

**BOARD OF DIRECTORS REMUNERATION REPORT OF**  
**«HELLENIC PETROLEUM S.A.»**  
**REGISTRATION NO. 000296601000**  
**FOR THE FISCAL YEAR 01.01.2019 – 31.12.2019**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear shareholders,

The present remuneration report is prepared pursuant to article 112 of L.4548/2018 (hereinafter referred to as the “Law”) and contains a comprehensive overview of the total remuneration received by the members of the Board of Directors of the Company “HELLENIC PETROLEUM S.A.” (hereinafter: Company), for the fiscal year 1.1.2019-31.12.2019, which have been paid within the framework of the Remuneration Policy of the Company, as approved by the Extraordinary General Meeting of Shareholders of 20.12.2019, and which you shall find [here](#) along with all the necessary information required, as a minimum, by L.4548/2018.

The Remuneration Report shall be available on the Company’s corporate website for a period of ten (10) years, as required by Law.

According to the Law, the shareholders’ vote has an advisory function and the Board of Directors of the Company will demonstrate in the following Report the manner in which the outcome of the vote casted during the Annual General Meeting of Shareholders of 24 June 2020 will be taken into consideration.

The amounts paid to the members of the BoD of the Company for the fiscal year 1.1.2019-31.12.2019 consist of both fixed and variable components, thus assuring consistency with the business development and the efficiency of the Company.

All the fees paid to the members of the BoD of the Company comply with the approved Remuneration Policy and the applicable legislation.

## **1. Preamble**

The financial results of 2019 confirm our steady course and strategic direction towards sustainable profitable growth.

The firm commitment of the Board, the executives and the employees towards the strategic goals of the Company contributed significantly to their achievement.

For a detailed financial overview of the fiscal year that ended on 31<sup>st</sup> December 2019, please refer to the Annual Financial Report 2019, which is published on the Company’s website, at <https://www.helpe.gr/media-center/company-publications/annual-financial-report-for-fiscal-year/>.

## **2. Brief Presentation of the Composition & Operation of the Board of Directors of the Company**

The Company is governed by a BoD comprising thirteen (13) members with a five-year (5-year) term of office which expires on 17/4/2023, extendible until the end of the deadline, within which the next Ordinary General Shareholders Meeting of the Company’s shareholders must convene. The members of the current BoD are:

- Ioannis Papathanasiou, Chairman, Non-Executive Director (since 7.8.2019),
- Andreas Shiamishis, Chief Executive Officer, Executive Director (assumption of responsibilities as CEO since 7.8.2019),
- Georgios Alexopoulos, Executive Director,
- Theodoros Achilleas Vardas, Non-Executive Director,
- Michail Kefalogiannis, Non-Executive Director (since 7.8.2019),
- Alexandros Metaxas, Non-Executive Director (since 7.8.2019),
- Iordanis Aivazis, Non-Executive Director (since 7.8.2019),
- Loukas Papazoglou, Non-Executive Director (since 7.8.2019),
- Alkiviades Psarras, Non-Executive Director (since 7.8.2019),
- Konstantinos Papagiannopoulos, Non-Executive Director,
- Georgios Papakonstantinou, Non-Executive Director,
- Theodoros Pantalakis, Independent, Non-Executive Director,
- Spyridon Pantelias, Independent, Non-Executive Director

Moreover, during 2019:

- Mr. Eustathios Tsotsoros, served as Chairman and Chief Executive Officer until 7.8.2019 and Messrs Georgios Grigoriou, Dimitrios Kontofakas, Vasilios Kounelis, Loudovikos Kotsonopoulos and Christos Tsitsikas, members of the BoD until 7.8.2019.

The BoD convened twenty-one (21) times during the year 2019 and the meetings were attended by all its members either in person or via legally authorised representatives, except for the absence of each of Messrs. T. Vardas and G. Papakonstantinou in one of its meetings.

### **3. Brief Presentation of the Framework of the Remuneration Structure of the BoD members of the Company**

As far as the level and structure of remuneration are concerned, it is noted that the fees received by the Chairman of the Board, the Chief Executive Officer as well as the members of the BoD, executive or non-executive, for their participation in the meetings of the Board and the Committees thereof, are approved by the General Meeting of shareholders, further to a relevant recommendation by the Remuneration and Succession Planning Committee of the BoD, whose responsibilities are described in the Company's Internal Operations Regulation .

