HELLENIC PETROLEUM

Member of HELLENiQ ENERGY

Annual BoD Report 2024

HELLENIC PETROLEUM

R.S.S.O.P.P. S.A.

Annual BoD Report

For the 3rd Fiscal Year
from 1st of January to 31st of December 2024

Companies Registration Number 162093601000

Maroussi, March 2025

Contents

Dear Shareholders,

The Annual Board of Directors' report of HELLENIC PETROLEUM SINGLE-MEMBER SOCIETE ANONYME REFINING, SUPPLY AND SALES OF OIL PRODUCTS AND PETROCHEMICALS ("HELLENIC PETROLEUM R.S.SO.P.P. S.A." or the "Company"), refers to the period from 1 of January to 31 December 2024 (01.01.2024 – 31.12.2024). The report has been prepared with and is in line with the relevant provisions of Law 4548/2018. The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS", IFRS refer to IFRS Accounting Standards), as adopted by the International Accounting Standard Committee and approved by the European Union. This report includes both financial and non-financial information about the Company's activities, performance and financial position for the period from 1 January to 31 December 2024.

The Company is a 100% subsidiary of HELLENiQ ENERGY Holdings S.A., which is a company listed on the Main Market of the Athens Stock Exchange.

A. The Company

The Company was established on 3 January 2022, after the demerger by way of hive-down of the refining, supply and trading of oil products and petrochemicals sector of former HELLENIC PETROLEUM S.A. (presently HELLENiQ ENERGY Holdings S.A.).

On 31 December 2024 the Company's share capital amounts to €551,137,640, is divided into 55,113,764 ordinary shares with a nominal value of €10 each and is wholly paid. The Company does not have own shares.

The Company's key activities are the following:

- **Refining and marketing of oil products, and**
- **Production and marketing of petrochemical products**

Through its investments the Company is also involved in other activities, which, despite their strategic importance (e.g. Engineering Services), do not constitute a significant part of the Company's financial position.

The Company does not operate in research and development.

As of 31 December 2024, the Company 's share capital investments were the following:

Company Name	Effective Participation Presentence
DIAXON SA	100%
ASPROFOS SA	100%
HELLENIC PETROLEUM TRADING SA	100%
E.A.K.A.A SA	50%
GLOBAL ALBANIA SA	99.96%
ARTENIOUS SA (under liquidation)	35%

Based on IFRS 10 par.4 and Law 4308/2014 article 33, the Company is not required to publish consolidated financial statements as the Company and all its subsidiaries are consolidated in the financial statements of the parent company HELLENiQ ENERGY Holdings SA. (Head office Marousi Attica, Heimarras 8A, CRN 296601000).

A.1 Main Company Activities

The main activities of the Company are summarized below:

a) Refining, Supply and Trading

The Refining, Supply and Trading segment is the Company's core business and main source of revenues and profitability for the Company.

Activities of the Company focus on the operation of the three refineries located in Aspropyrgos, Elefsina and Thessaloniki, which collectively contribute to approximately 65% of the country's total refining capacity. The three refineries possess a combined storage capacity of 6.65 million m³ of crude oil and petroleum products.

Each refinery possesses distinct technical characteristics, as detailed in the table below, which play a significant role in determining their financial performance and profitability.

Refinery	Daily Refining Capacity (Kbpd)	Annual Refining Capacity (mil. MT)	Configuration Type	Nelson Complexity Index
Aspropyrgos	146	7.6	Cracking (FCC)	9.7
Elefsina	106	5.3	Hydrocracking	12.0
Thessaloniki	90	4.5	Hydroskimming	5.8

The international refining environment in 2024 continued to exhibit volatility. Both demand and production of crude oil were impacted by tensions in Ukraine, the EU's decisions regarding sanctions against Russia, geopolitical tensions in the Middle East, the decisions made by crude oil producing nations regarding oil supply and the expansion of global refining capacity due to the operation of new refineries.

Brent oil price exhibited fluctuations, on monthly average, within the range $74 to $90/bbl, with the average price in December being the lowest of the year, at $73.9/bbl.

The prices of natural gas and electricity exhibited significant upward trends following the conclusion of the first quarter of the year, adversely affecting the operational expenses of the refineries.

Production increased to 15.4 million MT from 14.6 million MT in 2023, while total sales volume increased to 16.3 million MT (+5.4%). More specifically, exports increased by 6.5%, aviation fuels' sales volume increased by 13.6%, marine fuels' sales volume rose by 3.6% and the sales volume in the domestic market increased by 2.4%.

In terms of the refineries' product mix, middle distillates' yield (jet, gasoil and diesel) shaped at approximately 55% and gasoline yield accounted for approximately 23%, while the total yield of high-added-value products reached 89%, due to the optimized and efficient operation of the refineries. The fuel oil's yield was limited to 7%.

Crude Oil Supply

The procurement of crude oil is executed by the Supply & Trading division through a combination of term and spot contracts. In response to Russia's invasion of Ukraine and the subsequent EU sanctions against Russia, the Company has ceased imports of Russian crude oil since February 2022 and increased purchases of alternative grades from the broader region, as well as from Latin America, Africa and the Middle East.

In 2024, the primary sources of crude supply were Kazakhstan, Iraq, Libya, Saudi Arabia, Norway and Egypt, which collectively account for 91% of the total crude oil supplies. Additionally, crude oil was imported from Azerbaijan, Cote d' Ivoire, Nigeria and Guyana.

The percentage of intra-refinery transfers of intermediate products and raw materials reached 14% of the total refining feedstock, significantly contributing to the optimization of production, logistics and trading operations.

Refinery Sales (Wholesale Trading)

The Company is engaged in ex-refinery sales of petroleum products to marketing companies in Greece, including the Group's subsidiary EKO ABEE, as well as to other specific customers, such as the country's armed forces, while 50% to 60% of the production is exported. All refined products of the Company comply with the European standards (Euro VI).

b) Production and Trading of Petrochemicals/Chemicals

Petrochemicals activities comprise the production and marketing of polypropylene, BOPP/Cast film and solvents, along with the trade of imported plastics and chemicals. Based on its financial contribution, the propylene - polypropylene – BOPP/Cast value chain represents the main activity for petrochemicals. The polypropylene production plant in Thessaloniki primarily sources propylene from the Aspropyrgos refinery. A portion of the polypropylene output is utilized as a raw material in DIAXON (BOPP and Cast film) plant in Komotini.

Approximately 61% of the petrochemicals' sales volumes are directed towards the markets of Italy, the Balkans, the Iberian Peninsula and Turkey, for use as raw materials in local manufacturing.

B. Main Events of Financial Year 2024

B.1 Operating Environment

a) Global Economy [1] [2]

In the year 2024, the global economic environment experienced an improvement, driven by moderating inflation, declining commodity prices, widespread monetary easing, a resurgence in global trade, and an increasing risk appetite. It is estimated that the global economy grew by 2.7% in 2024, consistent with the previous year's growth rate of 2.7%. Looking ahead to 2025, it is anticipated that the global economy will grow by 2.7%, reflecting the stabilization of inflation and the continuation of monetary easing, while policy uncertainty, geopolitical tensions and adverse shifts in trade policy may present ongoing risks.

In the advanced economies, Gross Domestic Product (GDP) is projected to have experienced an increase of 1.7% in 2024, mirroring the 1.7% growth observed in 2023. In the emerging market and developing economies, the GDP is expected to have grown by 4.1% in 2024, consistent with the 4.2% growth recorded in 2023. Looking ahead to 2025, economic expansion is forecasted to reach 1.7% in the advanced economies and 4.1% in the emerging market and developing economies. This growth is primarily expected based on the anticipated easing of inflation and interest rates, amid, however persisting policy uncertainties and strengthening trade conditions.

In the Euro Area, economic growth experienced a moderate acceleration during 2024, with an estimated increase in GDP of 0.7%, compared to the 0.4% growth achieved in 2023. Despite the rebound in the latter half of the year, the economy has remained generally subdued due to ongoing challenges in the industrial sector and political uncertainties, which have led to limited policy responses. The thriving services sector has contributed to a persistently elevated price environment, with headline inflation as of December 2024 registering a 2.4% y-o-y

[1] Source: World Bank, Global Economic Prospects, January 2025
[2] OPEC "Monthly Oil Market Report", January 2025

increase. The European Central Bank (ECB) reduced benchmark deposit rates by 100 basis points (bps) during 2024 to stimulate economic activity. Economic growth in the Euro Area for 2025 is projected to be 1.0%, driven by a combination of cyclical recovery, inflation reduction, continued accommodative monetary policy, and rising real income. While the services sector is expected to remain the primary driver of growth, an improvement in industrial production is also anticipated in the near term; however, trade protectionism measures, including the potential imposition of tariffs may pose a significant risk to the industrial recovery of the region.

