

Report of the Audit Committee

C.3: AUDIT COMMITTEE AND AUDITORS

The Audit Committee of OPAP S.A. Group (hereinafter the “AC” or the “Committee”) has the pleasure to present the Committee’s Activity Report for the year 2020.

During 2020, our Company was impacted by the unforeseen consequences of coronavirus (COVID-19) pandemic.

The Management of the Company reacted quickly to pandemic and succeeded in ensuring the safety of our employees and preserving shareholders’ funds.

The Committee is governed by its formal Charter which was approved by the AC and the Board of Directors of OPAP S.A. on 14/10/2020 and is currently publicly available on the Company’s site, as per the provisions of Law 4449/2017 (art. 44 par. 1, indent h), as amended by art. 74 par. 4 of Law 4706/2020 on Corporate Governance of Sociétés Anonymes. The Charter is reviewed annually by the Chairman of the Committee in order to incorporate the requirements set forth in laws and regulations. The Charter guides the Committee in terms of its objective and its responsibilities assigned by the Board of Directors.

The key activities of the Committee during 2020 are set out below.

AC Composition

The Audit Committee is comprised of three independent and non-executive board members, according to the following table:

Name	Position at the AC	Type
Dimitris Potamitis	Chairman	Independent Non-Executive Board Member
Igor Rusek	Member	Independent Non-Executive Board Member
Rudolf Jurcik	Member	Independent Non-Executive Board Member

All members of the Audit Committee were appointed for the first time in October 2013 by the Board of Directors, upon the completion of the transfer of 33% stake of OPAP S.A. to the new owners who have undertaken the management of OPAP S.A. Group. The Committee members were reelected in April 2018 for a 4-year term of office equal to the Board of Director’s tenure, i.e. until April 2022.

All members are qualified and possess the required expertise for such positions. The Chairman has experience in accounting, auditing and risk management.

In accordance with the provisions of the new Corporate Governance law 4706/2020, the board members are not considered independent when the member or a person closely associated to him/her has served as a member of the Board of Directors of the Company or of a related company for more than nine (9) financial years in total as of his/her election. Thus, the existing Committee is expected to be replaced in April 2022.

Audit Committee Meetings

The Committee met six (6) times in 2020, while three (3) additional resolutions were unanimously approved via per rotation signing of minutes, as per the provisions of par. 9.6 of the Audit Committee Charter. Before every AC meeting an agenda is prepared including all items for discussion. The agenda is communicated to each member at least two working days before the meeting. The Minutes of the AC meetings are kept by a Lawyer, member of Corporate Secretariat.

The Chairman of the Committee invites regularly the following persons to attend the AC meetings:

- Chairman of the Board;
- Chief Executive Officer (and former Acting CEO);
- Chief Financial Officer;
- Director of Internal Audit;
- External auditors;
- Top Management Team members and Managers/Directors of Company's departments; (Chief Legal, Regulatory and Compliance Officer, Chief Technology Officer, AML Officer, Operational Finance Director, Credit Control Director, Data Protection Officer, Chief People Officer, Corporate Responsibility & Public Relations Director, Security & Risk Management Director)

The meetings held by the Audit Committee during 2020 and the items discussed are summarized below:

Areas covered and items discussed

1. Audit Committee Charter,
2. Audit Committee Plan 2020,
3. Apollo litigation report/briefing on the status of law suits,
4. Submission of the 2019 Annual AML report to the HGC,
5. Approval of OPAP audit fees for the period 1/1-31/12/2019,
6. Review of non-audit services (NAS),
7. OPAP IA 2019 KPI's and Annual Report,
8. Internal Audit Risk Based Plan 2020,
9. IA Self-Assessment with Independent Validation Proposal;

10. Validation of the IA activity's self-assessment,
11. Report regarding the results of audit on OPAP Group Stand alone and Consolidated Financial Statements for the year ended 31.12.2019,
12. Control of credit risks, Collectability and bad debts, Ageing Analysis of receivables;
13. Approval of the Audit Committee Activity Report for the year ended 31.12.2019;
14. Proposal for the election of Auditing Company for the statutory audit of the Company's Standalone and Consolidated Financial Statements for the current FY and for the issuance of the annual tax report;
15. Meeting with the Chief People Officer, handling coronavirus (COVID-19) crisis,
16. Consolidation as of June 30th, 2020, Half-year results,
17. Audit Issues follow up Q2 2020;
18. Management Letter for 2019,
19. Presentation of the new Law No. 4706/2020 on Corporate Governance of Sociétés Anonymes, especially with regard to the new provisions applied on Audit Committees and Internal Audit Unit, IA Reports and updates;
20. Approval of the updated AC Charter and submission to the Board of Directors of OPAP S.A.;
21. Unaudited Consolidated Financial Statements for the nine-months period ended September 30, 2020,
22. Audit Issues Management process,
23. System of Internal Controls (SIC) evaluation policy and procedure,
24. Risk Register - Risk Management Unit;
25. PwC audit plan for the year ending 31 December 2020,
26. Type of arrangement with Stoiximan,
27. IA Audit Plan for 2021

Under the provision of the Audit Committee Charter (par. 9.5 & 9.11) the Committee reports at least annually to the Board of Directors the Committee's composition, responsibilities and how the Committee has fully discharged all of its responsibilities for the period being reported. The present annual report covers the period from January 1st, 2020 to December 31st, 2020.

Summary of Audit Committee Activities in 2020

- a. Reviewed the annual Standalone and Consolidated Financial Statements for the year ended December 31st, 2019 and further recommended their approval by the Board of Directors;
- b. Reviewed the semiannual Standalone and Consolidated Financial Statements as of June 30th, 2020 and further recommended their approval by the Board of Directors;

- c. Reviewed the quarterly unaudited financial information/Interim Management Statements as of 31.03.2020 and 30.09.2020 and further recommended their approval by the Board of Directors;
- d. Reviewed all the reports issued by the Company's Internal Audit Unit and submitted quarterly reports to the Board of Directors on important issues;
- e. Reviewed the list of long outstanding findings prepared by the Internal Audit Unit, informed the Board of Directors accordingly and recommended the clearance of all outstanding significant issues;
- f. Held regular meetings with the external auditors and discussed their annual audit plan for 2020 as well as other critical audit matters (CAM);
- g. Held meetings with the Company's Directors and Top Management members;
- h. Furthermore, the Committee requested to be advised regarding the accounting treatment of 1,8 billion Euro concerning the valuation of the acquisition of new gaming licenses for the period October 2020 to October 2030;
- i. Conducted its self-assessment report for the year ended 31.12.2020.

Whistleblower protection policy

The Chairman of the Committee has been in a regular contact with the Chief Legal, Regulatory and Compliance Officer of the Company, who is responsible for receiving employees' complaints regarding any possible improprieties in matters of financial reporting, accounting and auditing, any misstatements in the financial statements, potential misappropriation of assets or violation of law and regulations.

Based on above discussion, no complaints were submitted by the employees in order to be reported.

Conclusion

The Audit Committee believes that fulfilled its duties and responsibilities as specified in the updated Audit Committee Charter.

On behalf of the Audit Committee,

Dimitris Potamitis

Chairman