



THIRD-PARTY DUE DILIGENCE POLICY

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1. PURPOSE

The Hellenic Corporation of Assets and Participations ('**HCAP**' or the '**Company**') applies high standards of transparency and integrity throughout the organization (including its subsidiaries) and expects all third-party business partners to fully adhere to its principles and values as well as to demonstrate professional and ethical conduct.

HCAP's relations with the third party business partners should be governed by transparency, integrity, trust, respect and honesty in order to ensure both the effectiveness of the cooperation and the reputation and credibility of HCAP. In this context, prior to the commencement of any business relationship with third parties, the due diligence process, as described in this Third-Party Due Diligence Policy (**Policy**), must be implemented. This Policy also sets out the guidelines for HCAP subsidiaries.

2. SCOPE

The third-party due diligence process regarding corruption/bribery applies to:

- (1) all third parties (legal and natural persons) performing services for or on behalf of HCAP. These include, but are not limited to: associates, subcontractors, service providers, financial/business consultants, legal firms/legal advisors, public relations/communication consultants, human resources consultancy firms, auditing/accounting firms/consultants, security services, facilities management companies, etc.
- (2) suppliers (legal and natural persons) who act as sellers of goods when the total value of the contract/order exceeds the amount of **€20,000** per project or per year. In any other case of suppliers from whom the company simply purchases goods (e.g. material goods, consumables) below the above limit, the due diligence process does not apply.

Regarding services/transactions between HCAP and its subsidiaries, the anti-corruption/bribery due diligence process does not apply.

3. DUE DILIGENCE PROCESS

Given the nature of HCAP's activities, before selecting any third party and entering into business/transactions with them, the HCAP Procurement Manager follows the relevant due diligence process to ensure, inter alia, that the reputation, authority and capabilities of the third party are adequate and satisfactory and that doing business with them may not endanger the Company. The due diligence process has two steps.

3.1 Step 1 – risk assessment

The HCAP Procurement Manager, with the support of the Compliance Officer, assesses the level of risk and suitability of the third party. For better audit and evaluation, apart from identifying the publicly available information about the third party (e.g. through search engines such as google), the third party is also requested to fill in a questionnaire, attached here to as **Annex I.**

The questionnaire provides details about the third party's structure and ownership, activities, any (concluded or ongoing) investigations/sanctions related to corruption, bribery and financial or other crimes. During the third party's audit/evaluation process, special attention should be paid to any evidence indicating a high-risk level, for instance:

- considerable negative publicity about the third party and its recent activities;
- lack transparent corporate/shareholder composition of the third party (e.g. unknown shareholders);
- close family or other relationship of the third party and/or its senior officers with government and public officials;
- unusually high remuneration or unusual payment method (e.g. multiple bills, prepayment);
- potential conflict of interests;
- reluctance to fill in the questionnaire/provide the requested information;
- investigations or sanctions against the company (and/or its officers) regarding corruption, bribery and financial or other crimes;
- absence of any compliance and business conduct policies and procedures in the third party.

Based on the above data and the analysis of the provided answers, the Procurement Manager (with the support of the Compliance Officer) assesses the level of risk as “**low**” or “**high**”. The relevant risk level assessment form completed by the Procurement Manager is attached hereto as **Annex II.**

When the risk level is rated as “**low**”, no further due diligence is required and the process is completed upon signing the relevant contractual clauses (see “Step 2”).

In cases where the risk level is rated as “**high**” or the audit reveals anything suspicious, additional due diligence is required, with the assistance of the Compliance Officer, to assess whether the Company could cooperate with the third party in question. If the business relationship/transaction is qualified (based on documented analysis/evaluation), the third party will be requested to sign the relevant high-risk contractual clauses for the process to be completed (see “Step 2”). However, in some cases, for instance if there are ongoing investigations/sanctions related to corruption, bribery and financial or other crimes, it will not be possible to enter into a business relationship.

