 2016 onwards, the special tax audit and issue of the Tax Certificate is valid on a voluntary basis. In this context, a tax compliance certificate for the year 2016 and 2017 was received by the parent company and the Greek subsidiaries of the renewable energy segment. For the years 2018 until 2020, most of the Group companies in Greece received tax certificate.

Regarding the Group companies in Greece, the special tax audit for the year 2021 is in progress and the relevant tax certificates are to be issued after the publication of the annual financial statements as of 31.12.2021. At the end of the tax audit, the Management does not expect significant tax liabilities to incur other than those recorded and reflected in the Group's and Company's financial statements. It should be noted that, according to the issues mentioned in the Circular POL. 1192/2017, the right of the State for a tax charge up to and including the year 2014 has lapsed unless the specific provisions on 10-year, 15-year, and 20-year limitation periods apply.

50.2 Commitments from construction contracts

The backlog of the construction contracts of the Group amounts to 2,506 million euro on 31.12.2021 (31.12.2020: 1,616 million euro). Under these commitments, the Group has issued letters of guarantee totaling 1,220 million euro (31.12.2020: 1,165 million euro).

50.3 Court cases

The Company and its consolidated companies are involved (in their capacity as defendant and plaintiff) in various court cases in the context of their normal operation. In particular, in the case of legal proceedings against the Group for accidents at work that occurred during the execution of construction works, it is noted that the Group is insured against accidents at work and, therefore, no significant burden is expected to arise from the potentially adverse outcome of such court cases.

The Group makes provisions in the financial statements for outstanding legal cases when it is probable that an outflow of resources will be required to settle the obligation and that this amount can be reliably estimated. In this context, the Group has recognized as of 31.12.2021 provisions of 5,936 (31.12.2020: 5,875) for litigations (see Note 28).

The Management, as well as the legal consultants, consider that, apart from the above-mentioned provisions, pending cases are expected to be settled without significant adverse effects on the consolidated financial position of the Group or the Company or the results of their operation, beyond the already established provision for litigations.

Client claims against Joint Venture "SIEMENS A.G. - AKTOR SA - TERNA SA" in which the Group participates, and the counterpart claim of the Joint Venture

On 29.12.2015, the Hellenic Railways Organization ("OSE") filed a litigation to the Piraeus Court of Appeal against the joint venture under the title SIEMENS A.G. - AKTOR SA - TERNA SA, whose member is a subsidiary of the Issuer, TERNA SA.

The legal dispute arose from the project "Renovation of a railway line and manufacture of signaling electrification, - telecommunication in the part of Piraeus - Athens - Three bridges - SKA - Acharnes / Three bridges - Ano Liossia (connection to SKA – Korinthos High Speed Railway Line)", whose contractor was the aforementioned joint venture, following the decision made by OSE on the final cessation of operations and termination of no. 994/2005 project implementation agreement.

OSE demands that the joint venture should pay the amount of 22,062 plus interest as from 05.12.2014, otherwise from 31.12.2015, as unduly paid, on the ground that this amount does not correspond to a contractual benefit that OSE received from the joint venture. In particular, based on the aforementioned litigation, this amount constitutes a deviation, on the one hand between the work invoiced by the joint venture SIEMENS A.G. - AKTOR SA - TERNA SA and paid by OSE to the joint venture, and, on the other hand, the revised (by OSE) final measurement of the conducted work and the project.

In addition, a payment of Euro 624 plus interest is requested as from 01.09.2011, otherwise from 31.12.2015, which corresponds to the unamortized part of the prepayment that had been paid to the joint venture contractor of the project, in the context of its implementation.

The hearing of the case had been initially scheduled for 21.09.2017, however, after cancellations and postponements, was rescheduled for 05.12.2019, when it was also cancelled. It has already been rescheduled for hearing on 18.03.2021 and was postponed for the hearing of 17.03.2022 which was also postponed for the new hearing date which is expected on 19.10.2023.

At a stage prior to the aforementioned OSE litigation, the joint venture contractor of the project and the companies participating in it, as of 30.03.2012 have filed an appeal against OSE and against the final measurement of the project so that it should be revised. This appeal, initially rejected by the Piraeus Court of Appeal for formal reasons, was again referred to the five-member Piraeus Court of Appeal under no. 1038/2017 decision of the Supreme Court published on 16.06.2017. The above appeal was heard, after being postponed, on 17.1.2019 and the decision 330/2020 was issued which refers to hearing the said appeal at the Piraeus Court of Appeal in a three-member court panel. Following the above, the joint venture filed a relevant summons to determine a hearing at the Piraeus Court of Appeals in a three-member court panel and was appointed to be heard on 17.03.2022, and was accordingly discussed. The decisions issued so far on the above dispute by both the Piraeus Court of Appeal and the Supreme Court, do not address the substance of the legal dispute, but only concern the formal issues.

The members of the joint venture SIEMENS A.G. - AKTOR SA - TERNA SA are jointly and severally liable to OSE. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 37.5%, AKTOR SA - by 37.5% and SIEMENS AG - by 25%, as arising from the no. 15158 / 26.08.2003 Act of the notary of Athens, Eleni Theodorakopoulou.

According to the Company, regarding the case in question, the legal consultants who handle it, estimate that a positive outcome is possible. Furthermore, no provision has been recognized, as according to the Company's Management a) the existence of a commitment has not been finalized so far, b) it is not probable that there will be an outflow of financial resources and c) the relevant amount cannot be reliably estimated.

Claims against Joint Venture «TERNA SA – SICES Construction SPA» in which the Group participates

On 20.12.2019, VIOTEK Anonymous Technical Commercial and Industrial Company (hereinafter “VIOTEK”) filed a litigation to the Athens Multi-Member Court of First Instance against the joint venture under the title TERNA SA – SICES CONSTRUCTION SPA, whose member the subsidiary of the Issuer, TERNA S.A, is. The legal dispute arose under the project "Upgrading ELPE Elefsina refineries-Mechanical Works (Area 1)", regarding the contracting joint venture, which subcontracted to VIOTEK the operations of “Pre-construction and construction of the pipelines – construction of supports of the U32 unit”, in compliance with the agreement signed in July 2010. This project has been completed and was finally delivered to the client on 02.05.2014.

VIOTEK's potential claim against the joint venture amounts to 14,534 euro, plus legal interest and VAT.

The members of the joint venture TERNA SA – SICES CONSTRUCTION SPA are jointly and severally liable to VIOTEK. Regarding the internal relations between the members of the joint venture, every member bears relative responsibilities according to its participation rate, i.e. TERNA SA - by 50% and SICES CONSTRUCTION SPA - by 50%, as arising from the private joint venture agreement as of 28.05.2010, as amended.

