



**ACTIVITY REPORT OF THE AUDIT COMMITTEE FOR THE FISCAL
YEAR 2020**



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In the context of article 44 of Law 4449/2017, as in force, the Audit Committee (hereinafter the "**Committee**") of the company under the name "FRIGOGLASS SOCIETE ANONYME OF INDUSTRIAL COOLERS" (hereinafter the "**Company**") submits to the General Meeting of shareholders this briefing on issues related to its operation for the closing fiscal year 2020 (01.01.2020 - 31.12.2020), demonstrating its essential contribution to the Company's compliance with the provisions of the current legislative and regulatory framework in an environment characterized by intense and multilevel challenges as well as uncertainties.

The composition of the Committee until 15.1.2020 was the following:

Chairman: Kyriakos Riris – independent non-member of the Board of Directors

Member: Loukas Komis – non-executive Board member

Member: Stephen Bentley – independent, non-executive Board member

The majority of the members of the above Committee are independent, as per the provisions of Law 3016/2002.

Mr. Kyriakos Riris fulfilled the requirements provided by law regarding the requisite knowledge of accounting and auditing.

By virtue of the Extraordinary General Meeting of the Company's shareholders dated 15.01.2020, Mr. Georgios Samothrakis was appointed Chairman of the Committee, independent to the Company due to the resignation of Mr. Kyriakos Riris on the same day.

The composition of the Committee from 15.1.2020 until 14.12.2020 was the following:

Chairman: George Samothrakis – Third Party (non-member of the Board of Directors) and Independent

Member: Loukas Komis – Non-executive Board member

Member: Stephen Bentley – Independent, non-executive Board member

The majority of the members of the above Committee were independent, as per the provisions of Law 3016/2002 and according to paragraph 1(d) of article 44 of Law 4449/2017.

Mr. George Samothrakis fulfilled the requirements provided by law regarding the requisite knowledge of accounting and auditing.



By virtue of the Extraordinary General Meeting of the Company's shareholders, a new Committee was elected, which was appointed as independent in accordance with the provisions of article 44 of Law 4449/2017, as amended by Law 4706/2020, consisting of a total of three (3) members and specifically of two (2) Independent Members of the Board of Directors and by one (1) third party (non-member of the Board of Directors). The new Committee was formed into a body under its decision on 22.12.2020 as follows:

Chairman: George Samothrakis –Third Party (non-member of the Board of Directors) and Independent

Member: Zulikat Wuraola Abiola – Independent, non-executive Board member

Member: Stephen Bentley – Independent, non-executive Board member

All the members of the above Committee are independent, in accordance with paragraph 1 (d) of article 44 of Law 4449/2017 as amended by Law 4706/2020 and meet all the independence criteria and qualifications of article 4 of Law 3016/2002 as well as par. 1 and 2 of article 9 of Law 4706/2020, as it will be in force.

All of the above members have sufficient knowledge and hold substantial past experience in senior financial positions and other comparable experience in corporate activities.

Finally, as already mentioned, Mr. George Samothrakis fulfils the requirements provided by law regarding the requisite knowledge of accounting and auditing.

The term of office of the existing Committee is of three years and ends on 14.12.2023.

In particular, with regard to the Committee's activities during the previous year:

A. Meetings - frequency of attendance of each member in the meetings per year

The Committee shall meet whenever this is deemed necessary and in no circumstances less than four (4) times a year. It must also hold at least two (2) meetings attended by the Company's regular auditor, without the presence of the members of the management. The Chairman of the Committee decides on the frequency and schedule of meetings. External auditors are entitled to request a meeting with the Committee if they deem it necessary.

The Committee held a total of five (5) meetings in 2020, with all its members attending all meetings, and the internal auditors informing the Committee on the pertinent matters. At most of its meetings, and following invitation from the Committee, key executives in charge of the administration and management of corporate affairs and business activities were also present.

In addition the Committee also focused on:

-Its constitution into a body and the appointment of its Chairman.

-The preparing of the Committee's annual work plan.