More specifically, on 20.12.2019, upon recommendation of the Remuneration and Succession Planning Committee of the BoD, the Remuneration Policy of the BoD Members was approved by the Extraordinary General Meeting of the company's shareholders, in accordance with the provisions of article 110 of L.4548/2018, taking into consideration corporate governance best practices as well as the size and activities of the Company.

#### **Brief Presentation of the Content of the Board of Directors' Remuneration Policy**

According to the Company's approved Remuneration Policy, the amount of compensation paid to the members of the BoD for their participation in it, as well as in its Committees, consists of a fixed annual fee paid on a monthly basis and a fee paid per meeting.

The remuneration received by the Chairman of the BoD in addition to the abovementioned compensation which all members of the BoD receive, is provided for by a contract which is concluded with the Company and approved by the G.M. in accordance with the provision of article 109 par.1 of the Law. The remuneration received by the executive members of the BoD who are associated with the Company through an employment relationship, with the exception of the fees they may receive as BoD and Committee members which are determined alike for the other members, is determined by virtue of their respective employment contracts that preceded their appointment as members of the BoD, as well as the wider remuneration policy that applies to the Company's executives; and their participation in it does not differentiate their salary or any additional benefits granted, nor does it alter their employment contracts in any way.

The executive members of the BoD, depending on their level and position, participate in collective medical care programs and in pension saving plans, as all employees of the Company do, as well as in other corporate benefit schemes, such as the use of a company car, fuel card etc. as all Executives do, in accordance with the Company's employee benefit policy, as in force.

Finally, the Company may establish and implement, as it has already done in the past, a program of medium-term and long-term objectives and of associated variable remuneration in order to align the long-term personal pursuits of the executives and therefore of the executive members of the Board of Directors with the interests of the Company and its shareholders. Depending on their type, these programs will receive all the required approvals. Such a program did not exist for 2019.

The Remuneration Policy has a four year term, unless revised or amended by a new resolution of the General Meeting of Shareholders due to a substantial change in the terms based on which it was composed.

#### **4. Total remuneration of the Members of the Board of Directors for fiscal year 1.1.2019-31.12.2019**

The remuneration paid to the members of the BoD of the Company for the fiscal year 1.1.2019-31.12.2019 consists of both fixed and variable components:

##### Fixed Remuneration & Additional Benefits

The fixed annual remuneration of the Members of the BoD was paid on a regular monthly basis, i.e. regardless of performance criteria, and constitutes the fixed earnings received by the beneficiaries.

Remuneration for participation in BoD meetings and Committees are linked to both the engagement time and the increased diligence required of the members of the BoD in performance of their duties as members of the BoD and the Committees thereof.

As for the executive members of the BoD, associated with the Company and/or with other companies of the Group through an already existing employment contract, the amount of fixed fees (including the annual salary and optional additional benefits in cash or in kind) is determined in accordance with the Company's Executives Remuneration Policy .

##### Variable Remuneration

Beneficiaries of variable remuneration are associated with the Company through an employment relationship, holding senior management positions in the organizational structure of the Company. Variable remuneration is aimed at linking the remuneration to the individual performance of the beneficiaries and their contribution to the achievement of the Group's objectives and is determined on the basis of pre-determined measurable quantitative and qualitative performance indicators, which are both short-term and long-term and are established by the Company's Executives Remuneration Policy.

Therefore, the amount of these fees was set taking into consideration both the corporate and the individual objectives of each beneficiary, in accordance with the Company's Executives Remuneration Policy (hence regardless of their potential capacity as BoD members). For the years 2018 and 2019 and in accordance with the approved remuneration policy for the Company's Executives, the weight between the corporate and individual objectives is distributed based on the following Table.

**Table 4.1: Weight of Corporate / Individual Objectives per Hierarchical Level**

Hierarchical Grade	Weight of Corporate Objectives	Weight of Individual Objectives
Executive Chairman & Chief Executive Officer of HELPE	60%	40% <sup>(1)</sup>
Chief Executive Officer of HELPE	60%	40% <sup>(1)</sup>
Deputy Chief Executive Officer of HELPE	60%	40% <sup>(1)</sup>
General Managers of HELPE	50%	50%

<sup>(1)</sup>The achievement of the individual objectives arises from the average of the achieved individual objectives of the General Managers of the Company.

In particular, the criteria based on which the amount of variable remuneration is calculated annually are at least the following: (i) Hierarchical level, (ii) Financial results of the Company and consolidated financial results of the Group, (iii) Performance of the Company and of the Group in other areas such as safety and environment, (iv) the individual performance of each executive.