On 25.05.2021 before the Athens Multi-Member Court of First Instance, VIOTEK filed a new lawsuit, with the same requests. The deadline for the submission of proposals is on 04.10.2021 during which VIOTEK did not submit proposals and the date of formal discussion was set at 27.10.2021. The decision is expected to be issued, which is likely to reject the lawsuit. However, the J/V, in the face of a possible negative outcome of this case, has burdened the results of previous years through the revision of the budgeted costs of the project.

Legal claims against TERNA ENERGY sub-group/ Contingent receivables

<u>TERNA ENERGY SA and TERNA ENERGY AI GIORGIS SA</u>

There is a legal lease dispute between an individual and the companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., regarding the lease of the island of Agios Georgios Attica from the other party to TERNA ENERGY. It is to be noted that on the island there is an installation of two wind farms of the subsidiary TERNA ENERGY AI GIORGIS S.A., with a total installed capacity of 69 MW.

In particular, on 01.07.2019 the opponent filed a lawsuit to the Athens Single Member Court of First Instance against TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., demanding the return of the island of Agios Giorgis, Attica. The lawsuit was heard on 06.09.2019. Regarding the aforementioned lawsuit, No. 619/2020 decision of the above court was issued, which accepted the lawsuit, and stated that TERNA ENERGY SA should return the island of Agios Georgios to the plaintiff or whoever draws rights from it, including TERNA ENERGY AI GIORGIS SA. (it is understood that TERNA ENERGY S.A. has transferred the Lease to this company, or has subleased a lease to it) and declared the decision temporarily enforceable. On 15.06.2020, TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. received a court order for voluntary compliance with the above decision, otherwise the court decision would be enforced. The companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. filed an application for suspension of execution of the above order, requesting an interim injunction, heard on 18.06.2020 and granted on 19.06.2020 until the hearing of the Application for Interim Measures on 28.07.2020, as well as an appeal against no. 619/2020 of decision, scheduled to be discussed on 02.03.2021, which, however, following a preference request of the other party, was heard on 13.10.2020. Regarding this hearing, no. 548/2021 decision of the Athens Court of Appeals was issued, accepting the appeal of the Group companies, annulling no. 619/2020 decision, re-hearing the lawsuit and rejecting it in its entirety. On 01.03.2021, the other party filed the Appeal which was discussed on 24.09.2021. According to the Group's legal consultants, it is estimated that the appeal will not succeed.

On 30.06.2020 the opponent filed a lawsuit EAK 5258/2020 to the Athens Single Member Court of First Instance against TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., disclosed on 20.07.2020, under which, on one hand, it waives the lawsuit as of 13.01.2020 against the same parties and on the other hand, demands compensation of 235.2 thousand due to tort, according to article 914 of the Civil Code, reporting the occupation of the island of Agios Georgios and interruption of payment of rentals to the plaintiff. The lawsuit is being heard under the new Code of Civil Procedure and, therefore, the date of hearing has not been defined yet. According to the estimates of the Company's legal consultants, it is probable that this lawsuit will be rejected.

On 10.07.2020 the other party filed a lawsuit against TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., requesting the Application for Precautionary Measures, which was also heard on 28.07.2020, with a request for the termination of the Provisional Order as of 19.06.2020 of the Chairman of the Court of First Instance, Maria Skarpou, granted in respect of as of 16.06.2020 Application for Suspension of Enforcement of the companies TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A. or - alternatively - continuation of validity of the above Interim Order under the condition of payment to the applicant of the amount of 8.9 thousand per month as compensation for the use of its property. Both claims were heard on 28.07.2020 and regarding those claims, no. 4555/2020 decision was issued, accepting the application for precautionary measures of TERNA ENERGY S.A. and TERNA ENERGY AI GIORGIS S.A., focusing on the issue of the installation of the latter, based on the protocols and not any type of lease relationship, speculating that this reason will be accepted in the Court of Appeal. A guarantee was ordered to be submitted in favor of Ms. Mantzourani in the Deposits and Loans Fund, amounting to 6 thousand. Following the issuance of the above Decision 548/2021 of the Athens Court of Appeals, the Company will request the return of the given guarantee.

Finally, the same opponent, succeeded in issuing against the Company no. 10898/2019 Payment Order of the Judge of the Single Member Court of First Instance of Athens, Mr. Evangelos Stergiopoulos, Chairman of the Court of First Instance, pursuant to which and from the order dated as of 04.12.2019 placed under a copy of the first executable inventory of the above payment order, the Company was ordered to pay to the other party a total amount of 369.3 thousand euro plus legal interest. The Company timely filed (GAK 108200/2019 and EAK 13627/2019) an Application for suspension of execution of the above payment order with a request for a temporary order, regarding which the temporary order as of 10.12.2019 of the Chairman of the Single Member Court of First Instance of Athens was issued, granting - temporarily and until the discussion of the above application on 11.03.2020 and given the course of the hearing - a suspension according to article 632 § 3 KPold of the execution of the above payment order no. 10898/2019 setting the condition of the payment of guarantee by the Company amounting to € 50,000 within 15 working days from the publication of the temporary order. In this regard, a Letter of Guarantee of the NATIONAL BANK OF GREECE SA no. 633/7404778 / C was issued, which was submitted to the Athens Court of First Instance, drafted under no. 519 / 31.12.2019 Guarantee Report. Moreover, the Company has filed an Interruption Lawsuit against the Payment Order (GAK 108204/2019 and EAK 5972/2019) as above under no. 10898/2019. The application for precautionary measures was heard on 11.03.2020 and the validity of the effective interim injunction was extended until the issuance of the relative decision on it. No. 3804/2020 decision was issued, suspending the Payment Order until the issuance of a final decision regarding the case as of 19.12.2019, without the provision of a guarantee, therefore, we will request in court the return of the above letter of guarantee. The trial has been set on 16.05.2023.

AEIFORIKI EPIRUS SA

Epirus Prefecture, with prot. no. 45431/142 / 01.04.2019 letter notified the company of a penalty amount of 690,000 euros due to failure to make available the Epirus Prefecture Waste Treatment Plant Services at the Scheduled Date, in accordance with the terms of 21.07.2017 Agreement.

