

Public Power Corp. SA  
ANNUAL MEETING OF SHAREHOLDERS  
**29<sup>TH</sup> JUNE 2023**  
QUESTIONS FROM DWS INVESTMENT GMBH

Dear Mr Georgios Stassis,  
Dear Mr Pyrros Papadimitriou,  
Dear members of the Board,

DWS Investment GmbH (DWS) is one of the largest asset managers in Europe. As a responsible investor in Public Power Corp. SA, it is part of our fiduciary duty to express our expectations in the best interest of our clients. Our commitment to environmental, social and governance practices (ESG) is a crucial element of our responsibilities and forms an integral part of our investment process.

Ahead of your 2023 annual general meeting of shareholders (AGM), we would like to share our questions with you. We would greatly appreciate your answers in written form. Please note that we will also share our questions on our website ([www.dws.com](http://www.dws.com)) on the day of your AGM. Thank you for your consideration.

#### **Net Zero including phasing out Coal mining plans**

Corporations and investors have a key role to play towards the need for emissions to be reduced in the mutual goal of coping with the impacts of global warming. In this regard, we support the Climate Action 100+ and the Net Zero Asset Managers initiatives with the aim to enhance the governance of climate change risk and opportunities, to curb emissions and to strengthen climate-related financial disclosures.

In case of your Company, we understand that significant energy is generated through fossil fuels including coal. Moreover, you have recently completed construction of new coal-fired plant Ptolemaida V with 660 MW capacity.

**QUESTION 1: Have you set any timelines for phasing out all your fossil fuel powered plants (including thermal coal) and switching to renewable energy completely? If yes, could you please share the roadmap containing short, mid and long-term targets.**

**QUESTION 2: What are the plans and capital expenditure requirements for decommissioning and rehabilitating coal asset sites at the end of their lifetime?**

**QUESTION 3: When can investors expect the Company to validate its decarbonisation targets by the Science-Based Targets initiative (SBTi) to ensure their scientific rigor and credibility?**

#### **Separation of Chair and CEO**

We regard a clearly separated balance of powers through a distinction of control (supervisory board) and management (executive board) as superior. For monistic board structures, this must be reflected in a separation of CEO and chairperson as well as a majority of independent non-executive directors.

In your case, the Board is headed by Mr. Georgios Stassis who holds the position of Chair and CEO, which contradicts our Proxy Voting and Corporate Governance Guidelines. Also, there is no Lead Independent Director on the Board.

**QUESTION 4: Will you consider separating the position of the Board chair and the CEO in the near future?**

**QUESTION 5: Will you appoint a lead independent director to counterbalance the role of a non-independent chair/ CEO? If not, why do you not intend appointing a lead independent director?**

## **Board Independence**

Qualified, experienced and independent directors are essential for competent and efficient decision making processes at Board level. Having a majority of independent members serving on the board as well as independent chairpersons is important for us to ensure challenging Board discussions.

Presently, the Board is 50% independent which is slightly lower than the majority requirement as per our Corporate Governance Policy.

**QUESTION 6: Will you consider appointing an additional independent director to the Board so as to reach majority independence?**

## **Gender Diversity**

We expect our Investee Companies to incorporate gender diversity into their composition and refreshment processes and to adhere to national best practice stipulations on gender representation. We require boards to have at least 40% women directors at board level. We expect boards to enhance their diversity by taking intentional actions to expand the pool of women and minority candidates, including reaching out to a broader set of professional networks and considering candidates with a variety of skills, racial/ethnic backgrounds, and experiences.

**QUESTION 7: Would you consider increasing the gender diversity within the Board to 40%?**

## **Executive Remuneration**

Executive pay is one of the most important aspects of good corporate governance as it is one of the signals for a well-operated and supervised business. Our expectation is that the board ensures full transparency, clear and plausible key performance indicators for investors, the structure of the incentives encourages the achievement of corporate financial, social and environmental objectives and the amount ultimately granted is in line with performance.

As per your Remuneration Report, only 10% weight is given to Environment and sustainable development while granting variable pay remuneration.

**QUESTION 8: Considering the industry in which you operate and the importance of transitioning to renewables, would you consider increasing the weight of environment and sustainable development beyond 10%?**

The Report does not provide much details regarding the clawback clauses. We regard relevant and adequate bonus-malus mechanisms (including clawbacks) and reasonable deferral periods for executives as key elements of a sustainable, long-term oriented compensation structure. A robust clawback mechanism sets out the scope of and defines the conditions under which parts of the remuneration are to be reclaimed by the board. This should include cash and equity-based elements and should cover not only restatements, compliance breeches or misconduct but also performance-related restatements that may also extend to sustainability aspects.

**QUESTION 9: Would you consider incorporating clawback provisions as part of your remuneration policy in the near future?**

To conclude, we would like to thank all members of the Board and all the employees of Public Power Corp. SA on their commitment and dedication.

Thank you in advance for your answers.