As regards the variable remuneration and for the purposes of preparing this Remuneration Report, the Company presents in each fiscal year the amounts approved and paid during this fiscal year and which concern objectives set and evaluated for the previous fiscal year.

For convenience, Annex A is presented at the end of this report as an attachment which includes in detail the annual remuneration of any nature paid to the members of the BoD during the fiscal year 1.1.2019-31.12.2019. The classification of the individual remuneration data has been done in accordance with article 5 of the Remuneration Policy.

It is hereby clarified that the amounts of remuneration displayed in Annex A also include any remuneration received by the members of the BoD from their participation in the BoDs of subsidiary companies of the Group. To be also noted that the amounts of remuneration displayed in Annex A constitute gross earnings while net earnings are clearly the remaining amounts that are determined following the legal deductions and contributions that burden each beneficiary, including payroll taxes and the social solidarity contribution at percentages that can approximate a total of 55%.

## **5. Annual variation in the remuneration of the Members of the Board of Directors**

For comparative overview purposes, Tables 5.1 and 5.2 are presented below, showing the annual variation in the remuneration of the Board of Directors and the average of the annual gross fees of full-time employees with the exception of BoD members, as well as indicators and figures concerning the performance and financial position of the Company and the Group, for the fiscal years 2015, 2016, 2017, 2018 and 2019.

The financial data of the Company and the Group, which are included in the below Tables, are displayed based on the financial data of the published Annual Financial Statements of the fiscal years respectively mentioned above.

**Table 5.1: Annual variations in the remuneration and data of the Company's staff (Amounts in EUR)**

Description	2015	2016	Δ 2015- 2016	2017	Δ 2016- 2017	2018	Δ 2017- 2018	2019	Δ 2018- 2019
Gross Fees of BoD Members <sup>(1)</sup>	3.024.383	1.645.909	-45,6%	2.033.110	23,5%	3.461.096	70,2%	2.591.879	-25,1%
Total BoD Members <sup>(4)</sup>	22	15	-31,8%	14	-6,7%	16	14,3%	19	18,8%
Annual Gross Fees of Employees <sup>(1)(2)</sup>	114.990.431	118.938.758	3,4%	129.236.752	8,7%	136.495.423	5,6%	158.368.814 <sup>(5)</sup>	16,0%
Number of Employees <sup>(3)</sup>	1.948	1.953	0,3%	2.077	6,3%	2.060	-0,8%	2.197	6,7%
<b>Average Annual Gross Employee Fees</b>	<b>59.030</b>	<b>60.901</b>		<b>62.223</b>		<b>66.260</b>		<b>72.084</b>	

Notes

<sup>(1)</sup> Fees include: a. annual salary, b. adjustment of leave balances, c. variable remuneration/bonus paid during the fiscal year, d. overtime work, e. severance and leave indemnities and f. fees for participation in the Board of Directors (fixed, meetings, committees). The provision for retirement reserve as well as the fees received from subsidiaries of the Group, additional benefits and any stock option rights exercised during the period 2015-2018, are not included.

<sup>(2)</sup> The total of employees of indefinite duration/term contracts, definite duration/term contracts and attorneys paid in each year is included and excluding the BoD Members.

<sup>(3)</sup> The total number of employees includes the number of employees as at 31.12 of each year, with the exception of the BoD members

<sup>(4)</sup> The BoD of HELPE is composed of 13 members, but its composition may change within each reference year.

<sup>(5)</sup> Compensation received by Company's Executives who left in implementation of the Restructuring / Voluntary Exit Scheme 2019, is also included.

**Table 5.2: Financial Data of the Company and the of the HELPE Group (amounts in EUR millions)**

HELPE S.A.	2015	2016	2017	2018	2019
Sales	6.584	5.992	7.234	8.968	8.024
Adjusted EBITDA	630	612	710	623	420
Adjusted Profits after tax	248	248	326	528	315

HELPE Group	2015	2016	2017	2018	2019
Sales	7.303	6.613	7.995	9.769	8.857
Adjusted EBITDA	758	731	834	730	572
Adjusted Profits after tax	268	265	372	296	185

**6. Additional remuneration of any kind from a company belonging to the same Group**

Remuneration of any kind received by the BoD members of HELPE from subsidiary companies of the Group within 2019 are depicted in the relevant table of Annex A.