On 23.07.2019, the 19.07.2019 Arbitration Appeal - Appointment of Arbitrator and Invitation of Arbitration Appointment for the company was handed to Region of Epirus with which it is requested to declare that the penalty of 690 was unlawfully imposed and to be repaid to the company with the default interest and the following amounts to be paid: (a) 989 thousand euro as compensation for positive losses due to the prolongation of the working period, (b) 697 thousand euro as compensation for loss of revenue during the above period, (c) 325 thousand euro as compensation for the cost of performing additional control tests for MEA Epirus, (d) 817 thousand euro as compensation for loss of income during the first year of operation of MEA Epirus, (e) 1,048 thousand euro as compensation for loss of income during the second year of operation of MEA Epirus.

After the completion of the discussions, the Arbitration Court issued on 10.03.2022 the relevant decision according to which it awards in favor of the Group company, AEIFORIKI EPIRUS MAEES, the total amount of 3,111 thousand euro with legal interest. According to the Partnership Agreement, the parties have waived the exercise of ordinary or legal remedies or appeals before any court or other judicial authority with potential jurisdiction and the relevant decision is an enforceable one without having to be declared as such by the courts.

The company considers as probable scenario that the Epirus Regional Authority decides at a point in time to take legal action in order to avoid or delay the above payment of the above by litigation resolved obligations, but such attempt is unlikely to succeed.

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The company considers as probable scenario that the Epirus Regional Authority decides at a point in time to take legal action in order to avoid or delay the above payment of the above by litigation resolved obligations, but such attempt is unlikely to succeed.

Contingent Claims

TERNA ENERGY AI GIORGIS SA

Lawsuit was filed against Panama domiciled company SILVER SUN SHIPPING S.A., which also operates office premises in Greece, regarding tort law payment of 18.514 thousand euro in compensation of loss and adverse effect of profits suffered by the Company due to damage. On 13.03.2018, decision No. 1291/2018 was issued justifying a part of the lawsuit, and the TERNA ENERGY AIGIORGIS S.A. is to receive an amount of 12,034 thousand euro from the beginning of 2017. Since the aforementioned decision established that the Company was co-responsible for damage at a percentage of 35%, the Company has appealed to the Three-Member Court of Appeal of Piraeus against the decision No. 1291/2018, settled for hearing on 15.11.2018. On the same date, the appeal, made by the opponent against the decision No. 1291/2018 was also to be heard. According to the assessment of the Company's Legal Counselors, the appeal filed by our Company will be successful whereas the appeal filed by the opposing company will be rejected. Those were determined to be tried and discussed on 17.02.2022 but they were then postponed to 17.11.2022.

50.4 Tender procedures

Law 4782/2021, published on 09.03.2021, reformed the existing regulatory framework for public procurement under Law 4412/2016, which incorporates in the Greek Legislation Directives 2014/24/EU (L 94/65) and 2014/25/ EU (L 94/243) as well as Laws 3433/2006 (A’ 20), 3883/2010 (A’ 167) and 3978/2011 (A '137) which regulate the issues of public procurement in defense and security sectors. According to the explanatory memorandum, Part A ' reforms provisions of Law 4412/2016 that constitutes the existing regulatory framework for issues of public procurements, services and projects in order to simplify and clarify the legal provisions, reduce bureaucracy, increase the effectiveness of public procurement and projects implementation, expand the use of electronic means (e-procurement), increase participation of small and medium-sized enterprises in public procurement procedures and address irregularities, such as the issue of excessively low bids and excessive attachment to formality to the substance of the bids. Law 4412/2016 presented a number of problems that contracting authorities as well as the economic operators had identified. The attempt to address such irregularities was fragmented and, quite often, insufficient. It is symptomatic that the provisions of Law 4412/2016 had been amended more than 300 times. However, the current economic conditions have generated the need to increase the efficiency of the procedures for preparation, assignment and implementation of public procurements in order to speed up the relevant procedures, while improving the quality of goods, services and projects supplied by the State without jeopardizing the issues of transparency and integrity. Moreover, the effectiveness of the public procurement system is expected to reinforce the capacity of the Greek State in public investments, as well as in faster absorption and utilization of EU funds and financial facilities, in particular, in view of NSRF 2021-2027 program period and the Recovery of and Resilience Fund (RRF) aimed at supporting reorganization and improving resilience to crises of the economies of the European Union Member States. Realization of the above objectives will be evident through the implementation of the above institutional framework.

It is noted that Law 4903/2022 and in particular in Part A ', articles 1 to 14 thereof, establishes a framework for the submission, evaluation and approval of innovation proposals, at the initiative of the private sector, for large infrastructure projects which exceed the amount of two hundred million (200,000,000) euros (excluding VAT), have characteristics of innovation and complexity, promote regional development, contribute to the national economy and will be implemented through works contracts, concessions and public-private partnerships (S.D.I.T.). The proposed bill regulates, in particular, the minimum content of an innovation proposal (minimum level of maturity), incentives to submit innovation proposals, as well as procedures aimed at upholding the principles of transparency and equal treatment of tenderers during the competition. projects, which have been proposed in the context of the submission of an innovation proposal.

51 EVENTS AFTER THE REPORTING DATE OF THE STATEMENT OF FINANCIAL POSITION

The following significant events took place as from 01.01.2022 until the date of approval of the accompanying financial statements:

- On 12.01.2022 the subsidiary company TERNA signed a contract with OURANIA INVESTMENT SA. for the project "Demolition of a Building (gas station), Metal Roofs & Demolition of Asphalt / Construction of a New Complex of Office Buildings with 2 basements at 64, October 26 Street & Frixou Street in Thessaloniki" of an indicative contractual amount of 42.6 million euro with a planned duration of up to 30.06.2023.
- On 20.01.2021 the first phase of the corporate transformation was completed, i.e. the transfer to GEK TERNA KASTELI SMSA of the interests held by TERNA SA in the company under the name "INTERNATIONAL AIRPORT HERAKLION CRETE CONCESSION SA" and of the secondary subordinated debt securities of the above company undertaken by TERNA SA.
- On 25.01.2022, GEK TERNA informed the investor community that its main shareholder will take the necessary actions to allocate until 24.03.2022 the required number of shares in order for the above shareholder’s participation not to exceed the limit of the first section of par. 1 of article 7 of Law 3461/2006, taking into account the securities of paragraph 3 of the same article. To date, this required number of shares has been allocated.
- On 26.01.2022 the subsidiary company TERNA SA signed the contract for the construction of the 6th Electricity Generation Unit at the Vasilikos Power Plant, with the Cyprus Electricity Authority (CEA).

  The project, with a total budget of 149.8m euros, includes the design, supply, installation, inspection and initial operation of the unit.