In the United States, as a consequence of the initiation of monetary easing and the presidential election, risk appetite has strengthened, accompanied by a substantial increase in investment spending. Economic growth during the first half of 2024 exceeded expectations; however, activity towards the latter part of the year exhibited tentative indications of deceleration, reflecting the easing of labor market conditions and a weakening of consumer sentiment. Overall, the United States economy appears to be approaching a soft landing, characterized by slower growth as inflation gradually diminishes towards its target level. This environment allows the Federal Reserve to continue with further easing of monetary policy, while productivity gains and an expansion in labor supply are expected to demonstrate greater resilience. The estimated economic growth for 2024 is projected at 2.8%, with a forecasted deceleration to 2.3% in 2025.

In relation to emerging economies, the economic growth of China is projected to have settled at 4.9% in 2024, marking the slowest performance in over three decades excluding the pandemic era. Economic activity contracted during the second half of 2024, following slower consumption growth, amid weak consumer confidence and a decrease in real estate investment. Retail sales growth remained subdued, leading to inflation rates falling below pre-pandemic averages. In Turkey, the economy expanded by an estimated 3.2% in 2024, in contrast to 5.1% in 2023, reflecting the impact of tighter monetary policy and a contraction in economic activity. Private demand moderated, with the economy experiencing a recession during the third quarter of 2024, with headline inflation having peaked at 75.5% y-o-y during May 2024.

b) Greek Economy [3]

In 2024, according to estimates by the Bank of Greece, the Greek economy exhibited a growth rate of 2.3%, mirroring the performance of 2023, and outpacing that of the Eurozone despite the prevailing uncertain international environment.

This growth was primarily driven by improvements in private consumption, increased investments and the expansion of exports of services. Private consumption was bolstered by stronger employment figures and significantly higher gross salaries. However, the net contribution from the foreign sector was marginally negative due to a decline in exports of goods coupled with an increase in imports. Furthermore, the contribution to GDP from public expenditure was negative, while harmonized inflation eased compared to 2023. The improved economic conditions were also evident in the narrowing of the funding spread between Greece and other European countries. Despite potentially elevated regional geopolitical risks and a deteriorating trade environment, the Greek economy is projected to grow at pace faster than that of the Eurozone in 2025 and the subsequent years. According to the Bank of Greece, the growth rate of the Greek economy is projected to accelerate to 2.5% in 2025 before moderating to 2.3% in 2026. This growth is expected to be primarily driven by private consumption, with investments and exports continuing to contribute positively, while inflation is expected to gradually decrease in the forthcoming years, aligning with the target set by the European Central Bank. Regarding fiscal indicators, the general government's primary surplus is anticipated to increase to 2.4% of GDP in 2025, while public debt is projected to stabilize at 145.9% of GDP.

[3] Bank of Greece, Monetary Policy, Interim Report 2025, December 2024

Regarding energy consumption, preliminary official data reveals that domestic fuel demand in 2024 amounted to 6.8m MT, representing a 2.5% increase compared to the previous year. Demand for automotive fuels witnessed an increase of 3.3% (diesel +3.9% and gasoline +2.4%) due to heightened mobility. Similarly, consumption of heating gasoil demonstrated an 2.4% increase.

c) Industry Environment [4] [5]

According to OPEC, the global demand for oil in 2024 reached 103.8 million barrels per day (mbpd), which represents a y-o-y increase of 1.6 mbpd. It is projected that in 2025, the demand will further rise by 1.4 mbpd to reach 105.2 mbpd, driven by heightened air travel activity, enhanced road mobility, and the expansion of the industrial, construction, and agricultural sectors in non-OECD countries.

In Europe, oil demand experienced a 0.1 mbpd increase in 2024, primarily driven by air travel and driving activity, while demand in the US remained broadly unchanged. In China, oil demand was 0.3 mbpd higher, primarily driven by petrochemical feedstock demand and the continued recovery of air travel, as expansionary fiscal and monetary stimulus measures provided support to domestic demand.

Globally, the oil supply in 2024 experienced an increase of 0.3 mbpd in comparison to the previous year. Specifically, crude oil production by OPEC decreased by 0.4 mbpd in 2024 compared to the previous year, while non-OPEC supply increased by 0.7m bpd, primarily driven by the US.

In 2024, crude oil prices experienced a decline, with Brent crude averaging $81/bbl, representing a 2.3% decrease y-o-y, as weakening global economic growth more than offset the upward price pressure exerted by production cuts from OPEC+, ongoing geopolitical tensions in the Middle East, and shipping disruptions in the Red Sea. Notably, during the initial part of the year, crude oil prices recorded an increase, primarily due to reduced production from OPEC+ member countries, with Brent crude reaching its peak for the year at $93/bbl at the beginning of April, further supported by geopolitical tensions. However, in the latter part of the year, a slowdown in economic activity and a reduction in demand from China contributed to a decrease in the price of Brent crude towards the end of 2024.

Regarding crude oil differentials, the average spread between Brent and West Texas Intermediate (WTI) shaped at $5/bbl in 2024, broadly unchanged compared to 2023.

[4] OPEC "Monthly Oil Market Report", January 2025
[5] EIA, Today in Energy, https://www.eia.gov/todayinenergy/detail.php?id=64304

Brent Crude oil Prices ($/bbl) FY Average 2023: **82.6** —2024: **80.7**

Brent- WTI spread ($/ bbl) FY Average 2023: **5.0** —2024: **5.0**

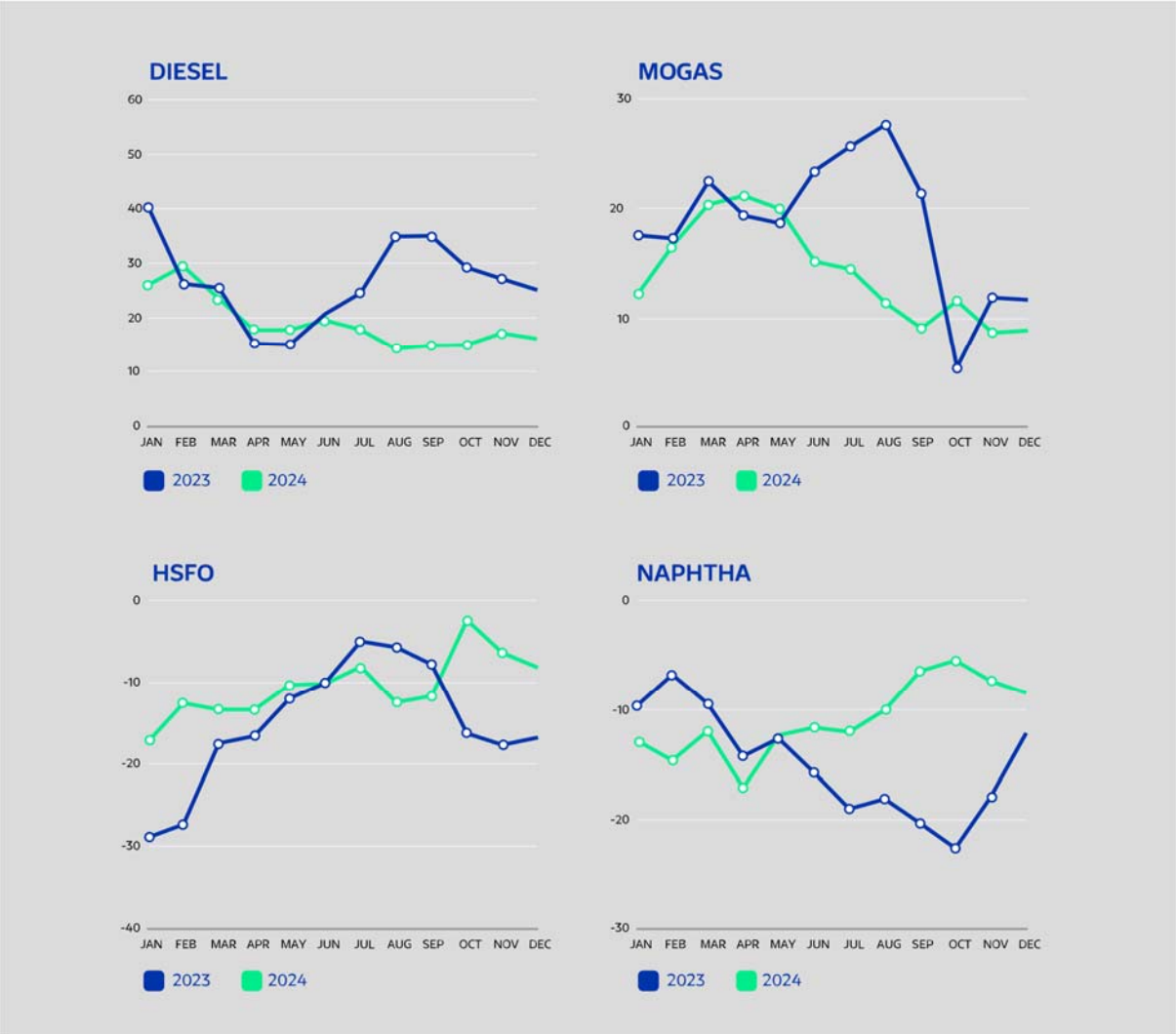
Benchmark refining margins [6]

