TO: GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY AEGEAN AIRLINES S.A

ANNUAL ACTIVITY REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR 2022

June 2023
Table of Contents

1. Introduction ............................................................................................................. 3
2. Purpose of the annual activity report .................................................................. 3
3. ESG Policy ............................................................................................................... 4
4. Audit Committee activity report for 2022 ............................................................ 4
   Meetings .................................................................................................................. 4
   Submission of half-yearly reports ......................................................................... 5
   Independence of the Audit Committee member .................................................... 6
   Audit Committee Minutes of Meetings .................................................................. 6
5. Important events occurred after 31/12/2022 until the General Meeting of Shareholders ........... 6
1. Introduction

The Audit Committee operates as an independent and objective body, assisting the Board of Directors in its duties, overseeing Company’s financial reporting procedures, policies and internal control system.

The Board of Directors, at its meeting on 15.07.2021, decided to appoint as members of the Audit Committee the following:

1. Konstantinos Kalamatas of Alexandros, independent non-executive member of the Board of Directors.
2. Nikolaos-Georgios Nanopoulos of Konstantinos, non-executive member of the Board of Directors.
3. Nikolaos Sofianos of Konstantinos, independent non-executive member of the Board of Directors.

The members of the Audit Committee were appointed by the Board of Directors pursuant to the conditions set as per article 44, Law 4449/2017.

The term of the Audit Committee is the same as the term of the BoD i.e. a 3 year office-term, which is extended till the expiration of the term within which the next ordinary shareholders meeting must be convened after the expiration of the Board’s term and until the relevant decision is taken which shall not exceed the four years.

The Audit committee convened and formed into a body on 16/07/2021 and appointed Mr. Sofianos, independent, non-executive member of the BoD as Chairman of the Committee. The members of the Audit Committee have in their entirety sufficient knowledge and experience in the Company’s field of activity. At least one member of the committee has sufficient knowledge in auditing and accounting.

2. Purpose of the annual activity report

The purpose of the report is to disclose the activities of the Audit Committee to the Annual General Meeting of Shareholders, in relation to issues:

• Sustainability Development policy.

• Compliance with articles 5, 6, 21, 22, 23, 26 and 27 of Regulation (EU) no. 537/2014 on the independence of statutory auditors and the appropriateness of the provision of non-audit services.

• Review of the financial reports prior their approval by the Board of Directors, for completeness and consistency with accounting principles applied by the Company.

• Monitoring the work of the external auditors for the performance of the statutory audit and informing the Board of Directors on the outcome and its contribution to the integrity of the financial reporting.

• Examination and evaluation of the adequacy and effectiveness of the Company’s policies, procedures and safeguards regarding, on the one hand, the internal control system and, on the other hand, risk assessment and management, in relation to financial reporting.
• General obligations arising from the provisions of Law 4449/2017 and Law 4706/2020.

3. ESG Policy

The Audit Committee, in compliance with L.4706/2020 on corporate governance, monitors the implementation of the Group’s commitments regarding sustainable development and corporate responsibility, thus promoting social welfare, environmental protection, as it constitute best practices. In particular, the committee monitors issues related to:

• Environmental protection, through an emission reduction program related to fuel consumption reduction, efficient aircraft utilization, material recycling, noise reduction and fleet replacement.

• Society, emphasizing in value creation by offering high quality services, flight safety, business continuity and readiness, technologically advanced options and quality management.

• Employment, building strong relationships with employees and ensuring a framework based on respect for human rights, protecting and ensuring their health and safety, as well as value creation for every employee as an active member in the formation and implementation of Company’s business strategy.

• Respect human rights, defend the diversity of employees and disapprove any form of child labor, forced or compulsory labor, ensuring excellent working conditions and providing fair wages under contracts that comply with the applicable law.

• Fight against corruption and bribery, fraud and money laundering from illegal activities, respecting the principle of integrity, combined with zero tolerance in these matters.

• ESG performance indicators to which the company refers to.

4. Audit Committee activity report for 2022

Meetings

In order to implement the above purposes, the Audit Committee convened eleven (11) times with:

a) the Internal Audit Unit on issues related to:

• Annual internal audit plan for the period 1/1/2022 – 31/12/2022 and 1/1/2023 – 31/12/2023.

• Internal Audit work progress.

• Statement of independence and self-evaluation.

• Updating issues regarding Cyber Security.

• Update on the internal control system recording issues and results of the independent audit of the Corporate Governance Framework in accordance with the provisions of Law 4706/2020.

• Audit Committee self-evaluation for the period 1/1/2022 – 31/12/2022.
• Report of the Audit Committee's activities for the first and second semester of 2022 and its annual activity report to the General Meeting of Shareholders.

• Approvals of meeting minutes.

• Annual self-evaluation of the Audit Committee and updating of its Operating Regulations.

b) the Chartered Accountants for issues related to:

• Pre-approval of fees for permitted non-audit services.

• Approval of interim summary financial statements 1/1/2022 – 30/6/2022.

• Update on the progress of the audit of the financial statements for the year 1/1/2022 – 31/12/2022 and approval of the corresponding financial statements.

• Presentations, evaluation of auditors' offers, as well as recommendation for the selection of a regular Chartered Accountant for the period 1/1/2023 – 31/12/2023.

c) the Regulatory Compliance and Risk Management Unit for issues related to:

• Annual work plan.

• Progress of work.

The members of the Audit Committee, as members of the Board of Directors, attend all meetings of the Board of Directors while the Chairman of the Audit Committee informs the Board of Directors about its proceedings.

Submission of half-yearly reports

The Audit Committee, in compliance with the provisions of L.4449/2017, as well as with paragraph 2.3 of its Rules of Operations, submitted two semi-annual activity reports to the Board of Directors analyzing:

• Risk management issues,

• Effectiveness of security controls,

• Effectiveness of control systems against observed risks,

• Deviations from the annual internal audit plan.
Audit Committee members’ independence

The members of the Audit Committee declare that they are independent by majority, within the meaning of article 4 of Law 3016/2002 and article 9 of Law 4706/2020, as in force. The Audit Committee does not include members who hold positions or perform activities or carry out transactions that at the same time, are incompatible with the purpose of the Committee.

Audit Committee Minutes of Meetings

In order to document the above, the relevant minutes of the meetings of the Audit Committee and the Board of Directors have been prepared and approved.

5. Subsequent events after 31/12/2022 until the General Meeting of Shareholders

In March 2023, the evaluation of the internal control system by an independent assessor (EY) was completed without material findings, confirming its adequacy. The results of the evaluation were forwarded to the Capital Market Committee in compliance with its instructions.

Moreover, on March 10th, 2023, a joint meeting of the Audit and ESG Committees was held, where the required necessary actions to reduce gas emissions by 2030 and related compliance issues were presented. It was concluded that the company has taken all the required actions and has proceeded with the planning of the necessary actions to achieve the targets.

The Chairman of the Audit Committee,

Nikolaos Sofianos

B57, Athens International Airport, Spata,

15th June, 2023