Furthermore, if the third parties process personal data in relation to the Company, they must give sufficient assurances to the Company that appropriate technical and organizational measures are implemented for the security and protection of personal data processed, in such a manner that the legal requirements are met and rights of data subjects safeguarded. In this context, they should complete and submit the completed questionnaire attached hereto as **Annex III.**

Based on the extent to which personal data in relation to the Company are processed by the third party and the analysis of the provided answers, the Company's competent manager and the Data Protection Officer will evaluate whether the third party has provided sufficient assurances to the Company regarding the implementation of appropriate technical and organizational measures and the terms of the relevant contract will be formulated accordingly.

[3.2 Step 2 – contractual protection](#)

In any case, third parties, whether “**low**” or “**high**” risk, should be contractually bound to fight corruption and bribery, as well as to act in accordance with the principles and values of HCAP as defined in the Company's Code of Ethics and Business Conduct. Depending on the level of risk, the relevant contractual clauses are signed as required; examples of such clauses are attached hereto as **Annex IV (A and B)**.

In particular, in “**high**” risk cases, the HCAP Compliance Officer, in cooperation with the Procurement Manager, informs and raises the awareness of third parties about their compliance with HCAP's Code of Ethics and Business Conduct, principles and values, avoidance of conflict of interest as well as anti-corruption and bribery. In this context, the Company's third parties may be required to attend relevant HCAP training programs.

In the event that a third party requests a modification of the relevant terms of the contract, such request will be examined by the Compliance Officer and the Legal Service.

If the third party appears reluctant to comply with the HCAP Code of Conduct or sign the relevant anti-corruption and bribery contractual clauses, then HCAP will consider not entering into a business relationship with such third party.

Regarding personal data issues, in all cases where a third party processes personal data, they should sign a contract containing terms in relation to its obligations on the protection of personal data under national and EU legislation. It is noted that processing in particular is governed by a contract that is binding on the processor with regard to the controller and that sets out the subject-matter and duration of the processing, the nature and purpose of the processing, the type of personal data and categories of data subjects and the obligations and rights of the controller. The content of the contract is in line with the General Data Protection Regulation (EU) 2016/679 (Article 28).

[3.3 Periodic review and recurrent procedure](#)

The Procurement Manager, with the support of the Compliance Officer, should monitor the Company's relationship with the third party and periodic audits should be carried out, if necessary, regarding any transactions or conditions contrary to the above (e.g. on an annual/18-month basis).

In the event of a new business relationship or renewal of the existing one with the same third party, the due diligence process will be followed normally, unless the period that has elapsed since the last due diligence process is less than one year.

[3.4 Record keeping](#)

HCAP maintains a record of third-party due diligence process. Responsible for record keeping and updating the Company's Procurement Manager. To this end, all questionnaires, evaluation forms, relevant communication, any additional analysis/evaluation required (resolved and unresolved issues), as well as the results of periodic audits should be maintained by the Procurement Manager. In cases of high risk, copies will also be provided to the Compliance Officer.

4. EXISTING THIRD PARTIES

With regard to third parties with whom the Company has had a business relationship before the implementation of this Policy, they should as a minimum be advised of the HCAP's Code of Ethics and Business Conduct and commit to act in accordance with the principles and values of HCAP. In case of renewal/extension of a business relationship, the due diligence process should be followed and the relevant contractual clauses signed.

5. REPORTS AND RESOLUTION OF QUESTIONS

HCAP encourages its officers, employees and associates to immediately report all relevant cases of potential corruption and bribery, conflict of interest, actual or potential sanctions and violations, etc. The Company takes seriously all the information provided in this context and, in any case, ensures the confidentiality of reports and conducts appropriate investigations. HCAP immediately terminates all business relationship with third parties that apply illegal practices.

If you have any questions or doubts regarding compliance with this Policy, you may contact the Company's Compliance Officer, who is also responsible for dealing with any implementation issues that may arise. Regarding personal data issues, you may contact the Data Protection Officer.