



**INTERNAL RULES OF OPERATION
of the Company
“OLYMPIC AIR SINGLE-MEMBER SOCIÉTÉ ANONYME FOR
AIR TRANSPORT”, in accordance with the provisions of Law
4706/2020**

Contents

1. INTRODUCTION	4
Company Profile	4
Scope of the Internal Rules of Operation	4
2. VALIDITY AND SCOPE OF THE INTERNAL RULES OF OPERATION	4
Validity of the Internal Rules of Operation	4
Scope - Persons bound to observe the Internal Rules of Operation	4
Approval and amendment to the Internal Rules of Operation	5
3. ORGANIZATIONAL STRUCTURE OF THE COMPANY	5
Organizational Principles	5
Company Organization Chart.....	5
4. COMPETENT BODIES FOR DECISION-MAKING AND COMPANY MANAGEMENT	7
General Meeting of the Shareholders	7
Board of Directors	7
Election – Constitution.....	7
Responsibilities of the Board of Directors.....	7
Responsibilities of the Directors.....	8
Company Interest.....	8
Chairman of the Board of Directors.....	8
Vice-Chairman of the Board of Directors	8
Chief Executive Officer	8
Remuneration, compensations and other benefits	9
5. INTERNAL AUDIT SYSTEM	9
Principles and features of the Internal Audit System	9
6. Risk Management and Regulatory Compliance Function.....	9
Scope.....	9
7. FUNCTIONAL STRUCTURE	9
General Responsibilities of the Divisions	9
Financial Division.....	10
Flight Operations Division.....	10
Technical Division.....	10



INTERNAL RULES OF OPERATION

Ground Operations Division	11
Legal Department	11
8. MAIN OPERATION PRINCIPLES OF THE COMPANY	11
Code of Conduct	11
Company's relations with employees	12
Duty vis-à-vis the society	12
9. POLICIES / PROCEDURES	12



INTERNAL RULES OF OPERATION

1. INTRODUCTION

Company Profile

The Company with the corporate title “OLYMPIC AIR SINGLE-MEMBER SOCIÉTÉ ANONYME FOR AIR TRANSPORT” (the “**Company**” or “**Olympic Air**”) is a société anonyme, trading as “OLYMPIC AIR”.

The Company operates in the sector of air transports providing transportation services of passengers and commodities, inside and outside the Greek territory, with regular or charter flights, over long and medium distances.

Olympic Air is a subsidiary of the société anonyme with the corporate name «AEGEAN AIRLINES SOCIÉTÉ ANONYME” (the “**Parent Company**”)

Scope of the Internal Rules of Operation

These Internal Rules of Operation have been drafted with the care of the Parent Company in accordance with the provisions of Article 14 of Law 4706/2020 and on the basis of the Company’s Articles of Association and Organization Chart. The Company’s Internal Rules of Operation take into consideration the applicable legislation on corporate bodies as well as the stock-exchange and corporate governance legislation which is monitored by the Parent Company and aim to ensure the Company’s compliance with the relevant provisions in force which govern its activity and operation, the provisions on corporate governance as well as the provisions which govern the organization and operation of sociétés anonymes, as in force.

The Internal Rules of Operation include, among others the organizational structure of the Company, the mission of the main divisions and units as well as the duties of their heads and their reporting lines. Apart from the organizational units which operate in the Company, other functions and systems of the Company are supported by the Parent Company, via the competent organizational structures in place by the latter.

2. VALIDITY AND SCOPE OF THE INTERNAL RULES OF OPERATION

Validity of the Internal Rules of Operation

This Regulation was approved and put into force with the decision dated 16.07.2021 of the Company’s Board of Directors.

Scope - Persons bound to observe the Internal Rules of Operation

The Internal Rules of Operation of the Company constitute a matrix of binding principles and conduct rules for:

- the Directors,
- the Chief Executive Officer,
- the Company’s personnel which are employed under an employment contract, as well as
- the Company’s partners who provide their services under a contract for the provision of services, in case of cooperation based on a special trust relationship or provided that their cooperation contract with the Company explicitly submits them to this Regulation.

All the above persons will hereinafter be referred to as the “**Bound Persons**”.

The Bound Persons are required to exercise with any and all diligence their specific duties within their organizational position (or their cooperation terms with the Company, in case of freelance partners), as specified in their contract with the Company (employment or services contract), in the Articles of Association and the decisions of the Company’s Board of Directors.



INTERNAL RULES OF OPERATION

Approval and amendment to the Internal Rules of Operation

These Internal Rules of Operation enter into force upon their approval by the Company's Board of Directors.