- On 31.01.2022, the amendment of the Public-Private Partnership (PPP) Agreement for the Integrated Waste Management of the Peloponnese Region was signed, between the Peloponnese Region and the company “Environmental Peloponnese”, member of TERNA ENERGY Group. The amendment makes feasible the start of the Transitional Management in the project units that have already been completed (Transitional Management Unit in Paleochouni Arcadia and Transfer Station in Nea Kio, Argolida). On 14.02.2022, the Transitional Waste Management in the Peloponnese Region commenced, which will serve Arcadia, Corinth and Argolida.

- On 11.02.2022 PIRAEUS TOWER SA and TERNA SA signed the contract for the 2nd phase of the Construction and electromechanical works for the completion of communal installations, basements, roofs and premises of Piraeus Tower.

  This agreement is an extension of the existing contract from 06.08.2021 (A’ Phase) with TERNA SA with budget of 15.4 million euro and provides for an additional construction object with a respective budget of 26.1 million euro and delivery on 30.06.2023. The total budget of the project (A’ & B’ Phase) amounts to 41.6 million euro.

- On 14.02.2022, in implementation of the agreement from 12.07.2021 for the acquisition of 75% and 50% of the shares of the companies HERON II VIOTIA SA and HERON ENERGY SA, GEK TERNA acquired the additional 50% of the shares of HERON ENERGY SA. After this acquisition, the total percentage of the Group amounted to 100%.

- On 15.03.2022 the Joint Venture APION KLEOS, in which TERNA participates with 28.7%, signed with the Concession company OLYMPIA ODOS SA the amendment of the Construction & Planning Agreement Contract (CPA) of the project "Elefsina-Corinth-Patra-Pyrgos-Tsakona" for the re-inclusion of Patras-Pyrgos road section in the project of Olympia Odos, with a contractual price of 295 million euro.

- On 31.03.2022 the Joint Venture TERNA - THEMELI, in which TERNA participates with 50%, signed with ATTICA METRO a contract for the execution of the project "Extension of a Tram depot to Elliniko", a contractual amount of 10.3 million euros.

- In mid-February 2022, recent geopolitical developments in Ukraine caused a significant increase in the prices of certain imported products (fuel, wheat, fertilizers, etc.) from the countries involved, resulting in a significant burden on the economies of the countries, the European Union and among them the Greek economy, in line with the degree of dependence they had on these countries. The magnitude of the impact on the development of the European Union and consequently of the Greek economy, will depend on the magnitude of the escalation and its duration, as well as the cost of substituting products that will not be exported. by the parties involved. The Group continuously evaluates the geopolitical risks to which it is exposed, having formulated specific policies and procedures, in order to mitigate the risk to the extent possible.

52 APPROVAL OF FINANCIAL STATEMENTS

The separate and consolidated Financial Statements for the year ended 31.12.2021 were approved by the Board of Directors of GEK TERNA S.A. on April 28th 2022.

CHAIRMAN of BoD & CHIEF EXECUTIVE OFFICER	EXECUTIVE DIRECTOR
GEORGIOS PERISTERIS	ANGELOS BENOPOULOS
CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
CHRISTOS ZARIBAS	NIKOLAOS VALMAS

V. REPORT ON USE OF FUNDS RAISEDFROM THE ISSUANCE OF COMMON BOND LOAN OF 120 MILLION

GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS

General Commercial Registry No. 153001000 (former S.A. Reg. No. 6044/06/B/86/142)

Report on funds raised from Issuance of Common Bond Loan Program

for the period from 04.04.2018 to 31.12.2020

At the meeting of the Capital Markets Commission as of 21.03.2018, the Prospectus of 21st March 2018 of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTION SA (hereinafter referred to as "Company") for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 120,000 dematerialized, common, bearer bond of a total amount Euro 120,000,000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1,000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 3.95% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on March 29th, 2018, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 120,000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each and raised funds of Euro 120,000,000.

The allocation of issued bonds is as follows: 78,000 Bonds (65%) of all issued Bonds were allocated to Private Investors and 42,000 Bonds (35%) of all issued Bonds were allocated to Special Investors.

One hundred twenty thousand (120 k) dematerialized, common, bearer bonds issued were listed on 05/04/2018 for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange with the approval of the Athens Exchange Board of Directors as of 22.03.2018.

In view of the above, it is hereby disclosed that an amount of **Euro 117,097.4 k**, i.e. an amount of Euro 120,000 k in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 2,902.6 k related to issuance expenses, as also incorporated without deviation into the section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 21 March 2018, was made available as till 31.12.2020 as follows:

(Amounts in thousands Euro, unless otherwise stated)

Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € 120,000,000 (amounts in thousand Euro)							
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	**Allocation of the Capital Proceeds based on the objective of the Prospectus**	**Capital proceeds for the period from 04.04.2018 to 31.12.2018**	**Capital proceeds for the period from 01.01.2019 to 31.12.2019**	**Capital proceeds for the period from 01.01.2020 to 31.12.2020**	**Total capital proceeds till 31.12.2020**	**Non allocated balance as at 31.12.2020** (4)	**Note**
(a) Amount of €64,642,734 will be allocated within 2 months of the CBL receipt as follows: Direct allocation for the partial repayment of a bank bond loan of €193.947.597 as of 01.12.2017.	64,643	64,643			64,643	0	**1**
Total (a)	**64,643**	**64,643**	**0**	**0**	**64,643**	**0**	
b) Amount of €52,454,666 will be used within three years (2018-2020) as follows: (i) half by the Issuer, or through intragroup borrowing or through subsidiaries' Share Capital Increase to finance new or existing investments	26,227	967	10,665	14,595	26,227	0	**2**
- *Up to 70% for direct or indirect (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) participation in projects via PPP contracts or concession contracts*	*up to 18,359*	*345*	*4,850*	*4,000*	*9,195*		**2 (a)**
- *Up to 20% for participation in TERNA LEFKOLITHI SA share capital increase*	*up to 5,245*	-	*5,245*	*0*	*5,245*		**2(b)**
The remainder to finance (through share capital increase and/or borrowing, which upon termination will be changed to share capital increase) investments in other segments of the companies activities and legal entities in which the Issuer participates	*Remaining*	*622*	*570*	*10,595*	*11,787*		**2(c)**
(ii) the other half to finance the Company's working capital needs, including the bank borrowing decrease	26,227	26,227	0	*0*	*26,227*	*0*	**3**
Total (b) *[(i)+(ii)]*	**52,454**	**27,194**	**10,665**	**14,595**	**52,454**	**0**	
Total investments *[(a)+(b)]*	**117,097**	**91,837**	**10,665**	**14,595**	**117,097**	**0**	
CBL issuance expenses	2,903						
Total capital proceeds	**120,000**						