**7. Number of shares and stock option rights for stocks that have been granted or offered to the persons subject to the Company's Remuneration Policy**

During the fiscal year 1.1.2019-31.12.2019, no shares or stock options were granted to the members of the Board of Directors.

**8. Any option rights exercised in the framework of stock option programs of the Company**

No such case exists.

**9. Information regarding the exercise of the option of revocation of variable remuneration**

No such case exists.

**10. Information regarding potential deviations from the application of the Remuneration Policy**

All remuneration received by the members of the Board of Directors complies with the approved Remuneration Policy and the applicable legislation.

Annex A:

Full Name	Capacity	Fixed Remuneration Components				Additional Benefits from the Company <sup>(2)</sup>	% Additional Benefits over Total Remuneration	Variable Remuneration from the Company <sup>(3)</sup>	% Variable Remuneration over Total Remuneration	Remuneration from Subsidiary Companies <sup>(4)</sup>	Total Remuneration	Net Remuneration <sup>(5)</sup>
		Fixed Remuneration (due to employment contract or mandate agreement) <sup>(1)</sup>	Fixed Remuneration of BoD members	BoD Meeting and Committees Remuneration	% Fixed Remuneration over Total Remuneration							
<b>Ioannis Papathanasiou</b>	Chairman of the BoD, Non-Executive Director (since 7.8.2019)	113.453	10.000	5.400	93,2%	9.344	6,8%			138.197	60.390	
<b>Andreas Shiamishis</b>	Chief Executive Officer, Executive Director (assumption of responsibilities as Chief Executive Officer since 7.8.2019 while previously Deputy Chief Executive Officer), Senior Executive of the company since 2003 <sup>(6)</sup>	282.889	31.000	17.300	55,4%	37.404	6,3%	213.729	35,7%	15.630 <sup>(7)</sup>	597.952	252.364
<b>Georgios Alexopoulos</b>	Executive Director, Group Strategic Planning & New Activities General Manager, Senior Executive of the Group since 2006	242.732	31.250	16.800	63,5%	32.406	7,1%	119.690	26,1%	14.850 <sup>(7)</sup>	457.728	176.902
<b>Theodoros-Achilleas Vardas</b>	Non-Executive Director		36.000	18.800	77,6%	2.115	3,0%			13.680 <sup>(7)</sup>	70.595	40.269

Full Name	Capacity	Fixed Remuneration Components				Additional Benefits from the Company <sup>(2)</sup>	% Additional Benefits over Total Remuneration	Variable Remuneration from the Company <sup>(3)</sup>	% Variable Remuneration over Total Remuneration	Remuneration from Subsidiary Companies <sup>(4)</sup>	Total Remuneration	Net Remuneration <sup>(5)</sup>
		Fixed Remuneration (due to employment contract or mandate agreement) <sup>(1)</sup>	Fixed Remuneration of BoD members	BoD Meeting and Committees Remuneration	% Fixed Remuneration over Total Remuneration							
<b>Michail Kefalogiannis</b>	Non-Executive Director (since 7.8.2019)		15.000	8.900	98,1%	460	1,9%			24.360	14.106	
<b>Alexandros Metaxas</b>	Non-Executive Director (since 7.8.2019)		12.500	5.400	100,0%					17.900	11.566	
<b>Iordanis Aivazis</b>	Non-Executive Director (since 7.8.2019)		17.500	11.400	99,2%	240	0,8%			29.140	16.091	
<b>Loukas Papazoglou</b>	Non-Executive Director (since 7.8.2019)		15.000	8.900	96,9%	776	3,1%			24.676	14.106	
<b>Alkiviades Psarras</b>	Non-Executive Director (since 7.8.2019)		16.250	7.400	96,5%	848	3,5%			24.498	13.983	
<b>Konstantinos Papagiannopoulos</b>	Non-Executive Director, employee of the HELPE Company and employee representative at the BoD	73.230	24.000	10.800	83,9%	18.204	14,1%	2.509	1,9%	128.743	51.399	
<b>Georgios Papakonstantinou</b>	Non-Executive Director, employee of the HELPE Company and employee representative at the BoD	95.974	24.000	10.800	90,3%	11.406	7,9%	2.714	1,9%	144.894	60.257	

