HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS

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REQUEST FOR PROPOSAL

FOR THE PROVISION OF ADVISORY SERVICES IN THE FIELD OF ENHANCEMENT AND IMPROVEMENT OF CORPORATE GOVERNANCE PROCEDURES IN THE SUBSIDIARIES OF HCAP

Athens, March 19th 2019

1. Background on the Hellenic Company of Assets and Participations ("HCAP") / Legal framework

A. Article 185 of Law 4389/2016 (Government Gazette Issue A', 94) as in force *"The Corporation operates in the public interest in accordance with the rules of private industry. It is set up to serve a specific public purpose. In particular, the Corporation manages and uses its assets in order to: (a) contribute resources for the implementation of Greece's investment policy and to make investments that contribute to strengthening the development of the Greek economy and (b) contribute to reducing the financial obligations of the Hellenic Republic, in accordance with Law 4336/2015 (Government Gazette, Series I, No 94). Further, and within the Corporation's scope, the Corporation shall also hold the State's participations in public undertakings provided for in Law 3429/2005, professionally manage, increase their value and exploit them according to international best practice and the OECD guidelines on corporate governance, corporate compliance and supervision and transparency of procedures, and in accordance with best practice with regard to socially and environmentally responsible entrepreneurship and consultation with the parties concerned by the public undertakings. Public undertakings that are controlled by the Corporation shall (a) be subject to appropriate monitoring in accordance with the rules of Greek and European legislation; (b) implement and support the Government's applicable sectorial policies; (c) when commissioned, undertake the provision of Services of General and General Economic Interest, for example by fulfilling public service obligations, in accordance with EU law and the Union's common values contained therein. In order to fulfill its purpose, the Corporation shall act in an independent, professional and entrepreneurial manner with a long-term vision in achieving its results, in accordance with its rules of procedure; it shall also act to guarantee full transparency, with a view to enhancing the value and improving the performance of the abovementioned assets as well as generating revenue which is distributed in accordance with this Law. Furthermore, the Corporation shall promote reforms of public undertakings, inter alia, through restructuring, good corporate governance and transparency and by fostering accountable administration, social responsibility, sustainability, innovation and good corporate practices.*

B. Pursuant to Article 188 para. 1 of Law 4389/2016, upon the incorporation of HCAP, the Hellenic Republic Asset and Development Fund (HRADF) and the Public Properties Company (ETAD) are considered as "Direct Subsidiaries".

C. Pursuant to Articles 188 para. 1 indent d' and 197 of Law 4389/2016, as amended by virtue of Article 4512/2018, HCAP is also the majority shareholder in the following non-listed companies contained in the "Other Subsidiaries":

Company	Shares
Athens Public Transport Company S.A.	100%
Hellenic Post S.A.	90%
Corinth Canal S.A.	100%
Central Market and Fishery Organization S.A.	100%
Central Market of Thessaloniki S.A.	100%
Thessaloniki International Fair – Helexpo S.A.	100%
Hellenic Saltworks S.A.	55,19%
GAIAOSE S.A.	100%

HCAP has also acquired shares in three listed public companies (PPC, EYDAP and EYATH)

2. Overview of the required services

2.1 Object of the Request for Proposal

HCAP is seeking to retain a reputable advisor ("**Advisor**"), which will undertake to provide high quality services relating to the enhancement and improvement of the Corporate Governance Framework and Procedures of its Direct and Other Subsidiaries (the ones which are non-listed), where HCAP is the majority shareholder on the basis of the abovementioned table. In particular, the Advisor will undertake to provide said services in two Phases as specified below:

a) Phase A': General review (Diagnostic review) of the existing Corporate Governance policies and practices

The diagnostic review is expected to contribute to the identification and assessment of:

- Possible gaps or areas requiring update, enhancement or improvement, such as indicatively the rules of procedure of corporate bodies compared to applicable best practices
- Prioritization planning and improvement and update actions
- Corporate governance best practices for public companies at European level, which could be incorporated in the operation of the above public companies as well as to the Direct Subsidiaries of HCAP