The amendments to the Internal Rules of Operation are approved by virtue of a relevant decision issued by the Board of Directors.

3. ORGANIZATIONAL STRUCTURE OF THE COMPANY

Organizational Principles

(a) Explicit allocation of responsibilities

The Company is organized in Divisions, the majority of which are operationally supported by the Parent Company, to the extent that this is permitted under the legislation on aviation sociétés anonymes in force. The number of the Divisions, the scope and the main responsibilities of each Division and the duties of their heads and their reporting lines may be adapted (accompanied by a respective amendment to this Regulation) by a decision of the Board of Directors, in accordance with the relevant needs of the Company and taking into account the Articles of Association.

(b) Linear organization of the personnel

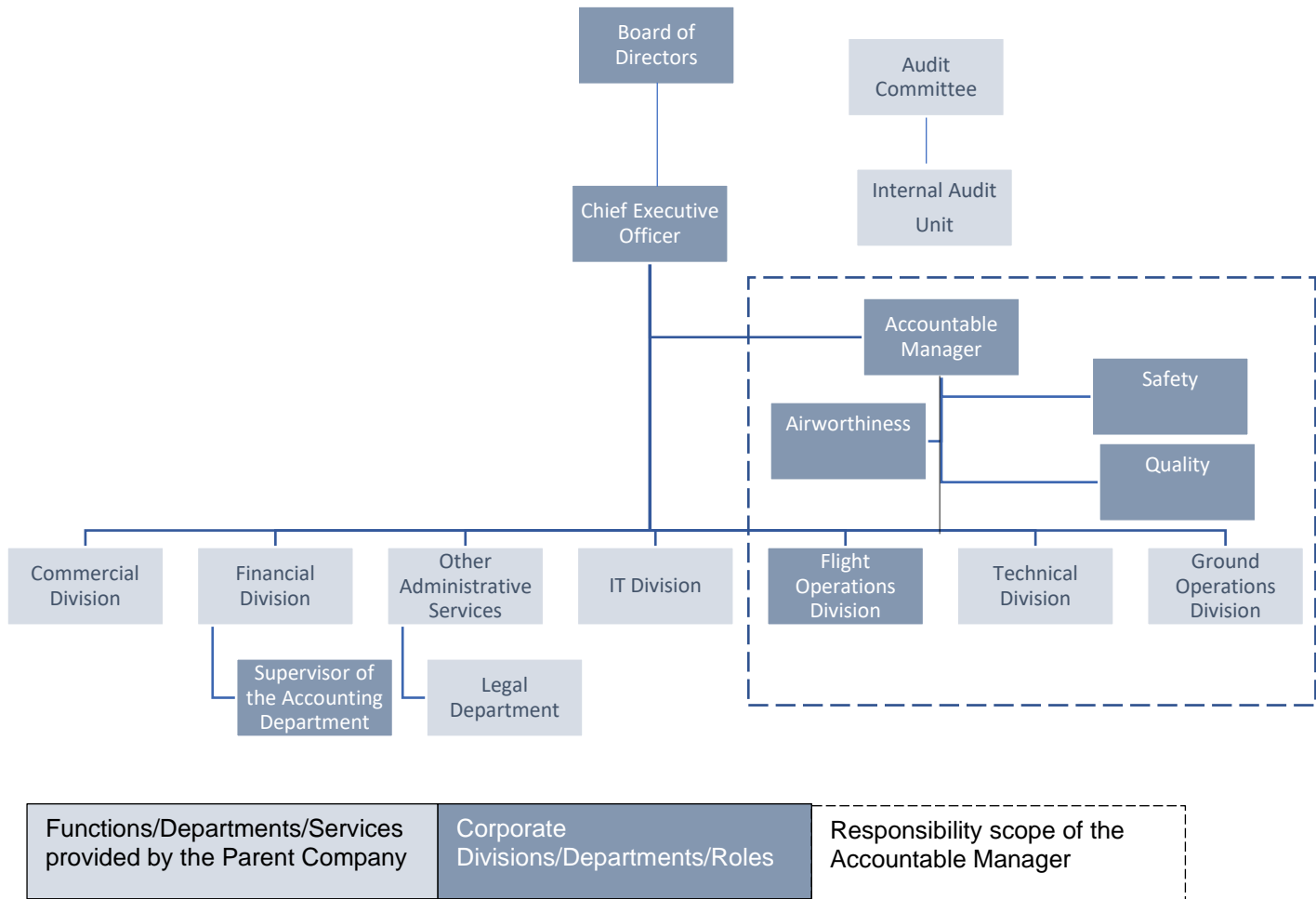
Linear grading ensures the supervision of the Company's activity as well as the guidance of the employees by their Managers.