In 2024, benchmark margins for Mediterranean refineries normalized after experiencing a particularly strong period during the preceding two years. The increased demand for oil products was adequately met by a higher supply of oil products, facilitated by new refinery capacity. The benchmark Med cracking margin averaged $3.8/bbl in 2024, $4.7/bbl lower y-o-y, while the benchmark Med Hydroskimming margin averaged $-0.6/bbl, $2.5/bbl lower y-o-y.

[6] Source: Refinitiv, January 2025

Oil product cracks ($/bbl)

Gasoline cracks decreased in 2024 averaging $14.2/bbl vs $18.6/bbl in 2023 on loosening supply-demand balances. Diesel cracks fell in 2024 averaging $19.1/bbl compared with $26.6/bbl in 2023, driven by slowing industrial activity in Europe, weaker construction sector and increased competition from LNG in China, as well as relatively ample inventories. On the contrary, High Sulphur Fuel Oil (HSFO) cracks improved to an average of $-10.6/bbl in 2024 vs $-15.2/bbl in 2023, supported by healthy bunkering demand, while naphtha cracks also improved to an average of $-10.8/bbl in 2024 vs $-14.8/bbl in 2023, primarily reflecting higher demand from the petrochemical industry.

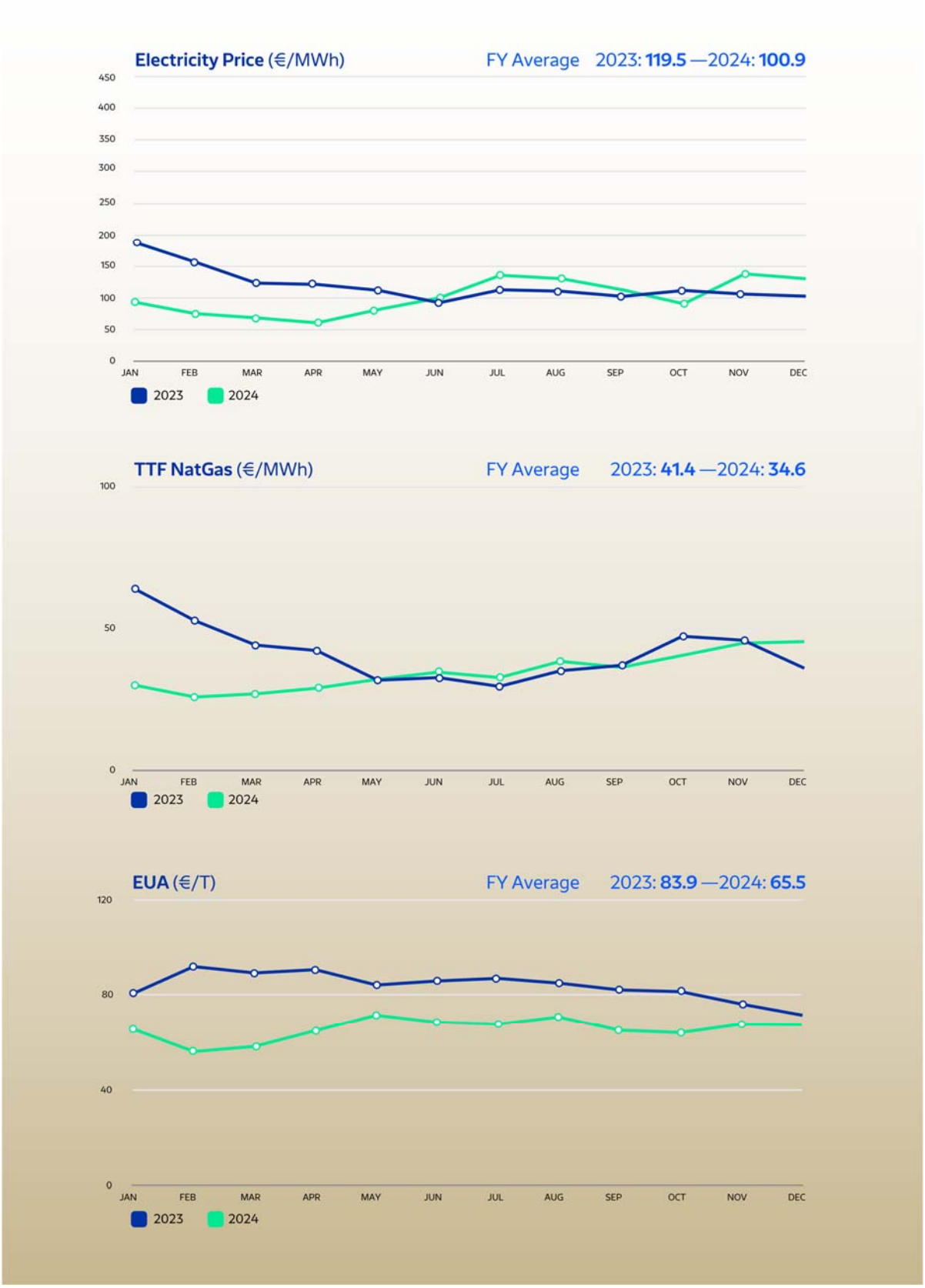


Natural Gas, electricity and EUA prices [7] [8] [9]

The price of natural gas in the EU continued to normalize in 2024, with the average TTF gas price shaping at €34.6/MWh (-16% y-o-y), after having dropped to a monthly average of €25.8/MWh in February 2024, attributed to more balanced supply-demand conditions. However, as the year progressed, the TTF gas price increased towards a monthly average of €45/MWh in December 2024, primarily driven by uncertainties regarding Russian exports via Ukraine and an accelerated depletion of European gas storage due to weather conditions. The decrease of the price of natural gas in 2024 influenced the electricity prices. In Greece, the Day Ahead Market Clearing Price (DAM MCP) averaged €100.9/MWh in 2024, lower by 16% y-o-y. Furthermore, the price of carbon allowances in the European

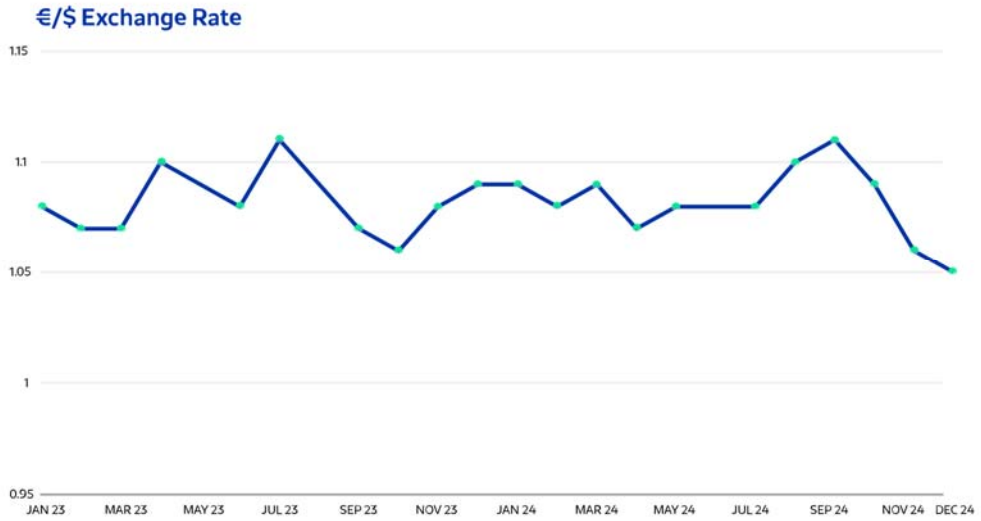
[7] Bloomberg, EUA prices, January 2025
[8] Electricity prices are based on the Day Ahead Market, Market Clearing Price, Energy Exchange Group, January 2025
[9] ACER, Key developments in European gas wholesale markets "2024 Market Monitoring Report", October 2024

Union (EUAs) traded into a closer range compared to 2023, averaging €65.5/tn in 2024, representing a 22% decrease compared to the previous year.