Full Name	Capacity	Fixed Remuneration Components				Additional Benefits from the Company <sup>(2)</sup>	% Additional Benefits over Total Remuneration	Variable Remuneration from the Company <sup>(3)</sup>	% Variable Remuneration over Total Remuneration	Remuneration from Subsidiary Companies <sup>(4)</sup>	Total Remuneration	Net Remuneration <sup>(5)</sup>
		Fixed Remuneration (due to employment contract or mandate agreement) <sup>(1)</sup>	Fixed Remuneration of BoD members	BoD Meeting and Committees Remuneration	% Fixed Remuneration over Total Remuneration							
<b>Theodoros Pantalakis</b>	Independent, Non-Executive Director		54.000	27.550	97,4%	2.167	2,6%			83.717	43.922	
<b>Spyridon Pantelias</b>	Independent, Non-Executive Director		48.000	30.300	97,7%	1.832	2,3%			80.132	42.715	
<b>Eustathios Tsotsoros</b>	Served as Chairman and Chief Executive Officer until 7.8.2019	444.397	17.500	9.100	67,3%	9.373	1,3%	210.572	30,1%	8.793 <sup>(7)</sup>	699.735	413.765
<b>Georgios Grigoriou</b>	Non-Executive Director until 7.8.2019		19.250	17.100	96,5%	1.308	3,5%			37.658	21.467	
<b>Dimitrios Kontofakas</b>	Non-Executive Director until 7.8.2019		17.500	14.100	63,5%	1.163	2,3%			16.988 <sup>(8)</sup>	49.751	36.580
<b>Vasilios Kounelis</b>	Non-Executive Director until 7.8.2019		26.250	14.600	23,8%	1.005	0,6%			129.715 <sup>(9)</sup>	171.570	119.107
<b>Loudovikos Kotsonopoulos</b>	Non-Executive Director until 7.8.2019		21.000	9.200	98,0%	620	2,0%			30.820	18.787	
<b>Christos Tsitsikas</b>	Non-Executive Director until 7.8.2019		17.500	9.100	96,0%	1.113	4,0%			27.713	17.056	

Full Name	Capacity	Fixed Remuneration Components				Additional Benefits from the Company <sup>(2)</sup>	% Additional Benefits over Total Remuneration	Variable Remuneration from the Company <sup>(3)</sup>	% Variable Remuneration over Total Remuneration	Remuneration from Subsidiary Companies <sup>(4)</sup>	Total Remuneration	Net Remuneration <sup>(5)</sup>
		Fixed Remuneration (due to employment contract or mandate agreement) <sup>(1)</sup>	Fixed Remuneration of BoD members	BoD Meeting and Committees Remuneration	% Fixed Remuneration over Total Remuneration							
Panagiotis Ofthalmidis	An employee of the Company, not a member of the BoD, but receives remuneration due to his participation in the Committee on Labour Issues in his capacity as President of the Representative Employee Union	74.975	6.000		76,0%	22.954	21,6%	2.564	2,4%		106.493	35.282
<b>Total</b>		<b>1.327.650</b>	<b>459.500</b>	<b>252.950</b>	<b>69,2%</b>	<b>154.738</b>	<b>5,3%</b>	<b>551.778</b>	<b>18,7%</b>	<b>199.656</b>	<b>2.946.272</b>	<b>1.460.114</b>

**Notes:**

<sup>(1)</sup>Fixed Remuneration includes: annual gross regular remuneration and severance indemnities

<sup>(2)</sup>Additional Benefits include: The basic benefits relate to medical care programs, pension schemes, educations aids, travel expenses, benefits of a social nature etc

<sup>(3)</sup>Included are the Variable Remuneration provided by the Company's Remuneration Policy and an extraordinary retrospective bonus given to all staff in accordance with the BoD resolution for the fiscal year 2018. The variable fees of the Executive members of the BoD concerning the fiscal year 2019 were approved after the completion and approval of the financial statements for the fiscal year by the BoD and were paid to the beneficiaries in the next fiscal year, i.e. in 2020. For this reason, these amounts will be included in the BoD members' Remuneration Report of the year 2020.

<sup>(4)</sup>The total fees received by the BoD members from Subsidiary Companies are included.

<sup>(5)</sup>The net amount payable paid in 2019 is included.

<sup>(6)</sup>Mr. Andreas Shiamishis held the position of Deputy Chief Executive Officer and Executive Director from 1.1.2019 to 7.8.2019

<sup>(7)</sup>Concerns BoD fees received from the subsidiary Company EKO

<sup>(8)</sup>Included: Remuneration of Chairman of the BoD of HPC, HPC BoD fees

<sup>(9)</sup>Included: Remuneration of Chairman of the BoD of ASPROFOS, Severance Indemnity, ASPROFOS BoD Fees, Other Benefits