Company Organization Chart

The organizational structure of the Company is laid down in chart form; the organizational units of the Parent Company which offer operational, administrative or supervisory support to the Company are also included. The Company is managed by the Board of Directors and the Chief Executive Officer.

Civil aviation and hence the Company's activity which falls within this field is subject to extensive regulatory arrangements at international, European and national level. The structure, the roles, the duties, the responsibility scope and the processes regarding the activity and organization of the Company, including the duties of the Accountable Manager are detailed in the Management System Manual maintained by the Company. The Company also maintains additional manuals (as described in the Management System Manual), specifying the procedures by division and department in accordance with the relevant regulatory frame in force which governs civil aviation and air transports, while the operation of the Company is subject to regular audits and supervision in general by the competent supervisory authorities.

INTERNAL RULES OF OPERATION



4. COMPETENT BODIES FOR DECISION-MAKING AND COMPANY MANAGEMENT

General Meeting of the Shareholders

The General Meeting of the Shareholders is the ultimate body of the Company entitled to decide for every issue appertaining to the Company.

It has sole decisive competence for:

- (a) The extension of the Company's term, its winding-up, conversion, revival, demerger or merger.
- (b) Amendments to the Company's Articles of Association (including share capital increases and decreases).
- (c) The election of the Directors.
- (d) The election of auditors.
- (e) The approval of the overall management pursuant to article 108 of Law 4548/2018 and the release of auditors.
- (f) The appointment of liquidators.
- (g) The approval of the annual financial statements prepared by the Board of Directors and the appropriation of annual profits.
- (h) The approval of granting remuneration or advance payments thereof pursuant to article 109 of Law 4548/2018.

Board of Directors

Election – Constitution

In accordance with the Company's Articles of Association the Board of Directors is composed by three (3) up to fifteen (15) members. The Board of Directors is elected by the General Meeting with a five year term of office, which is extended till the lapse of the term within which the immediately following Ordinary General Meeting must convene after the lapse of their office term and until the making of the relevant decision. In any case the term of office may not exceed six years.

Non-shareholders may also be appointed as directors and legal entities are permitted to be elected as Directors as well.

Alternate Directors may be elected and their number is defined by the relevant decision of the General Meeting which elects them.

Responsibilities of the Board of Directors

The Board of Directors is competent to decide on any issue related to the Company's management, the administration of its assets and the general pursuit of its purpose, without any limitation, subject to the articles 10, 99 and 100 of Law 4548/2018. The issues which pursuant to the statutory provisions or the Articles of Association are exclusively reserved for the General Meeting are exempted from the competence of the Board of Directors.

In further, the Board of Directors represents the Company in court and out-of-court actions and in general carries out and executes any act, contract and related transaction which is necessary or fit for the Company's intended purposes.

Responsibilities of the Directors**Company Interest**

The Directors are required to act with the aim to seek at all times the enhancement of the long-term financial value of the Company and the advancement in general of the company interest.

Conflicts of interests

The Directors are required to abstain from seeking their own interests which contravene the Company interests. No Director may vote on issues regarding which he/she has a conflict of interests with the Company, in accordance with the provisions of article 97 (3) of Law 4548/2018, i.e. on personal issues or issues involving their related persons based on article 99(2) of Law 4548/2018.

The Directors who participate in any way whatsoever to the management of the Company and its directors following a relevant notification of the Board of Directors, are allowed to perform, on their own behalf or on behalf of others, acts which fall under the purposes intended by the Company, as well as to participate as general partners or sole shareholders or partners in companies which pursue such purposes.

Chairman of the Board of Directors

- The Chairman prepares the items on the agenda, calls the Directors to a meeting and chairs the meetings of the Board of Directors.
- The Chairman represents (the same or an employee or attorney of the Company, following a relevant authorization from the Board of Directors) the Company in court and out of court actions and represents it before any authority.
- The Chairman or an employee or attorney of the Company, following a relevant authorization from the Board of Directors, brings about and contests lawsuits and files remedies, appoints proxies and performs any court or out-of-court act to protect the interests of the Company. These acts are promptly submitted for approval to the Board of Directors.
- The Chairman undertakes and executes any responsibility granted by the Board of Directors and signs every Company contract based on a relevant authorization he/she holds to this end.

Vice-Chairman of the Board of Directors

The Board of Directors elects its Vice-Chairman. The Vice-Chairman substitutes the Chairman of the Board of Directors in the exercise of the responsibilities provided for by the Articles of Association, in case of the latter's absence or impediment.