Exchange rate €/$

In 2024, the average EUR / USD exchange rate remained unchanged compared to the previous year at 1.08. It exhibited fluctuations within a range of 1.05 to 1.11, primarily influenced by macro-economic projections, inflation expectations, interest rate variations and decisions made by central banks in both the US and the Eurozone.



d) Significant Events after the end of the Reporting Period

Other than the events disclosed in Notes 29 and 34 of the Company's annual financial statements, no significant events occurred after the end of the year and until the date of submission of this report

e) Geopolitical Events

Geopolitical instability persisted throughout 2024, with the ongoing conflict between Russia and Ukraine, as well as various tensions in the Middle East, perpetuating a state of uncertainty in international trade. This instability has led to more frequent disruptions in the supply of goods and services, necessitating the restructuring of global supply chains and trade flows. Furthermore, estimates suggest that the political developments observed globally during 2024 may foster conditions conducive to trade protectionism in the current year, potentially impacting global trade. The Company diligently monitors these developments and adjusts its operations in accordance with prevailing conditions.

B.2 Business Developments

a) Financial Highlights [10]

The main operational and financial Company indicators for 2024 are presented below:

Operational Data	2024	2023
Refinery sales volume (in million metric tons)	16.3	15.4
Refinery production (in million metric tons)	15.4	14.6
Number of employees	2.233	2.176

Financial Data (in million €)	2024	2023
Net sales	11.648	11.744
Reported EBITDA[10]	655	918
Inventory effect – Loss (gain)[10]	125	144
Other special items[10]	70	22
Adjusted EBITDA[10]	850	1.084
Reported net income[10]	103	501
Adjusted net income[10]	431	601

The Company's operating profitability (Reported EBITDA) came in at €655 million (2023: €918 million).

Refineries' strong operational performance, with production reaching record highs, as well as increased contribution from Petrochemicals and Fuels Marketing, partly offset the normalization of benchmark refining margins, particularly in 2H24, compared to 2023.

In FY24, refining production and sales volume increased by 5% y-o-y to 15.4 million MT and to 16.3 million MT respectively. Adjusted EBITDA[10] from Refining, Supply & Trading came in at €795 million from €1,048 million in FY23.

Adjusted net income (as defined in chapter C) amounted to €431 million, compared to €601 million in the previous year, primarily due to the normalization of the refining environment. Inventory valuation losses (€125 million) due to crude and oil product price decrease, led Reported EBITDA to €655 million, while Reported net income came in at €103 million, due to the provision related to the imposition of a temporary Solidarity Contribution (net impact of €173 million) on the tax profits of FY23.

Capital expenditure amounted to €193 million and was mainly directed to refineries' maintenance, environmental, regulatory and safety projects.

Other income for the year includes insurance compensation of €104 million, which relates principally to the settlement of insurance claims mainly pertaining to the Business Interruption in the Elefsina refinery following a mechanical failure at HDC unit in April 2022, as well as the down payment for mechanical failure incidents at the Hydrogen unit in August 2017 and the Flexicocker unit in January 2023. The claim process for these two incidents

[10] The selected alternative performance indicators are listed in Chapter C

was not completed as at 31 December 2024 and the largest part of settlement had been collected by 31 December 2024, amounts remaining outstanding are included within "Trade and other receivables" in the financial statements.

Balance Sheet / Cash Flow (in million €)	31.12.2024	31.12.2023
Total Assets	5,056	5,421
Total Equity	1,251	1,456
Capital Employed	2,673	2,906
Net Debt	1,422	1,450
Net Cash Flows (operating & investing cash flows)	358	698
Capital Investments (Cash Flow)	193	181
Gearing ratio – Net Debt / Capital Employed	53%	50%

b) Digital Transformation

The Company participates in HELLENiQ ENERGY's Horizon Program, an essential component of the Group's transformation strategy (VISION 2025), which is progressing successfully, by upgrading the way the people work, supporting performance improvement initiatives and expanding its footprint in new areas of business activity.

So far, more than **120 digital initiatives** have been initiated or completed across the organization, involving over **500 people** in various working groups and utilizing more than **2,500 hours of specialized training**.

Additionally, it brings substantial benefits in safety and risk management efficiency, helps reduce the environmental footprint and promotes a culture of innovation.

The multi-year action plan consists of a multitude of initiatives with substantial investment in technology-based projects across 4 pillars:

- **Digital Refinery**, with the objective of evolving into a modern, collaborative, interconnected refinery.
- **Digital Retail**, with the objective of delivering the service stations of the future, offering enhanced digital experiences, more information and improved services to partners and corporate customers.
- **Digital Enterprise Operations**, aiming at more efficient operations through automation and more effective decisions by utilizing a wide range of data.
- **Digital Core**, aiming at the modernization of the central enterprise resource management (ERP) system by leveraging the latest technological advancements.

Focusing on the **Digital Refinery**, significant milestones were achieved within 2024 across functional areas. Key highlights include:

- Refinery Supply Chain Optimization through completion of the Production Accounting initiative and new procedures for crude scheduling and blending.
- Launch of a new Shutdown Turnaround Optimization, addressing units maintenance plans & overall availability during major Refinery shutdown periods.
- Further enhancing energy management via improved fuel efficiency and reduced emissions of our Refineries from additional monitoring systems for steam traps and digital optimization of furnaces.
- Advanced analytics platform using historical mechanical equipment and operations data that result in critical insights and predictive maintenance actions, reduced unplanned events and continuous adjustment of the preventive maintenance strategy.

- Upgrading the operating framework and digitalizing safety procedures through a specialized platform and advanced mobile devices for field use.
- Transition from a manual or semi-automated safety management process to a fully automated digital platform, improving incident and deviation reporting and tracking safety indicators (KPIs).
- Further enhancement of AI tools for various crude oil types selection, using machine learning models, considering their compatibility with deployed equipment and specifications.
- Internally developing specialized tools for simulating and optimizing operating parameters at critical refinery units in real time.

In 2025, a variety of new initiatives and projects are already planned to further advance Digital Transformation. These efforts aim to enhance safety, competitiveness, and the adoption of best practices. They will simplify and harmonize operations, enhance the working experience of our employees, and strengthen partnerships with customers and collaborators.

C. Review per Segment – Performance and Financial Position - Alternative Performance Measures

The key developments and financial indicators for each of the Company's main activities are:

a) Refining, Supply and Trading

Financial results and operational indicators:

Financial Results (in million €)	2024	2023
Sales	11,348	11,442
Adjusted EBITDA[10]	**795**	**1,043**
Operational indicators		
Sales Volume (000s MT)	16,286	15,446
HELPE system benchmark refining margin (Year Average)	$5.6/bbl	$8.7/bbl

Key points for Refining, Supply and Trading in 2024:

- Notable drop in benchmark refining margins in 2024 compared to 2023.
- Systematic optimization of the processed crude mix, with zero Russian grades imports.
- Successful completion of the planned maintenance at all three refineries.

Uninterrupted operation of the refineries, in accordance with the plan, resulting in increased production of all products.

b) Petrochemicals

Financial Data and key operational indicators:

Financial Results (in million €)	2024	2023
Sales	300	302
Adjusted EBITDA[10]	**54**	**41**
Operational indicators		
Sales Volume (000s MT)	262	276
PP benchmark margin (€/tn)	333	261

Key points for Petrochemicals in 2024:

- The global business environment for petrochemicals experienced a downturn in 2024, with demand remaining at significantly low levels, thereby adversely affecting the benchmark margins, which albeit higher than 2023, remained close to all-time lows.
- Polypropylene production reached 218K MT, while propylene production from the Aspropyrgos refinery amounted to 170K MT. The substantial integration between various units contributed to the profitability of the petrochemicals business, despite the unfavorable international margins and adverse conditions.

- The initial phase of the polypropylene plant upgrade, aimed at achieving a production capacity of 300K MT per year, was successfully concluded.

- In this highly competitive and volatile environment, Petrochemicals' Adjusted EBITDA amounted to €54 million.

c) Selected Alternative Performance Measures

This Report includes Alternative Performance Measures ("APMs"), i.e. certain measures of historical financial performance, financial position, or cash flows, which are not defined or specified under IFRS. The Company considers that the APMs are relevant and reliable in assessing the Company's financial performance and position, however such measures are not a substitute for financial measures under IFRS and should be read in conjunction with Company published financial statements.

c.1) Presentation and Explanation of Use of Alternative Performance Measures

Reported EBITDA

Reported EBITDA are defined as earnings/(loss) before interest, taxes, depreciation and amortisation, and are calculated by adding back depreciation and amortization to operating profit.