Notes:

1) On 01.12.2017, the Company signed a Euro 193.95 million Collateral Common Bond Loan Program with Greek Credit Institutions to refinance existing bank borrowing contractually matured in 2018, which relates to borrowing of: (a) Euro 101 million of the parent, (b) Euro 81.7 million of TERNA SA subsidiary and (c) Euro 11.2 million of other Group's subsidiaries. On 30.01.2018 the coverage at total, of the aforementioned as of 01.12.2017 signed Collateral Common Bond Loan amounting to Euro 193.95 million (two A & B Bond series), from Greek Credit Institutions was completed and the objective to refinance the existing borrowings of the parent and Group companies was implemented. On 10.04.2018, the aforementioned Bond Loan was partially repaid by an amount of Euro 64.6 million from the issue of the new Common Bond Loan of the Company amounting to Euro 120 million, according to section 4.1.2. "Reasons for Issuing the CBL and Use of Capital" of the Company's Prospectus as of 21st March 2018.
2) An amount of Euro 26.227 from the amount of Euro 26.227 has been allocated from 04.04.2018 to 31.12.2020, which will be used within three years (2018-2020) by the Issuer, or through intra-group borrowing or from its subsidiaries share capital increase to finance new or existing investments. The analysis of the aforementioned amount is as follows:
   a) For the purposes of participating in projects, implemented under PPPs contracts or concession agreements, an amount of 9,195 was allocated, analyzed as follows:
      i. The Company has allocated to PARKING PLATANOS SQUARE SA (100% its subsidiary) the amount of 695 related to the participation of the Company in the subsidiary share capital increase according to the General Meeting dated 25.06.2018 and 25.06.2019 respectively. In particular, on 21.05.2018 and 21.11.2018, the Company paid the amounts of 100 and 245 respectively. On 21.10.2019, the Company paid an amount of 350. Based on the decision of the General Meeting of the subsidiary dated 4/12/2020, the Company participated in the share capital increase of the total amount of the subsidiary by the amount of 1,400 through cash payment and issue of 400 thousand of new shares of a nominal value of Euro 3.5 per share and a distribution price of Euro 10.00. The difference between the nominal value and the distribution price of Euro 2,600 was transferred to a special reserve from the issue of Share Premium. As at 18.12.2020 and 23.12.2020 the Company paid amounts of 1,400 and 2,600 respectively.
      ii. The Company has allocated to its 100% subsidiary TERNA A.E. (issuer) the amount of 4,500 so that Company could participate in the issuance of a bond loan of the subsidiary. On 15.02.2019, the cash transaction amounting to 4,500 was made by the Company to the issuer. The amount of disposal is aimed at ensuring TERNA's participation according to its percentage in the capital of the concession company "INTERNATIONAL AIRPORT HERAKLION CRETE SA". TERNA paid the amount of its participation on 08.02.2019.

   b) For the purposes of participating in share capital increase of TERNA LEFKOLITHI S.A., an amount of 5,245 was allocated:

   In particular, the Company has allocated to the subsidiary company TERNA LEFKOLITHI S.A. the amount of 5,245 that concerns the participation of the Company in the share capital increase of the subsidiary company based on the decision of the Extraordinary General Meeting as of 09.12.2019.

On 19.12.2019, the Company paid the amount of 5,245 in the context of the share capital increase of the subsidiary.

c) For the purposes of financing investments in other operating sectors, the Company has allocated an amount of 11,787, analyzed as follows:

I. The Company has allocated to IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary an amount totaling 1,192, which is analyzed below:
   - On 24.10.2018, IOANNINON ENTERTAINMENT DEVELOPMENT S.A. (issuer) issued a bond loan of 550 in which the Company participated with the amount of 540 corresponding to equal amount of bonds. On 06.11.2018 a cash transaction of 540 was performed by the Company to the issuer.
   - On 30.03.2018, the Extraordinary General Meeting of IOANNINON ENTERTAINMENT DEVELOPMENT S.A. subsidiary decided on its share capital increase by 300 (171,428 new shares), in which the Company participated, fully covering the amount of the share capital increase. On 24.08.2018, the Company paid the amount of 82, which corresponds to 47 k new shares.
   - On 24.06.2019, the General Meeting of the subsidiary IOANNINON ENTERTAINMENT – DEVELOPMENT S.A. decided on its share capital increase by 570 (1,425,000 new shares), in which the Company participated fully covering the amount of increase. On 27.09.2019 and 21.10.2019, the Company paid the amount of 418 and 152 respectively, which corresponds to 1,425 k new shares.
   - On 24.07.2020, the General Meeting of the subsidiary IOANNINON ENTERTAINMENT – DEVELOPMENT S.A. decided on its share capital increase by an amount of 900 through the issue of 2,250 k new nominal shares. On 18/9/2020 and 11/11/2020, the Company paid the amounts of 704 and 196 respectively.

ii. Based on the decision of the Company's Board of Directors as of 25.11.2020, the Company would participate up to the amount of 4,000 in the share capital increases of other investments and participations totaling € 80.1 million. On 18.12.2020, the Company allocated an amount of 995 in the context of the aforementioned share capital increases.

iii. In 2020, the Company allocated an amount of 8,700 pertaining to the total consideration for the acquisition of companies KASSIOPI BV, AVLAKI I BV, AVLAKI II BV, AVLAKI III BV and AVLAKI IV BV. The acquisition was performed by the Company in December 2019.

3) The amount of 26,227 to be used within three years (2018-2020) by the Issuer to cover the needs of the Company in working capital, including the reduction of bank borrowing, was allocated until 31.12.2018 and used to cover other needs and for the Company's working capital.

4) On 31.12.2020, the issuer has made available all the CBL funds raised less the issuance costs, i.e. 117,097, of which an amount of 540 is a temporary allocation and will become final following the conversion of the loan into the company capital.

28th April 2022

CHAIRMAN of BoD & CHIEF EXECUTIVE OFFICER	EXECUTIVE DIRECTOR
GEORGIOS PERISTERIS	ANGELOS BENOPOULOS
CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
CHRISTOS ZARIBAS	NIKOLAOS VALMAS

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Report on the Findings from the Conduct of Agreed-upon Procedures on the "Report on Allocation of the Capital Proceeds of Common Bond Loan of 120 Million Euros "

(This report has been translated from the Greek Original Version)

To the Board of Directors of **"GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS"**

Pursuant to the order we received from the Board of Directors of "GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS" (hereinafter referred to as the "Company"), we conducted the following agreed-upon procedures within the regulatory framework of the provisions of Athens Stock Exchange and the relevant legislative framework of Hellenic Capital Market Commission regarding the "Report on Allocation of the Capital Proceeds of Common Bond Loan of 120 Million Euros" (hereinafter referred to as "the Report) of the Company regarding the issue of a Common Bond Loan of 120 Milion Euros. The Company's Management is responsible for preparation of the aforementioned Report in accordance with the effective regulations of Athens Stock Exchange and Hellenic Capital Market Commission and the Prospectus as of March 21st 2018. We undertook this assignment in compliance with the International Standard on Related Services (ISRS) 4400, "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" Our responsibility is to conduct the below agreed-upon procedures and disclose our findings to you.