Indicative priority areas could include:

- Internal Rules
- Rules of Procedure of the Board of Directors and the Committees of the Board of Directors and related issues thereof
- Operation of Committees of the Board of Directors

- Policies for the independence of non-executive members
- Scheduling of meetings and appropriate information to the BoD members
- Preparation of adequate Minutes
- Submission to the Board of Directors of regular reporting of financial position and performance, as well as report on activities. Discussions on issues of strategy and business planning with regard to meet the targets set by HCAP as a shareholder
- Code of Conduct
- Conflict of Interest Policy and Procedures
- Policy for the assessment of the Board of Directors (alternative methods, timeline, criteria)
- Policy on the appointment of BoD members by the HCAP's subsidiaries to their own subsidiaries

The scope of the Advisors work includes indicatively the following:

- Collect and review information and material
- Review of the regulatory framework and particularly of the one applying to public companies in Greece
- Conduct of meetings with the Management, the Chairman of the BoD and the competent departments / executives etc of the subsidiaries and meetings with HCAP
- Mapping of areas for further elaboration, update or improvement
- Proposals for the improvement / update of policies and procedures per company
- Present best practices at Greek and EU level as well as based on OECD standards in relation to the proposed areas

Deliverable of the Advisor's work:

- Drafting of Report per company with regard to the above

Phase A shall be conducted in relation to five (5) of the Direct and Other Subsidiaries of HCAP, i.e. ETAD. HRADF, ELTA, OASA (as a parent company, not including its subsidiaries OSY and STASY) and OKAA with the purpose of forming a sufficient sample for the mapping of the areas of improvement. The deliverables should be prepared Greek language.

b) Phase B': Handbook of Corporate Governance

On the basis of the outcome and the findings of the Diagnostic Review the Advisor along with HCAP will determine the priority areas with regard to the Corporate Governance of the abovementioned Direct and Other Subsidiaries. Then the Advisor will draft a single handbook/toolkit with proposals for improvement of policies and procedures and guidelines as to the formation and application of an effective and operational Corporate Governance system. The best practices in EU level presented in the Diagnostic Review will be used as material and tools in Greek practice. The deliverables should be prepared Greek language.

The Deliverables of the Advisor's work shall include the following:

- Drafting of a detailed handbook/toolkit for practical implementation by the Boards of Directors and the employees of the companies
- A relevant presentation to the Board of Directors and the Management of the companies as well as to HCAP

2.2 Procedural Information

Procedure	Summary Procedure
Type of Contract	Services Contract
Number of envisaged Contractors	1 (one) Advisor or joint venture or association of entities
Duration	120 days
Budget	€130.000 (excl. VAT)

3. Conflict of interest and financial qualifications

Interested Parties must declare solemnly in writing that they or their managing body's members do not have a conflict of interest to act for HCAP (**DOSSIER A**) and that in case the assignment is awarded to the Advisor no conflict of interest for any party would be created.

In case that an interested party participates in the tender in cooperation with external counsels, a similar declaration may be submitted by those parties as well.

Interested Parties must declare solemnly in writing that during the last three (3) fiscal years and according to their books and records the average annual turnover was at least twice as much of the total budget of this agreement (**DOSSIER B**).