Adjusted EBITDA

Adjusted EBITDA is defined as IFRS Reported EBITDA adjusted for: a) Inventory Effect (defined as the effect of the price fluctuation of crude oil and oil product inventories on gross margin and is calculated as the difference between cost of sales at current prices and cost of sales at cost) in the Refining, Supply & Trading segment and, b) special items, which may include but are not limited to cost of early retirement schemes, write-downs of non-core assets and other one-off and non-operating expenses, in line with the refining industry practice. Adjusted EBITDA is intended to provide an approximation of the operating cash flow projection (before any Capex) in an environment with stable oil and product prices.

IFRS Reported EBITDA and Adjusted EBITDA are indicators of the Company's underlying cash flow generation capability. The Company's management uses the above alternative performance measures as a significant indicator in determining the Company's earnings performance and operational cash flow generation both for planning purposes as well as past performance appraisal.

Adjusted Net Income

Adjusted Net Income is defined as the IFRS Reported Net Income as derived from the Company's reported financial statements under IFRS, adjusted for post-tax inventory effect (calculated as Inventory Effect times (1- statutory tax rate in Greece) and other post-tax special items at the financial statements. Adjusted Net Income is presented in this report because it is considered by the Company and the Company's industry as one of the key measures of its financial performance.

Net Debt

Net Debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position of the Company's financial statements) less "Cash & cash equivalents" and "Investment in Equity Instruments", as reflected in the Company's financial statements. It is noted that finance lease obligations are not included in the calculation.

Capital Employed

Capital Employed is calculated as "Total Equity" as shown in the statement of financial position of the relevant financial statements plus Net Debt.

c.2) Reconciliation of Alternative Performance Measures to the Company's Financial Statements

The tables below illustrate how the selected alternative performance measures (APMs) presented in this financial report are reconciled to their most directly reconcilable line item in the financial statements for the corresponding period.

Calculation of Reported EBITDA, Adjusted EBITDA, Adjusted Profit after tax

million €	2024	2023
Operating Profit/(Loss) -IFRS-	449	722
Depreciation & Amortization -IFRS-	207	196
Reported EBITDA	**655**	**918**
Inventory effect	121	144
Other special items*	70	22
Adjusted EBITDA	**846**	**1,084**
Profit/(Loss) After Tax -IFRS-	103	501
Taxed Inventory effect	94	112
Taxed other special items**	53	17
Special items below EBITDA***	177	-29
Adjusted Profit/(Loss) After Tax	**428**	**601**

Calculation of Net Debt, Capital Employed and Gearing ratio

million €	2024	2023
Borrowings LT -IFRS-	312	584
Borrowings ST -IFRS-	1.434	1.372
Cash & Cash equivalents -IFRS-	324	506
Net Debt	**1.422**	**1.450**
Equity -IFRS-	1.251	1.456
Capital Employed	**2.673**	**2.906**
Gearing ratio (Net Debt / Capital Employed)	**53%**	**50%**

* Main items include:

for 2024: (€40m) for expenses associated with early retirement schemes, (€12m) for expenses associated with one-off bonus to employees, (€4m) for litigation provisions, (€5m) valuation adjustments on balance sheet items, (€9m) for other special expenses.

for 2023: (€13m) expenses associated with one-off bonus to employees, other incentives and early retirement schemes, (€10m) for litigation provisions, (€9m) for Corporate Social Responsibility initiatives benefiting hospitals and groups affected by floods in the wider region of Thessaly, (€4m) for decontamination and other costs, (€8m) valuation adjustments on balance sheet items, (€5.6m) for other special expenses and €30m income from compensation from indirect CO2 cost in electricity.

** Includes all special items post effect of applicable tax rate.

*** Mainly included for 2024: provision for the temporary solidarity contribution of (€173m), after tax. For 2023: partial tax reversal provision of €28.7 million, associated with the 2022 solidarity contribution.

d) Dividend Proposal

The BoD proposed to the Annual General Meeting the distribution of a dividend for 2024 of €5 per share, totaling €275.6 million, to the Company's shareholder, and following an interim dividend distribution of €99.2 million, the distribution of a final dividend for 2024 amounts to €3,2 per share, or €176.4 million.

D. Strategic Goals and Prospects

Aligned with the HELLENiQ ENERGY **"Vision 2025" strategic plan**, the strengthening and decarbonization of the downstream business aims at evolving refining and petrochemicals through decarbonization and digital transformation.

D.1 Refinery, Supply and Trading

In the area of refining supply, trading and petrochemicals, our main priorities encompass ensuring safety, decarbonizing processes, enhancing energy efficiency and autonomy, implementing digital transformation, expanding petrochemicals' production capacity, and investing in cleaner fuels alongside overall operational excellence.

Key strategic initiatives include:

- Prioritizing safety through comprehensive training programs, the implementation of stringent standards, and the enhancement of operational procedures
- Facilitating digital transformation by optimizing the supply chain through mass balance and load point management, predictive maintenance, and process safety management systems
- Implementing energy efficiency and energy autonomy projects across all refineries
- Investing in the production of biofuels through the development of a new stand-alone 150ktpa Sustainable Aviation Fuel (SAF) production unit
- Developing carbon capture and storage (CCS), with options for fuels production through the conversion of the Steam Methane Reforming (SMR) unit at the Elefsina refinery.
- Developing the 'Green Hub North' project, which involves the installation of a photovoltaic/battery energy storage system (PV/BESS) project and a direct high-voltage line to the Thessaloniki refinery
- Establishing a new trading company in Geneva to manage the supply of all refining systems' crude and feedstocks, as well as the trading of products
- Exploring opportunities within the hydrogen economy, recycling and synthetic fuels, including the production of:
    - E-methanol and e-jet fuels by utilising a portion of the captured CO_2 from the CCS unit in Eleusina and green hydrogen derived from renewable sources
    - E-ammonia by using excess electricity from the 'Green Hub North' project at the Thessaloniki refinery and green hydrogen from renewable sources
- Investing in the production of high value-added petrochemical products by increasing the polypropylene production capacity to 300 ktpa from the existing 240ktpa.

E. Main Risks and Uncertainties for the Next Financial Year

Due to its activities, the Company is exposed to risks such as macroeconomic risks and market risks (exchange rates, international crude oil prices, refining margins, energy commodity prices), financial risks (interest rates, capital structure and adequacy, liquidity, cash flows, credit), regulatory risks and operational risks. The Company's general risk management program focuses on mitigating any negative impact on the Company's financial position and/or reducing potential exposure to market volatility, to the extent possible, aiming to ensure the Company's operation and profitability.

Geopolitical tensions in Eastern Europe and the Middle East, inflationary pressures, tightening monetary policy by central banks, changes in consumers' disposable income and volatility in energy markets, along with the speed and direction of the energy transition, are directly and indirectly related to the impact on the demand for petroleum products in the European refining industry, fluctuations in crude oil and product prices, the euro/US dollar exchange rate, fluctuations in CO_2 emissions rights prices, natural gas and electricity prices, as well as interest rates. Although it is impossible to predict the various scenarios and how to address them entirely, the Company closely monitors developments, assesses and identifies risks, and adjusts its operations and planning accordingly.

E.1 Financial Risk Management

Financial Risk Factors

The Company's operations primarily focus on oil refining, petrochemicals and fuels marketing. Therefore, the Company is exposed to various financial risks such as fluctuations in the oil, natural gas, electricity and CO_2 emission allowances prices in international markets, exchange rate volatility, cash flow risks and risks of fair value fluctuations due to interest rates variations. In line with international best practices and in the context of the local market and legal framework, the overall risk management plan focuses on reducing the Company's potential exposure to market volatility and mitigating any negative impact on the Company's financial position, to the extent possible.

The most important risks and uncertainties are discussed below.

a) Market Risk

(i) Exchange Rate Risk

Refining industry is a US dollar-denominated business, with local currency conversions, while operating costs are primarily expressed in local currency (euro). As a result, the Company's operations are mainly exposed to the risk of the fluctuations of euro/US dollar exchange rate. The strengthening of the US dollar against the euro has a positive effect on the Company's financial results while in the opposite event, both the financial results and balance sheet items (net exposure of inventory, investments, receivables, trade payables and other liabilities in US dollar) would be valued at lower levels.