Chief Executive Officer

The Chief Executive Officer is responsible for the implementation of the Company's strategic aims and the day-to-day management of the Company affairs. The Chief Executive Officer is responsible for the assurance of the smooth, orderly and efficient operation of the Company, in accordance with the strategic aims, the operational plans, as such are determined by virtue of decisions issued by the Board of Directors and the General Meeting.

The Chief Executive Officer reports to the Board of Directors of the Company, guides its strategic options and validates the major decisions of the Company.

The main duties and responsibilities of the Chief Executive Officer are:

- to ensure the Company's sustainability and to seek at all times the development of its activities,
- to enhance the Company's long-term financial value,
- to govern the Company on the basis of the international transparency standards and

- to further advance the collaboration culture in the Company, to truthfully apply the rules of conduct of the Company with all transacting parties and to essentially link it with the society, through Corporate Responsibility actions.

Remuneration, compensations and other benefits

The remuneration and any other compensations of the Directors are determined and paid in accordance with Law 4548/2018.

5. INTERNAL AUDIT SYSTEM**Principles and features of the Internal Audit System**

Olympic Air's Internal Audit System is based on the corresponding system of the Parent Company; the 100% subsidiaries of the Group also fall within its responsibility scope. The main principles of the Internal Audit Systems and the bodies entrusted with the conduct of an internal audit, as well as their responsibilities are described in the Internal Rules of Operation of the Parent Company.

6. Risk Management and Regulatory Compliance Function**Scope**

Olympic Air does not have a separate Risk Management and Regulatory Compliance Function in place. The Risk Management and Regulatory Compliance Function of the Parent Company includes in its scope the obligations to identify, assess and manage the risks for Olympic Air and to establish and apply appropriate and updated policies and procedures with the aim to achieve in time the full and ongoing compliance of Olympic Air with the relevant applicable legal and regulatory framework.

7. FUNCTIONAL STRUCTURE**General Responsibilities of the Divisions**

Each Division has among others the following responsibilities:

- To develop and implement the Company strategy with the aim to meet annual targets.
- To design, audit and implement its structure and procedures.
- To procure for the manning of the Division with the required number of personnel.
- To assure the effective coordination of all its relevant activities.
- To maintain a positive cooperation climate inside the Division as well as with the other Company Divisions.
- To identify in time the needs in purchasing goods and the needs in fixed assets which are indispensable for the performance of its activity.
- To identify in time the employees' training needs.
- To provide the management with valid and timely information.

In accordance with the aforementioned in the Section with the title "Organization Chart of the Company" of these Internal Rules of Operation, the Company's activity is subject to extensive regulatory arrangements at international, European and national level. The structure, the roles, the duties, the responsibility scope and the processes regarding the activity and organization of the Company, including the duties of the Accountable Manager are detailed in the Management System Manual maintained by the Company. The Company also maintains additional manuals (as described in the Management System Manual), specifying the procedures by division and department, whereas their operation is subject to regular audits by the competent supervisory authorities.

Financial Division

The services and functions of the Financial Division of Olympic Air are provided by the Parent Company, which is responsible for the management of all financial issues. However, the Company employs a Supervisor of the Accounting Department, who has the responsibilities among others:

- To guide, coordinate and supervise the preparation and issuance of all financial reports of the Company.
- To ensure the timely and proper update of the Company's accounting books and all statutory financial statements.
- To ensure the timely preparation and publication of the financial statement, in accordance with the law and the relevant provisions of the legislation on corporate bodies.
- To manage transactions with banks, payments and collections of the Company.
- To cooperate with the Financial Division of the Parent Company and consult with it in relation to issues which may have an impact on the Company's financial sizes.

Flight Operations Division

The observance of the corporate policy in the entire scope of the flight operations requires the performance of all the following functions entrusted to the Division.

- The training of pilots and cabin crew regarding the operation systems and procedures of the aircraft and the cooperation rules between the crews.
- The preparation and scheduling of flights regarding the composition of the crews, the maintenance of operating ability in all types of airports, the determination of operation limits, the receipt, interpretation and delivery of air navigation information to the crews, the compliance with the legislation on maximum permitted time of crew utilization, the observance of hygiene rules for the crew and the passengers, the observance of flight standards and procedures for ongoing Air Worthiness.
- The performance of the flight's operations in compliance with all thresholds and procedures of the manufacturer of type aircraft, of the applicable air navigation rules, the state legislations, the flight safety rules.

The duties of the head of the Flights Operations Division are described in the Management System Manual maintained by the Company.

Technical Division

The services and functions of the Technical Division are offered by the Parent Company which manages all the respective issues of Olympic Air.