4.Selection criteria

Interested Parties must, inter alia, possess and be able to demonstrate and provide undisputed evidence of their deep knowledge and expertise in assignments of this nature and in particular in relation to European best practices. The offers will be assessed on the basis of the following criteria and their respective weights:

	Award Criteria	**Weighing**
	Qualitative – Technical Criteria	

Track Record & Experience	Proof of relevant track record and proven experience of the project team in the provision of expert services in the fields of Corporate Governance, assessment, enhancement and application of best practices on European level. The dossier of the offer should include a catalogue of all material relevant assignments in which the Interested Party has participated in the last 3 years (**DOSSIER Ci**). The catalogue should include a brief description of the relevant material assignments assigned and performed and the duration of the assignment (start date-end date).	**35%**
Project Team	Proposed team composition and its proposed structure for the requested services. For this purpose, the offer should include CVs of all members of the Interested Party's engagement team and precise description of their international experience, specific added value in the team depending on their area of competence. Moreover, a list of all relevant assignments proving experience of those individual members should be submitted and included in the offer (**DOSSIER Cii).**	**25%**
Technical Capacity	Interested Parties will have to submit with their proposal a brief description of their contemplated approach for the project at issue, to specify the critical issues, the methodology they intend to implement as well as the deliverables including an indicative timetable (**DOSSIER D).**	**10%**
	Quantitative – Financial Criteria	

Financial Proposal	The maximum available budget for the provision of the services is set at € 130.000 (excl. VAT). The proposal to be submitted shall include a detailed analysis and structure of the budget (**DOSSIER E'**). The financial proposal should be completely unambiguous and will be disqualified if it contains any statements preventing an accurate and complete comparison of the offers (such as "To be discussed", "Depending on x", alternative financial proposal" etc.) or referring to external circumstances. Any expenses (i.e travelling and accommodation costs) reasonably incurred shall be reimbursed separately with a cap of up to **5%** of the total remuneration, provided that they have been submitted for pre-approval by the Corporation and proper invoices have been issued. The selected Advisor will be invited to submit a letter of guarantee for an amount equal to 10% of the agreed remuneration.	**30%**

5. Selection Process

5.1 The selection of the Advisors will be decided in accordance with the provisions of the HCAP's Procurement Regulation. The assessment shall take into consideration the qualification criteria as set forth in Section 5 above. HCAP may require any clarification, addition or adjustment of the submitted offer as deemed necessary. Any clarification, or addition to documents shall refer exclusively to non-material discrepancies and omissions or mistakes that are obviously typical errors that can be subject to correction or addition.

5.2 Interested Parties that do not fulfil the required minimum levels for participation-qualifications- experience as set above, will not be allowed to participate in the selection process.

5.3 Following the selection process, the Advisor will be invited to conclude the Agreement with HCAP.

5.4. HCAP reserves, at the fullest extent possible and at its sole discretion, the right to cancel, suspend, amend or postpone until a later time this procedure, without any prior notice, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.

5.5. No responsibility or liability is or will be accepted by either the HCAP or any of its advisors, or any agents, employees, officers in respect of any error or misstatement in or omission

from this document. No person acquires any right or claim for compensation or other from this Invitation or from their participation in the procedure described herein, against the HCAP or any its advisors for any reason or cause.

5.6. Interested Parties shall be considered to have fully and irrevocably accepted the terms and conditions of this tender.

5.7. Any dispute arising under, or out of, or in connection with the present Request for Proposal including the offers submitted and the framework agreement, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece and the governing law will be Greek Law.

5.8. The proposals of Interested Parties must be submitted in Greek or English language not later than **April 8th 2019 at 17:00**, Athens time.

5.9. Interested parties should submit their proposal/expression of interest consisting of DOSSIERS A, B, Ci, Cii, D and E along with any other documentation that prove the firm's and the team's experience and expertise together with all requested documents as set out above in a sealed envelope, with the indication "Corporate Governance Advisor", exclusively via e-mail to the electronic mail address: info@hcap.gr.

The proposal of each Interested Party should comprise of all the above requested dossiers. Mandatorily, the financial proposal (**DOSSIER E**) shall be attached in the email of each proposal separately and should be protected with a different password. More specifically, in the email with the submitted proposal of each Interested Party should be attached, shall otherwise be disqualified, at least two, separate and locked files. In any case, after lapse of the deadline for submission of proposals, the Interested Parties shall be invited via a series of e-mails to submit the security passwords opening the attached files of their proposal e-mail.