(ii) Product Price Fluctuation Risk

The Company's core activity, i.e. refining, supply & trading, gives rise to two types of exposure: to changes in the prices of crude oil and oil products, which affect inventory value, and changes in refining margins, which affect profitability and cash flows.

Regarding the risk of product price fluctuations, the level of exposure pertains to the decrease in product prices and is determined by the closing inventory valuation, as the Company's policy is to report the closing stock at the lower between cost and net realizable value. Crude oil and product price fluctuations also affect the levels of working capital as higher prices increase financing requirements.

Exposure to risk associated with changes in refining margins depends on the fluctuation of each refinery's margin. Refining margins are calculated using Platts prices of crude oil and oil products, which are determined on a daily basis and are affected by the development of supply and demand of crude oil and oil products, both regionally (Mediterranean market) and globally. The fluctuations of refining margins impact the Company's profitability and cash flow generation accordingly.

(iii) Cash Flow Risk and Risk of Fair Value Change due to Change in Interest Rates

Cash flow risk arising from changes in interest rates is associated with the Company's borrowing at floating interest rates. Furthermore, due to the long-term investments in the sectors in which the Company operates, increases in interest rates are likely to result in changes in the fair value of such investments through an increase in the discount rate. During the investment appraisal process, the Company adopts a minimum return, that reflects its cost of capital and is significantly higher than current interest rates. Additionally, a portion of the loans used to finance investments (intercompany borrowings and term banking facilities) are issued at fixed interest rates.

(iv) Energy transition - Risk of reduced product demand and increased operating costs

The global energy sector is currently undergoing a transition phase characterized by a global shift towards cleaner forms of energy at the expense of more conventional sources, including oil. Furthermore, climate change mitigation policies, particularly in the EU, are expected to increase operating costs. For instance, the number of CO_2 emission allowances that must be acquired through the market in the coming years, along with the rise in the price of allowances, contributes to higher operating costs, both directly and indirectly, through increased electricity costs.

Additionally, the energy transition has resulted and may continue to result in increased volatility in the prices of components within the energy value chain, such as natural gas and electricity prices, which in turn affect the operating costs of the broader industry, including the refining sector.

Considering these circumstances, the Company has already designed and implemented its strategy for the energy transition, the Company's refineries possess the flexibility to adapt in terms of raw materials and have the capability to substitute natural gas with petroleum products to a significant extent. Moreover, the Company has been diversifying its electricity supply mix for its refineries, and, in the medium term, contemplates investments to enhance energy efficiency and improve autonomy. Furthermore, the Company's business model is characterized by returns that surpass benchmark margins, providing a significant competitive advantage in the Mediterranean region.

b) Credit Risk

Credit risk management is centrally coordinated at Company level. Credit risk arises from cash and cash equivalents, bank deposits, derivative financial instruments, as well as exposure to credit risk of wholesale customers, including outstanding trade receivables from clients in Greece and internationally. All customers are assessed for their creditworthiness, in collaboration, where necessary, with external rating agencies.

The effective management of credit risk and monitoring of transaction behavior by customers, both in Greece and internationally, are facilitated through an integrated software system developed for monitoring exposure to credit

risk. This system is complemented by a central unit responsible for managing the settlement of trade receivables. Additionally, the Credit Committee plays a significant role in ensuring the effective management of credit risk associated with trade receivables of the Company.

c) Liquidity Risk

Liquidity risk is managed by ensuring that efficient cash resources and adequate credit limits with banks are maintained. Given the dynamic nature of its operations, the Company seeks to maintain flexibility in funding through credit lines and other cedit facilities.

E.2 Capital Risk Management - Borrowings

The objective of the Company is to effectively manage its funds in order to ensure the smooth operation of its activities and maximize its overall value. Management regularly monitors the capital structure with the aim of enhancing business flexibility, reducing financial costs, and maximizing returns.

To maintain or adjust its capital structure, the Company has the option to modify the dividend payout to its shareholder, return capital to shareholders, issue new shares, or dispose of assets to decrease its debt.

Furthermore, the Company diversifies its funding sources (such as bond loans, bonds, and credit lines) to effectively manage its debt obligations. The Company aims to achieve the best possible distribution, considering various factors including the cost of capital and maturity

Similar to industry norms, the Company monitors its capital structure using the gearing ratio. This ratio is calculated by dividing the net debt by the total capital employed, as presented in chapter "Selected Alternative Performance Measures".

The Company conducts periodic reviews of the capital structure, by business sector, in response to the volatility of the business environment.

The HELLENiQ ENERGY Group has centralized treasury operations which coordinate and control the funding and cash management activities of all Group companies. Within this framework, HELLENiQ ENERGY FINANCE PLC (former HPF) was established in November 2005 in the U.K. as a wholly-owned subsidiary of HELLENiQ ENERGY Holdings S.A. to act as the central treasury vehicle of the HELLENiQ ENERGY Group.

Analysis of the Company's borrowings can be found at Note 17 of the Audited Annual Financial Statements

F. Health, Safety, Human Resources and Society

F.1 Health and Safety

The Company, due to the nature of its activities, faces a series of risks in its operations, with regard to the use of dangerous and flammable substances and other technical challenges in oil and other products manufacturing and distribution facilities of considerable complexity and significant size. Failure to manage these risks could have considerable impact on the Company's operation and financial position, including administrative penalties and/or inability to carry out its activities.

With regard to risk management related to health, safety and environmental issues, the Company uses a series of control and mitigation procedures during equipment design and operation to manage and mitigate them. At the same time, it actively participates in international organizations in order to measure important indicators and compare with the European oil and chemical industry as well as to transfer and incorporate best practices with the aim of improving the Company's performance in health, safety and environment.

Moreover, compliance with relevant procedures and health, safety and environment management performance in each facility is evaluated regularly, not only through internal audits carried out by trained and experienced staff, but also through independent audits carried out by accredited external certification bodies. At the same time, progress of health, safety, environment and energy indicators (KPIs) is monitored, which are included in the Company's periodic reports, as well as the management's performance evaluation criteria.

The Company continuously invests in prevention, infrastructure, improvement – revising procedures and aligning with current standards and best practices, while constantly investing in personnel and partners training in the Health and Safety field to ensure compliance with the strictest criteria on a national and European level.

All Company facilities set targets to monitor and improve their performance on Health and Safety issues, with regular periodic reports reviewed against these targets. Targets on specific Health and Safety indicators are set and monitored based on CONCAWE's proposals.

Health and Safety Indicators

In 2024 the Lost Workday Injury Frequency and All Injury Frequency indices – which are key safety indicators – exhibited a decrease of 48.3% and 33.2% respectively, compared to last year and in contrast to the corresponding European indicators, which exhibited a significant increase. In addition, the Process Safety Event Rate (PSER) – which is the key indicator of process safety – showed a 37.4% decrease compared to the previous year, following the trend of the corresponding European indicator, which exhibited a decrease.

Specifically, in 2024, out of a total of 6.75 million working-hours, there were 11 Lost Workday Injuries registered for staff and external partners.

Leading Health and Safety Indicators

In 2024, the target set for reporting and investigating near misses was achieved, which is a key leading indicator for H&S performance across all Company facilities.

In the context of establishing a common Safety Culture at all Company facilities, basic H&S training continued (which included fire safety, first aid, rescue techniques, basic safety procedures, best practices, etc.).

F.2 Human Resources

The industry in which the Company operates requires specialized skills, training and experience. As a result, the ability to attract and retain the right human resources is an important factor in the Company's optimal operation.

Difficulties in finding and employing competent personnel, especially middle and senior management and highly skilled personnel, can adversely affect the Company's operations and financial position.

Providing a safe working environment, that also motivates employees and treats them with respect, giving equal opportunities to all, is a Company priority. The corporate policies and practices of the Company give priority to the strengthening of the skills of the employees, the harmonization of professional and family life and the development of teamwork and cooperation.

The Company maintains an excellent working climate and implements an integrated system of human resource development and management with collective agreements and internal labor regulations, competitive remuneration, development opportunities, benefits, awards, employee performance appraisal, internal education system, encouraging employees to take on different roles, depending on their knowledge, experience and skills.

Creative relationship with the Company's employees are based on information and open dialogue. In the Company, open communication between Management and executives (open door policy) is possible, aiming on increasing cooperation, efficiency and mutual respect. Employee relations are based on the equal treatment principle.

Employee placement and advancement within the Company is based on an employee's qualifications, performance and potential, without any discrimination:

- Meritocratic systems for attracting and evaluating personnel.
- Equal opportunities for all in enhancing the skills related to their tasks and staying up to date with developments in the field of energy.
- Opportunities for advancement, without any discrimination (e.g. as to gender, age, origin, religion, nationality etc.).