Procedures

The procedures we conducted can be summarized as follows:

1. We compared the consistency of the content of the Table of Allocation of the Capital Proceeds of the Report with the data reported in the Prospectus issued by the Company on March 21st, 2018. In particular, we compared the consistency of the data recorded in the columns "Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report with the data recorded in the Prospectus as of March 21st, 2018.
2. We compared the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report with the corresponding amount recognized in the key accounting records of the company until December 31st,2021.
3. We compared the consistency of the capital proceeds arising from the Common Bond Loan until December31st,2021, inclusively with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21st 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Findings

Under performing the above procedures, our findings are:

i. Regarding the procedure (1) mentioned above, we have ascertained that the content of the Table of allocation of the Capital Proceeds of the Report is consistent with the data reported in the Prospectus issued by the Company on March 21st, 2018. In particular, we have ascertained that the data recorded in the columns “Allocation of the Capital Proceeds based on the objective of the Prospectus” and “Allocation of the Capital Proceeds based on the objective of the Prospectus” recorded in the Table of Allocation of the Capital Proceeds of the Report are consistent with the data recorded in the Prospectus as of March 21st, 2018.

ii. Regarding the procedure (2) mentioned above, we have ascertained that the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report arise from the key accounting records of the company until December 31st ,2021.

iii. Regarding the procedure (3) mentioned above, we have ascertained that the capital proceeds arising from the Common Bond Loan until December 31st ,2021, inclusively are consistent with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of March 21st 2018, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Given that the performed procedure do not constitute an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what is mentioned above. If we had conducted additional procedures, or if we had conducted an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention, which we would have disclosed to you.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim separate and consolidated financial statements prepared by the Company for the period ended on December 31st 2021, for which we have issued a separate Review Report dated on 28th April 2021.

Athens, 28th April 2021

The Certified Auditor Accountant

Dimitra Pagoni

SOEL Reg. No 30821

Grant Thornton

Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

VI. REPORT ON USE OF FUNDS RAISED OF THE COMMON BOND LOAN OF 500 MILLION

GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS
General Commercial Registry No. 153001000 (former S.A. Reg. No. 6044/06/B/86/142)

Report on funds raised from Issuance of Common Bond Loan Program
for the period from 06.07.2021 to 31.12.2021

At the meeting of the Capital Markets Commission as of 22.06.2020, the Prospectus of 22 June 2020 of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTION SA (hereinafter referred to as "Company", "Issuer") for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 500,000 dematerialized, common, bearer bond of a total amount Euro 500,000,000 was approved. Following the completion of the option exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1,000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 2.75% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on July 5th, 2020, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 500,000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each and raised funds of Euro 500,000,000.

The issued five hundred thousand (500 k) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange on 06.07.2020.

In view of the above, it is hereby disclosed that an amount of **Euro 489,398 k**, i.e. an amount of Euro 500,000 k in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 10,602 k related to issuance expenses, as also incorporated without deviation into the section 4.1.3 "CBL Issuance Expenses" of the Company's Prospectus of 22 June 2020, available as till 31.12.2021 as follows:

(Amounts in thousands Euro, unless otherwise stated)

Table of allocation of the Capital Proceeds from the issuance of the Common Bond Loan of € 500,000,000 (amounts in thousand Euro)						
Allocation of the Capital Proceeds based on the objective of the Prospectus (section 4.1.2 "Reasons for Issuing the CBL and Use of Capital")	**Allocation of the Capital Proceeds based on the objective of the Prospectus**	**Capital proceeds allocated for the period from 06.07.2020 to 31.12.2020**	**Capital proceeds allocated for the period from 01.01.2021 to 31.12.2021**	**Total capital proceeds allocated up until 31.12.2021**	**Non allocated balance as at 31.12.2021** (6)	**Note**
A. Within 4 months as from collecting raised funds						
1. Full repayment of (a) common bond loan as of 23.12.2019 of the initial amount up to € 35,612,500 of the subsidiary TERNA LEFKOLITHI, for which the Issuer and TERNA have provided a guarantee and (b) a short-term loan of the subsidiary TERNA of 5,000,000 with of the Issuer and TERNA	40,113	40,113	0	40,113	0	(1)
2. Full repayment of the common bond loan as of 31.01.2017 of the initial amount of € 20,000,000, issued by the Issuer	18,500	18,500	0	18,500	0	(2)
3. Full repayment of the short-term borrowings of the subsidiary TERNA SA amounting to € 17,387,500, for which the Issuer has provided a guarantee	Up to 17,388	17,379	0	17,379	0	(3)

(Amounts in thousands Euro, unless otherwise stated)

Period 2020-2027						
4. for financing (through share capital increases and/or borrowing) of investments in concessions, infrastructure and energy projects according to the judgment of the Company's Management	400,000	0	211,242	211,242	188,758	(5),(7)
5. the remaining amount of the total funds raised will be used to cover the working capital needs of the Issuer	Remaining	13,406	0	13,406	0	(4)
Total	**489,398**	**89,398**	**211,242**	**300,640**	**188,758**	
CBL issuance expenses	10,602	10,602				
Total capital proceeds	**500,000**					

Notes:

1. In the period 06.07.2020 to 31.12.2021, the Company has allocated, through Share Capital Increase (SCI) of the subsidiary TERNA LEFKOLITHI and through intra-group loan to the subsidiary TERNA, to the subsidiary TERNA LEFKOLITHI the total amount of 40.113. In particular, on 10.07.2020, in the context of the Company's participation in the SCI of the subsidiary TERNA LEFKOLITHI, a cash transaction of a total amount of 20,465 was made to that subsidiary. On the same date, through intragroup lending, the amount of 19,647 was distributed to the subsidiary TERNA SA for the purpose of TERNA's participation in the SCI of the subsidiary TERNA LEFKOLITHI. The subsidiary TERNA LEFKOLITHOI with the above cash imports of a total amount of 40,113 made a total repayment of: a) a common bond loan as of 23.12.2019 of up to Euro 35,612,500, for which the Company and the subsidiary TERNA SA have provided a guarantee and (b) short-term borrowings of the subsidiary TERNA LEFKOLITHI amounting to Euro 5,000,000 with a guarantee of the Company and a subsidiary TERNA SA.