The Company performs aircraft flights only if these are monitored by an appropriately approved airworthiness organization, serviced by an appropriately approved maintenance organization and equipped with an airworthiness certificate in force. The Technical Division has among others the duties:

- To properly service aircrafts, engines and equipment.
- To observe the European Legislation and all the procedures which are issued by the European Union Aviation Safety Agency (EASA) and the Hellenic Civil Aviation Authority (CAA).
- To manage the equipment and other procured materials and to inspect the received materials in terms of their quality and quantity properties.
- To keep records and aircraft maintenance history.
- To monitor and optimize the maintenance cost.
- To enter into contracts with the approved suppliers of accessories and services
- To offer ongoing training to the personnel.

The duties of the head of the Technical Division are described in the Management System Manual maintained by the Company.

Ground Operations Division

The services of the Ground Operations Division are offered by the Parent Company which manages all the respective issues of Olympic Air. The main responsibilities of the Ground Operations Division are as follows:

- To observe the applicable legislation and the procedures of ground operations.
- To offer fair, timely and secure services during check-in, boarding and off-boarding of the passengers, as well as after the loading and unloading of luggage and commodities from the aircraft, in accordance with the safety rules, the corporate procedures and obligations.
- To procure for the transit of the underlying supplies, to timely supply the flights with the underlying supplies and to receive the returned supplies.
- To apply the local and international regulations.
- To observe the procedures which aim at the meeting of the security terms for as long as the aircraft remains in the airport apron.
- To handle and settle customer grievances.

The duties of the head of the Ground Operations Division are described in the Management System Manual maintained by the Company.

Legal Department

The services of the Legal Department are offered by the Parent Company which manages all the respective issues of Olympic Air. The main responsibilities of the Legal Department are as follows:

- To coordinate, manage and monitor the Company's legal issues and affairs.
- To provide legal assistance on the Company's legal issues, with the aim to ensure its compliance with the national and EC legislation and to address any legal issues and affairs.
- To examine as to their legal aspects the work contracts, documents of a significant financial scope, minutes of the Board of Directors and of the General Meeting, decisions of the Board of Directors and the General Meeting, in order for them to be in conformity with the each time applicable legislation.
- To keep records of all the Company's contracts.
- To represent the Company in issues regarding competent and official bodies and to keep files by court case and to update them during their progress.

8. MAIN OPERATION PRINCIPLES OF THE COMPANY

The Company has set forth certain main principles for its orderly operation, which must be followed by the entire personnel and their managerial officers.

Code of Conduct

Olympic Air applies the Code of Conduct of the Parent Company.

The primary aim of the Code of Conduct is the creation of a trust climate among the various tiers and levels of employees and between the employees and the Company.

The need to record rules of conduct principally resulted from the development of the Company's operations, its obligations towards the supervisory bodies, the existence of significant information handled by numerous members of its personnel and the need to establish measures for the prevention of money laundering.

Company's relations with employees

The relationship of the Company's personnel with the Company is governed by the private law, which is in turn governed by the applicable provisions of labor law, as well as the internal procedures on personnel and pay-roll and the Labor Regulation of the Company, which has been ratified with the decision under Ref.No. 116/20.1.2005 issued by the Hellenic Labor Inspectorate.

The selection and recruitment of the senior executive officers of the Company are performed by the Board of Directors of the Company or other bodies in accordance with the delegated responsibilities by the Board of Directors.

The satisfaction of the employees, the security and protection constitute priorities of the Company, given that one of the success factors is the full dedication of the employees to their duties. Care is also given so that the communication channels even with members of the management remain open at all times for all issues appertaining to the personnel and that decisions are made and solutions are found in time.

Duty vis-à-vis the society

The Company acknowledges its responsibility vis-à-vis the society in any transaction instance with suppliers, customers or third parties which are associated with the Company. All the employees of the Company have been informed adequately in order to seek for ways of taking action which contribute positively to the welfare of the society as a whole.

9. POLICIES / PROCEDURES

The Company is subject to the policies, procedures, frameworks and remaining regulations of the Parent Company regarding the compliance with the current statutory and regulatory framework, the risk management, the internal audit, the transactions with related parties, the prevention and management of conflict situations, the management of inside information and sustainable development. In this context, the Company complies with the instructions of the Parent Company on the above issues as well as with any other policy and procedure which is provided for in the Internal Rules of Operation of the Parent Company.

The Chief Executive Officer of the Company must ensure the Company's compliance with the aforementioned, seek for advice and guidance from the competent corporate bodies of the Parent Company, depending on the respective emerging needs, and to report any issue which may affect the implementation of the corporate governance rules of the Parent Company.