The internal operation of the Company's business units is based on specific principles and rules, to ensure consistency and continuity, key blocks of success and development. In this context, the Code of Conduct summarizes the principles governing the internal operation of the Company and determines its operation, while the Internal Labour Regulation defines the rules governing the relationship between the Company and its employees.

As mentioned, the safety of the Company's facilities is one of the most important priorities. In occupational risk management, emphasis is placed on prevention in order to anticipate and control all possible health and safety risks in accordance with the criteria of the Greek law (Law 3850/2010), the European and international codes and best practices. As part of the effort to acquire a common safety culture in all industrial facilities of the Company, a common basic training process is applied (fire safety, rescue techniques, first aid, etc.) and leadership seminars (from managers to coordinators and foremen), in order to strengthen and consolidate Safety Culture. The training is extended to contractors, customers, tanker drivers, gas station owners, etc. Guests are informed through printed material about the safety instructions of the facilities.

In addition, safeguarding the health of our employees and ensuring a safe working environment are core values, reflected in the relevant Health & Safety, and Surveillance of employees' health policies, etc. In this context periodic medical examinations of employees are carried out, taking into account job descriptions, age Company and gender.

Employee training is a continuous Company priority, to ensure that each employee has the required knowledge and experience to effectively fulfill his/her role and develop his/her skills.

The Company monitors all relevant labor law (national, European, ILO), including reports on child labor, respect for human rights and working conditions, and is in full compliance with all collective and relevant international conventions.

F.3 Society

It is also worth noting that the Company cooperates with its stakeholders to ensure timely identification of their needs, responsible operation, strengthening of society and protecting the environment. The practical support of citizens through actions and initiatives that improve everyday life and contribute to social progress are an integral part of the Company's corporate philosophy.

To this end, it has developed an extensive Corporate Responsibility programme. In particular, the Company's Corporate Responsibility strategy serves material needs through the implementation of effective interventions.

These actions are carried out both at national and at local level, highlighting the breadth of the Company's commitment to society and the environment.

In 2024, for the 16th consecutive year, it **rewarded a total of 236 top-performing graduates** of General and Vocational High Schools residing in the neighboring municipalities adjacent to the refineries, in Thriassio Pedio and Western Thessaloniki.

The Company continued its participation to the HELLENiQ ENERGY Group "**Wave of warmth**" program, now in its 3rd consecutive year. Specifically, the Company covered the heating oil needs of the largest public pediatric hospitals in Attica. Furthermore, for the 16th consecutive year, the Group delivered more than 216,000 liters of heating oil to 130 public schools of all educational levels in municipalities neighboring its facilities, enhancing learning conditions for thousands of students. In addition, building on its ongoing commitment to social welfare, the Company in 2024 provided food and vital goods to vulnerable communities, by supporting social grocery stores, institutions, and food establishments across Thriasio Pedio and West Thessaloniki.

In February 2024, the critical erosion-control works were completed and delivered in the forest areas of West Attica, with a total area of 620 hectares, which were affected by the wildfires that swept through the region in July 2023. These are 100% ecological interventions, with the construction materials coming exclusively from the burnt trees of the area. Specifically, approximately 201,000 current meters of log bundles, log grids and branch bundles and 283.5 square meters of log barriers were placed, contributing to soil retention, as well as the natural regeneration of the forest.

As an active member of the local communities in which it operates and with a steadfast commitment to sustainable development, the Company expanded its initiatives in 2024 to inform and raise awareness among the student community on biodiversity. In June 2024, on the occasion of World Environment Day, the Company implemented a series of educational activities in neighboring Municipalities, as well as voluntary actions and interventions in the Municipality of Megara, in Thriasio Pedio and in the Municipality of Delta, in West Thessaloniki, aiming to enhance the microclimate and biodiversity in the urban environment of the areas where it operates. Specifically, with the support of the Ministry of Education, Religious Affairs and Sports, in cooperation with the neighboring Municipalities, the Holy Metropolis of Neapoli & Stavroupoli, the organization "AGONI GRAMMI GONIMI", as well as the environmental organizations "The Bee Camp" and "Echedorou Physis", more than 1,100 primary school students of neighboring Municipalities were informed and sensitized on issues related to the protection of ecosystems and biodiversity. Also, the Company implemented a series of interventions based on environmentally friendly solutions

in two parks with a total area of 2,300 m² in Athens and Thessaloniki, at Theognidos Park in Megara and Nea Magnesia Park of the Municipality of Delta, respectively. The interventions were also supported by the voluntary contribution of more than 150 volunteer employees and their family members, from the Company's facilities in Attica and Thessaloniki.

Finally, the Company actively promotes sports. Through the support of amateur teams in the areas where it operates, in Thriasio Pedio and West Thessaloniki, it promotes professional and amateur sports at local and national level, enhancing athletic performance and cultivating fair play.

F.4 Main Features of the Systems of Internal Controls and Risk Management in Relation to the Financial Reporting Process

The System of Internal Controls and Risk Management in relation to the financial statements' and financial reports' preparation process includes controls and audit mechanisms at different levels within the organization, which are described below:

a) Company level controls

Risk identification, assessment, measurement and management

The prevention and management of risks forms a core part of the Company's strategy. The scope, size and complexity of the Company's activities require a composite system of methodical approach and treatment of risks.

The identification and assessment of risks is carried out mainly during the strategic planning and the business plan preparation phase. The benefits and opportunities are examined both in the context of the Company's operations, but also in relation to the several different stakeholders who may be affected.

The examined risks include a) operational, b) financial and c) strategic risks, as well as d) regulatory compliance and supervision risks. More specifically and indicatively, issues that are examined include the effect of operational availability of units, supply chain, human resources, technological developments, taxation, interest rates, commodity prices, exchange rates, among others. Also, issues related to health, safety and environmental, corporate governance and regulatory compliance risks are assessed, risks related to the business model and strategy, as well as market trends (competition, geopolitical developments, regulatory developments).

Planning and monitoring / Budget

The Company's progress is monitored through a detailed budget per operating sector and specific market. The budget is adjusted at regular intervals to consider the changes in the development of the Company's financials that depend greatly on external factors, including the international refining environment, crude oil prices and the euro / dollar exchange rate. Management monitors the Company's financial results through regular reporting, comparisons vs the budget, as well as through Management Team meetings.

Adequacy of the Internal Control System

The Internal Control System (ICS) consists of the policies, procedures and tasks which have been designed and implemented by the Company's Management for the effective management of risks, the achievement of business objectives, for ensuring the reliability of the financial and managerial information and compliance with Laws and regulations.

The independent Group Internal Audit General Division (GIAGD), through conducting periodic assessments, ensures that the risk identification and management procedures applied by the Management are adequate, that the ICS operates effectively and that information provided to the BoD regarding the ICS, is reliable and of good quality.

The Internal Audit General Division draws up a short-term (annual), as well as a rolling long-term (three-year) Audit Plan based on ad-hoc risk assessment, as well as on other issues identified by the Audit Committee and the Management also in past audit reports. The Audit Committee is the supervisory body of the Internal Audit General Division.

The Internal Audit General Division submits quarterly reports to the Audit Committee, in order for the systematic monitoring of the Internal Audit System's adequacy to be feasible.

The reports of the Management and the Internal Audit General Division provide an assessment of the significant risks and the effectiveness of the Internal Audit System as regards their management. Through the reports, any possibly identified weaknesses, their actual or potential impact, as well as the Management's actions to correct them are communicated. The results of the audits and the monitoring of the implementation of the agreed improvement actions are taken into account in the Company's Risk Management System.

To ensure the independence of the statutory Audit of the Company's financial statements, the BoD follows a specific policy in order to formulate a recommendation to the General Meeting regarding the election of an External Auditor. Indicatively, this policy provides, inter alia, for the selection of the same audit company for the entire HELLENiQ ENERGY group, as well as for the auditing of the consolidated financial statements and tax compliance reports. Lastly, a certified auditor is appointed from an internationally recognized firm is elected, while, at the same time, his/her independence is safeguarded.

Monitoring and Risk Management Division

The purpose of the Monitoring and Risk Management Division is to centrally monitor and coordinate the management of the Company's exposure to internal and external risks. The Division was formed in 2024 and is independent from executive activities and supports the ICS's operation through determining principles and setting up and implementing appropriate and updated policies and procedures governing their identification, assessment, quantification/measurement, monitoring and management.