2. In the period 06.07.2020 to 31.12.2021, the Company has allocated the amount of 18,500 for the full repayment of as of 31.01.2017 common bond loan of initial amount of Euro 20,000,000, issued by the Company. On 10.07.2020 the Company performed the cash transaction of 18,500 to the Bank.

3. In the period 06.07.2020 to 31.12.2021, the Company has allocated the amount of 17,379 through intragroup loan to the subsidiary company TERNA SA for full repayment of short-term borrowing of subsidiary company TERNA SA amounting to Euro 17,387,500, for which the Company provided the guarantee. On 10.07.2020 the subsidiary TERNA SA performed the cash transaction of 17,379 to the Bank.

4. From the remaining amount of 13,406 that the Company should have used within a seven year period (2020-2027) to cover the needs of the Company in working capital, until 31.12.2021, the total amount of 13,407 was allocated, used to cover the working capital needs of the Company including interest on loans totaling 7,840.

5. For the financing (through share capital increases and / or borrowing) of investments in the concessions, infrastructure and energy activities, during the period 01.01.2021 to 31.12.2021, the Company has allocated the amount of 211,242 which is analyzed as follows:
    a. On 11.06.2021, the Company allocated through a Share Capital Increase the amount of 350 to the subsidiary GEK TERNA FTHIOTIDA SMSA.
    b. The Company has allocated to the subsidiary GEK TERNA CONCESSIONS SMSA, through the provision of a bond loan, the amount of 36,372. Specifically, on 05.10.2021, GEK TERNA CONCESSIONS SMSA issued a bond loan amounting to 36,372 with an expiration date on 30.03.2022 with the possibility of extension for an additional six (6) month period, in which the Company participated with the amount of 36,372 corresponding to the equal amount of bonds. On 26.10.2021 the disbursement of the amount of 36,372 was made by the Company to GEK TERNA CONCESSIONS SMSA.

c. The Company has allocated to the subsidiary HERON II VIOTIAS SA, through the issuance of a bond loan with an expiration date on 31.12.2027, the amount of 34,520. Specifically, on 08.10.2021, HERON II VIOTIAS SA issued a bond loan amounting to 34,520, in which the Company participated with the amount of 34,520, which corresponds to four (4) bonds of 7,000 each and one (1) bond of 6,520. On 08.10.2021 the disbursement of the amount of 34,520 was made by the Company to HERON II VIOTIAS SA.
d. The Company has allocated to the affiliated company TERNA ENERGY OMALIES SMSA, i.e. a subsidiary of TERNA ENERGY SA (subsidiary of GEK TERNA), through the issuance of bond loans, the total amount of 90,000. Specifically:
    i. on 28.09.2021, TERNA ENERGY OMALIES SMSA issued a bond loan of 20,000 with an expiration date on 30.03.2022, in which the Company participated with the amount of 20,000, which corresponds to equal amount of bonds. On 08.10.2021 the cash transaction of the amount of 20,000 was made by the Company to TERNA ENERGY OMALIES SMSA.
    ii. on 17.11.2021, TERNA ENERGY OMALIES SMSA issued two (2) bond loans amounting to 20,000 and 10,000 respectively with maturity date on 30.07.2023, in which the Company participated with the total amount of 30,000, which corresponds to equal amount of bonds. On 18.11.2021 the cash transactions of the amounts of 20,000 and 10,000 were made by the Company to TERNA ENERGY OMALIES SMSA.
    iii. on 17.12.2021, TERNA ENERGY OMALIES SMSA issued two (2) bond loans amounting to 20,000 each with an expiration date on 30.07.2023, in which the Company participated with the total amount of 40,000, which corresponds to equal amount of bonds. On 17.12.2021 the cash transaction of the amount of 40,000 was made by the Company to TERNA ENERGY OMALIES SMSA.
e. The Company has allocated to the affiliated company ENERGEIAKI KAFIREOS EVIA SA, i.e. a subsidiary of TERNA ENERGY SA (subsidiary of GEK TERNA), through the issuance of bond loans, the total amount of 50,000. Specifically:
    i. on 29.09.2021, ENERGEIAKI KAFIREOS EVIA SA issued a bond loan of 20,000 with an expiration date on 30.07.2023, in which the Company participated with the amount of 20,000, which corresponds to equal amount of bonds. On 08.10.2021 the cash transaction of the amount of 20,000 was made by the Company to ENERGEIAKI KAPHIREOS EVIA SA.
    ii. on 17.11.2021, ENERGEIAKI KAFIREOS EVIA SA issued a bond loan of 10,000 with an expiration date on 30.07.2023, in which the Company participated with the amount of 10,000, which corresponds to equal amount of bonds. On 18.11.2021 the cash transaction of the amount of 10,000 was made by the Company to ENERGEIAKI KAPHIREOS EVIA SA.
    iii. on 23.12.2021, ENERGEIAKI KAFIREOS EVIA SA issued a bond loan of 20,000 with an expiration date on 30.07.2023, in which the Company participated with the amount of 20,000, which corresponds to equal amount of bonds. On 23.12.2021 the cash transaction of the amount of 20,000 was made by the Company to ENERGEIAKI KAPHIREOS EVIA SA.

6. On 31.12.2021, the Company has allocated the amount of 300,640 out of the total capital raised by the CBL after the issuance costs, of which an amount of 210,892 is a temporary disbursement. In particular, according to the provisions of paragraph 4.1.2 of the Company Prospectus, in cases where the financing of investments is made through borrowing and the corresponding funds are returned

to the Company before the Maturity Date of the Bond Loan (i.e. on 06.07.2027), then these funds may be re-allocated in accordance with the provisions of paragraph 4.1.2 of the Company Prospectus as of June 22, 2020.

7. CBL unallocated funds amounting to 188,758 are included in the item "Cash and cash equivalents" of the separate Statement of Financial Position of 31.12.2021 and are deposited to the Company's bank accounts.