The relevant minutes were kept for all meetings of the Committee that took place in 2020, and during those meetings the following main issues were examined:

B. External Audit / Financial Information Procedure

The Committee has mainly focused on:

- The process of financial information and the evaluation of the financial statements of the Company in terms of their accuracy, completeness and consistency. In particular, it was verified that the financial statements were in accordance with the relevant framework concerning their content and preparation process, as well as, their compliance with the respective publication rules and the ability of all interested parties to have direct, unhindered and uninterrupted access to them.
- The announcements concerning the financial performance of the Company and the review of main points of the financial statements that contain significant judgments and estimates of the Management.
- The provision of additional services to the Company by the auditing company to which the statutory auditor belongs. The definition and determination of the terms of cooperation and the remuneration of the statutory auditor, through the proposal made during the Annual General Meeting of the Company as well as the selection criteria (provision of high quality services, determination of a fair, reasonable and competitive fee etc.).
- The confirmation of the independence of the statutory auditor, the objectivity and effectiveness of the audit process, based on the relevant professional and regulatory requirements. The auditor, following the Committee's invitation, has confirmed his independence and the absence of any external direction, directive or influence in the performance of his duties. The monitoring and ensuring of completeness, objectivity and effectiveness of the audit is a key priority for the Committee.
- The process of carrying out the statutory audit of the separate and consolidated financial statements of the Company, as well as the content of the main and the supplementary report submitted by the statutory auditor.

It is noted that in 2020, the Committee met twice (2) with the external auditors, in monitoring the process of the relevant audit of the financial statements.

C. Sustainable Development Policy

Sustainable development is an integral part of Frigoglass' operation during the last years. It is a key parameter in shaping the development strategy and supports important business platforms in the fields of business, innovation and the environment.

The Committee places special emphasis on the Company's sustainable development policy. In the light of the above, the Committee noted that during the fiscal year 2020 the Company is fully committed to the implementation of a strict code of conduct in all operations and employees, as well as to compliance with local laws and regulations. The Company also complies with current environmental legislation and regulations. Collaborates with its customers, business partners and suppliers in order to promote sustainable development, innovation and the creation of solutions that enable their mutual development.



The Company's sustainability policy is based on a set of guidelines, through the observance of high professional standards, which are transparent, reliable and fair, the cultivation of a culture of cooperation and the evaluation of long-term relationships with its customers and suppliers.

It approaches sustainability and corporate social responsibility by focusing its efforts and resources on four complementary and mutually supportive sectors: Market, Environment, Workplace and Community.

During the year, the company's performance was improved across all sustainability pillars. The Company has implemented various additional measures to improve energy efficiency and reduce environmental impact. Staff worldwide were systematically trained through regular training on the "Frigoglass Academy" platform. Finally, the local communities of the areas where the Company operates, were supported with targeted programs that improve the well-being and development of the people.

The award from EcoVadis - a leading corporate social responsibility rating agency - placing it at the highest available Platinum Recognition Level rating, represents the recognition of responsible business practices in relation to the Environment, Work, Fair Business Practices and Business Practices.

The above focus areas are presented in detail in the forthcoming 2020 Sustainability Report.

D. Internal Audit and Risk Management System / Internal Audit Unit

The Committee also dealt with the following:

- Overseeing the Company's internal audit and the effectiveness of the Company's internal control and risk management systems in order to ensure that the major risks (e.g. risk of fluctuations in raw material prices, credit risk, liquidity risk, currency risk, interest rate risk, capital adequacy risk, risks due to capital controls etc.) are identified, dealt with and disclosed publicly in a proper manner.
- Ensuring the independence of the Internal Audit Unit, the monitoring of its proper functioning in accordance with international standards for the professional implementation of internal audit, as well as the compliance with applicable legal and regulatory framework (e.g. of Law 3016/2002 and Law 4706/2020, as in force today).
- Its updating in relation to the work of the Internal Audit Unit and its reports and the evaluation, the adequacy and the effectiveness of its work.
- The delivery of reports of the Internal Audit Unit to the Board of Directors
- Informing the Board of Directors of the areas in which the Committee, in the course of its work, considers that there are significant issues and the monitoring of its response.
- The review of the Internal Audit Unit's Regulation of Operation (which is currently in the process of revision in the context of harmonization with the requirements of Law 4706/2020).
- The Identification of potential cases of conflicts of interest during the Company's transactions with affiliated parties or any unusual transactions that have not taken place under the normal market conditions and the submission to the Board of Directors of relevant reports.
- Ensuring the existence of procedures enabling the Company's personnel to confidently express concerns about possible financial reporting violations or irregularities in matters of financial information or other matters affecting the operation of the business, which should be properly investigated and treated.
- The approval of the annual audit plan of the Internal Audit Unit. Audited, evaluated and approved the annual audit plan of the Internal Audit Unit for the year 2021.



It is noted that during the exercise of our duties, we had and continue to have uninterrupted and full access to all information we need and the Company provides us with the necessary infrastructure and space to effectively perform our duties.

George Samothrakis

Chairman of the Audit Committee of Frigoglass S.A.I.C.