Roles and responsibilities of the Board of Directors

The role, powers and relevant responsibilities of the BoD are set out in the Company's Bylaws (Internal Regulation) that has been approved by the BoD.

Financial fraud prevention and detection

In the context of risk management, the areas that are considered to be of high risk for financial fraud are monitored through appropriate Control Systems and accordingly increased controls are in place. Examples include the existence of detailed organizational charts, operation regulations (procurement, investment, oil products' market, credit, treasury management), as well as detailed procedures and approval authority levels. In addition to the internal controls applied by each Division, all Company operations are subject to audits by the Group Internal Audit General Division (GIAGD), the results of which are submitted to the BoD.

Bylaws (Internal Regulation)

The Company's Bylaws set out , among others, the powers and responsibilities of the principal job positions promoting the adequate separation of powers within the Company. The approved Bylaws have been posted on the Company's website, in accordance with par. 2 of article 14 of L. 4706/2020.

Code of Conduct

In the context of the good corporate governance fundamental obligation, the Company has drawn up and adopted since 2011 a Code of Conduct, which has been approved by the Company's BoD. The Code of Conduct summarizes the principles according to which every individual, employee or third party involved in the operation of the Company, as well as every collective body thereof, should act within the framework of their duties. For this reason, the Code constitutes a practical guide of the day-to-day tasks of all employees of the Company, but also of third parties who cooperate with it.

The Code of Conduct is posted on the Company's website and its revised version is expected to be applied in 2025, capitalizing the experience from its 14 years of validity and taking into account new legislative developments. In 2024 the Policy for the protection of persons who report breaches of Union law (Whistleblowing) applied, according to the provisions of the L. 4990/2022, which ratifies the EU Directive 2019/1937.

According to the provisions of L. 4808/2021, which, inter alia, ratify Convention 190 of the International Labor Organization on eliminating violence and harassment in the world of work and proceeds to adopting relevant measures and provisions, the Policy against Violence and Harassment was put into effect at the Group's companies.

Data Protection Office

In the context of complying with the Personal Data Protection Regulation, the Company has established a Personal Data Protection Office (PDPO), by appointing a Data Protection Officer (DPO) at a Group level, but also in specific subsidiaries. The PDPO has drawn up the appropriate policies and procedures for the effective protection of the privacy of personal data processed by the Company and ensures their implementation and the provision of support in matters of personal data protection.

DPO is administratively reporting to the Chief Executive Officer and, functionally, to the BoD. By utilizing the experience gained from the 6 – year operation of the Personal Data Protection Office, all the policies for the protection of Personal Data are in the final stage of revision and updating.

b) Information systems' controls

Given the critical dependency of financial reporting processes on information systems, the Company has implemented a series of measures to ensure the effective operation of security controls. These measures preserve the completeness and accuracy of financial records and information that generate financial reporting, while also ensuring the continuity of IT services in the event of unexpected events that could cause loss of system availability (Disaster Recovery).

To this end, the Company has appointed a Chief Information Security Officer (CISO), who reports to the Audit Committee on a quarterly basis and is responsible for managing the Information Security Framework. This Framework includes cybersecurity policies and procedures aligned with international best practices and standards, reflecting Management's commitment to managing cyber risks. Additionally, a dedicated budget for cybersecurity matters has been allocated to fund the implementation of specialized information security safeguards, in cooperation with external partners, where required.

The Company employs a multi-layered approach to protect its information, supported by a strategic plan that incorporates state-of-the-art technologies and top-tier information systems, while ensuring compliance with the required regulatory frameworks and directives, such as the Personal Data Protection Regulation and the NIS2 Directive (L. 5160/2024). Indicatively, the Company has adopted AI-enabled cutting-edge security solutions that continuously improve support for the digital transformation strategy, while addressing the ever-evolving cybersecurity landscape.

Furthermore, the Company has invested in fostering a culture of cybersecurity awareness through e-learnings, face-to-face training sessions and phishing simulation drills aiming to minimize the risk of human errors that could lead to unintentional or intentional adverse incidents.

Finally, to ensure the operational effectiveness of security controls, the Company has established a comprehensive monitoring and control framework for its information systems, including multiple annual audits conducted by both internal and external parties.

c) Financial statements and financial reports' preparation process (financial reporting) controls

As part of the process for preparing the Company's financial statements, specific controls are in place and operate, which are related to the use of tools and methodologies that are generally accepted, based on international practices. Some of the main areas whereby controls related to the Company's financial reports and financial statements operate are the following:

Setup – Allocation of Duties

The assignment of duties and authorities both to the Company's senior Management, as well as to its middle and lower management officers, ensures the effectiveness of the Internal Audit System, while safeguarding the requisite segregation of duties.

Appropriate staffing of the financial services with individuals having the requisite technical expertise and experience to carry out the duties assigned to them.

Accounting monitoring and financial statements' preparation procedures

Uniform policies and monitoring of the accounting departments, which include, definitions, accounting principles used by the Company as well as guidelines for preparing the financial statements and financial reports.

Automatic checks and verifications conducted among the various information systems, while special approval is required regarding accounting treatment of non-recurring transactions.

Assets' safeguarding procedures

Controls are in place regarding fixed assets, inventories, cash and cash equivalents - cheques and other assets of the company, such as, for example, the physical security of cash or warehouses and inventory counts and reconciliations of physically counted quantities with those recorded in the accounting books.

Schedule of monthly physical inventory counts to confirm inventory levels of physical and accounting warehouses; use of a detailed manual to conduct inventory counts.

Transactions' authorization limits

A Chart of Authorities is in place, whereat the authorities assigned to the Company's various officers to execute certain transactions or acts (e.g. payments, receipts, legal acts, etc.) are set out.

F.5 Environment and Climate Change

The Company, as an energy products producer and at the same time a significant energy consumer, faces significant challenges in the energy sector with regard to climate change. Specifically, the climate change affects our business activity, creating significant challenges and opportunities. Potential risks and opportunities for the Company's business activities indicatively include cost management for the participation in the European Emissions Trading System – EU ETS and the pertinent legislative changes, but also opportunities in accelerating the implementation of energy efficiency projects.

For 2024, Company's direct financial impacts were mainly related to the cost of covering the emission allowance deficit, since all three of the Company's refineries in Greece participate in the EU Emissions Trading System (EU-ETS). During the period 2021-2025 (the first sub-period of the 4th trading phase) and under the new free allocation rules, compliance costs have risen substantially due to the sharp increase in allowance prices (€73.5/ton CO2 at the end of 2024) compared to the end of previous phase (approx. €32/ton CO2) and the reduced allocation of emissions-free allowances under the current rules. The CO2 emissions for the three refineries (scope 1) in 2024 amount to 3.9 million tons.

A further increase in compliance costs and a heightened risk of carbon leakage are anticipated, considering the planned changes in the ETS as part of the implementation of the European Green Deal and the European reduction targets under the 'Fit for 55' package. It is important to note that the refining sector is included among those facing a carbon leakage risk, which could lead to a significant deterioration in its competitiveness compared to similar facilities outside Europe. Due to its geographical location (EU borders), the Company faces an even greater competitive risk compared to other European countries, fromneighboring countries that are not part of the ETS and produce the same products but do not include in their operating costs the carbon costs that the Company incurs as a result of its participation in the emissions trading scheme (EU ETS).

Moreover, significant modernization projects are being implemented in industrial facilities and processes for the production of "cleaner" low-emission liquid fuels are being initiated. We are seeking innovative practices to produce energy products with limited or even zero footprint. We are investing in the production of advanced next-generation biofuels, liquefied natural gas, the gradual substitution of part of the refinery feedstock with low carbon footprint raw materials, research and development of "green" technologies and applications, upgrading the energy and fuel production infrastructure, as well as energy efficiency.

Within the framework of reducing its wider environmental footprint, the Company aims to reduce both air emissions and waste generated through specific actions, such as maximizing the use of fuel gases, using fuels with higher environmental standards and applying advanced technologies in the production process. For 2024, measures to improve the environmental footprint in the context of compliance with the new emission levels linked to Best Available Techniques (BAT), which have been incorporated into the new environmental permits approving the operating conditions of the Company's refineries, were continued.

Concerning wastewater and solid waste management, in line with circular economy principles and the UN Goal for Sustainable Production and Consumption (SDG 12), the primary objective is to reduce their production at source, maximize recycling and reuse in the production process for as many waste streams as possible and then manage them in the best possible way with regard to the environment and human health. The goal is to significantly reduce waste for final landfill disposal in accordance to European targets and policies.

Athens, 20 March 2025

Spilios Livanos	Andreas Shiamishis
Chairman of the Board	Chief Executive Officer