28th April 2022

CHAIRMAN of BoD & CHIEF EXECUTIVE OFFICER	EXECUTIVE DIRECTOR
GEORGIOS PERISTERIS	ANGELOS BENOPOULOS
CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
CHRISTOS ZARIBAS	NIKOLAOS VALMAS

Report on the Findings from the Conduct of Agreed-upon Procedures on the "Report on Allocation of the Capital Proceeds of Common Bond Loan of 500 Million Euros”

(This report has been translated from the Greek Original Version)

To the Board of Directors of **“GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS**”

Pursuant to the order we received from the Board of Directors of “GEK TERNA SOCIETE ANONYME HOLDING REAL ESTATE CONSTRUCTIONS” (hereinafter referred to as the "Company"), we conducted the following agreed-upon procedures within the regulatory framework of the provisions of Athens Stock Exchange and the relevant legislative framework of Hellenic Capital Market Commission regarding the “Report on Allocation of the Capital Proceeds of Common Bond Loan of 500 Million Euros “ (hereinafter referred to as “the Report) of the Company regarding the issue of a Common Bond Loan of 500 Million Euros. The Company’s Management is responsible for preparation of the aforementioned Report in accordance with the effective regulations of Athens Stock Exchange and Hellenic Capital Market Commission and the Prospectus as of June 22nd 2020. We undertook this assignment in compliance with the International Standard on Related Services (ISRS) 4400, “Engagements to Perform Agreed-upon Procedures Regarding Financial Information” Our responsibility is to conduct the below agreed-upon procedures and disclose our findings to you.

Procedures

The procedures we conducted can be summarized as follows:

1. We compared the consistency of the content of the Table of Allocation of the Capital Proceeds of the Report with the data reported in the Prospectus issued by the Company on June 22, 2020. In particular, we compared the consistency of the data recorded in the columns “Allocation of the Capital Proceeds based on the objective of the Prospectus” and “Allocation of the Capital Proceeds based on the objective of the Prospectus” recorded in the Table of Allocation of the Capital Proceeds of the Report with the data recorded in the Prospectus as of June 22nd, 2020.
2. We compared the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report with the corresponding amount recognized in the key accounting records of the company until December 31st,2021.
3. We compared the consistency of the capital proceeds arising from the Common Bond Loan until December 31th,2021, inclusively with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of June 22nd 2020, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Findings

Under performing the above procedures, our findings are:

i. Regarding the procedure (1) mentioned above, we have ascertained that the content of the Table of allocation of the Capital Proceeds of the Report is consistent with the data reported in the Prospectus issued by the Company on June 22nd, 2020. In particular, we have ascertained that the data recorded in the columns “Allocation of the Capital Proceeds based on the objective of the Prospectus" and "Allocation of the Capital Proceeds based on the objective of the Prospectus" recorded in the Table of Allocation of the Capital Proceeds of the Report are consistent with the data recorded in the Prospectus as of June 22nd, 2020.

ii. Regarding the procedure (2) mentioned above, we have ascertained that the amounts per usage category referred to as capital proceeds in the Table of Allocation of the Capital Proceeds of the Report arise from the key accounting records of the company until December 31st,2021.

iii. Regarding the procedure (3) mentioned above, we have ascertained that the capital proceeds arising from the Common Bond Loan until December 31st,2021, inclusively are consistent with the projected usage of the capital proceeds based on the provisions of section 4.1.2 of the Prospectus as of June 22nd 2020, examining, on a sample basis, the supporting documents in respect of the relevant accounting entries.

Given that the performed procedure do not constitute an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance beyond what is mentioned above. If we had conducted additional procedures, or if we had conducted an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention, which we would have disclosed to you.

Restrictions on the Use of the Report

The current report is addressed exclusively to the Company's Board of Directors, in compliance with its obligations under the effective Regulatory Framework of Athens Stock Exchange. Therefore, this report shall not be used for any other purpose, as it is limited to the items listed above and does not extend to the interim separate and consolidated financial statements prepared by the Company for the period ended on December 31st 2021, for which we have issued a separate Review Report dated on 28th April 2022.

Athens, 28th April 2022

The Certified Auditor Accountant

Dimitra Pagoni

SOEL Reg. No 30821

Grant Thornton
Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

VII. REPORT ON USE OF FUNDS RAISED OF THE COMMON BOND LOAN OF 300 MILLION

GEK TERNA SOCIETE ANONYME HOLDINGS REAL ESTATE CONSTRUCTIONS
General Commercial Registry No. 153001000 (former S.A. Reg. No. 6044/06/B/86/142)

Report on funds raised from Issuance of Common Bond Loan Program
for the period from 15.12.2021 to 31.12.2021

At the meeting of the Capital Markets Commission as of 02.12.2021, the Prospectus of 2 December2021 of GEK TERNA HOLDINGS REAL ESTATE CONSTRUCTION SA (hereinafter referred to as “Company”, “Issuer”) for the public offer with cash payment and the approval of admission for trading by Athens Exchange up to 300,000 dematerialized, common, bearer bond of a total amount Euro 300,000,000 was approved. Following the completion of the rights’ exercise period, the aforementioned issuance of the common bond loan (hereinafter referred to as "CBL") was fully covered.

The distribution price of the Bonds was defined at Euro 1,000 each, i.e. 100% of its nominal value. The characteristics of this loan are the following: (a) The bond yield is 2.30% and is fixed over the term of the loan, (b) Interest is calculated on six-month basis, (c) The term of the loan is seven (7) years and its repayment will be realized at the end of the period of seven (7) years. Upon the completion of the Public Offer on 10 December 2021, and according to the aggregated allocation reporting generated using the Athens Stock Exchange Electronic Book Building (EBB), a total of 300,000 dematerialized, common, bearer bonds of the Company were issued with nominal value Euro 1,000 each with raised funds of Euro 300,000,000.

The issued three hundred thousand (300 k) dematerialized, common, bearer bonds issued were listed for trading on the Fixed Income Securities of the Organized Market of the Athens Exchange on 15.12.2021.

In view of the above, it is hereby disclosed that an amount of Euro 292,686 k, i.e. an amount of Euro 300,000 k in cash raised from the CBL coverage preference and subscription rights holders, less the amount of Euro 7,314 k related to issuance expenses, will be allocated during the period 01.01.2022 - 31.12.2028 in accordance with the provisions of section 4.1.2. "Reasons for Issuance of the CBL and Utilization of Funds" of the Company Prospectus of 2 December 2021.

These issuance expenses were paid by the Company within the year 2022 while on 31.12.2021 the item "Cash & Cash Equivalents" of the separate Statement of Financial Position of 31.12.2021 includes the amount of 300,000. This amount stands as deposit in the Company's bank accounts.

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28th April 2022

Chairman of BoD & Chief Executive Officer	Executive Director
Georgios Peristeris	Angelos Benopoulos
Chief Financial Officer	Chief Accountant
Christos Zaribas	Nikolaos Valmas