

PRESS RELEASE
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Good Corporate Governance for non-listed Companies

The Hellenic Corporate Governance Council (HCGC) has prepared Special Practices of Good Corporate Governance for non-listed Companies with a focus on Small and Medium-Sized Enterprises (SMEs). The HCGC has begun consultation on the draft of the Special Practices. The open consultation process has been initiated in Greece and abroad while the document can be found on the HCGC portal (www.esed.org.gr). The consultation will last 10 weeks. You are kindly requested to submit your comments electronically at esed@esed.org.gr by June 1, 2016.

The document was drafted by an HCGC Working Group based on a draft document compiled by two lawyers of the law firm *PotamitisVekris*, Mr Stathis Potamitis and Mrs Alexia Tzouni. The Working Group has extensive experience and specialization in the fields of management and operation of non-listed Companies, Large, Small and Medium-Sized Enterprises. Besides Potamitis Vekris Law Firm, members of the Working group are:

Companies: ATHENS EXCHANGE GROUP, ATHENS INTERNATIONAL AIRPORT, CHIPITA SA, DRYLLERAKIS & ASSOCIATES, EY GREECE, ION SA, SIEMENS SA, S&B INDUSTRIAL MINERALS SA

Institutions: AMERICAN-HELLENIC CHAMBER OF COMMERCE, ASSOCIATION OF S.A. & LIMITED LIABILITY COMPANIES, CRAFTSMEN & MERCHANTS (GSEVEE), CSR HELLAS, HELLENIC CONFEDERATION OF PROFESSIONALS, HELLENIC INSTITUTE OF INTERNAL AUDITORS, , HELLENIC INVESTORS ASSOCIATION, SEV-HELLENIC FEDERATION OF ENTERPRISES

The Special Practices of Good Corporate Governance are addressed to all type of unlisted companies, for instance, start-up companies, companies with one shareholder who is also the manager of the company, family-owned businesses, consortia and subsidiaries of listed companies.

The Working Group sought to establish a document on Special Practices which would supplement the corporate legislation, emphasizing on unregulated matters. The above-mentioned regulatory gaps are potentially related to the evolution of trading

practices and the recent emergence of good corporate governance as a significant success factor for undertakings.

Good corporate governance has a crucial contribution to make to the development and evolution of non-listed companies: it can improve a company's funding prospects (since the company shall have a greater level of transparency in terms of its management and as a consequence a safer current assessment and a safer prediction of the company's future perspective). Moreover, good corporate governance reinforces a company's reputation and brand awareness while it improves its competitiveness. Corporate governance might equally improve the status of minorities and other stakeholders, establishing a safer environment for its funding and its suppliers.

Areas covered by the Special Practices of Good Corporate Governance are: The board and its members, Remuneration, System of Internal Controls, Risk Management, Regulatory Compliance, Relations with shareholders, Relations with other stakeholders, IT Systems and Family –owned Businesses.

Special Practices aspire to facilitate the adoption of a corporate governance framework and they have been divided into two, distinct dynamic phases based on the size, the complexity, the targets and the level of maturity of each company. Phase 1 Special Practices shall be applicable to all non-listed companies, while Phase 2 Special Practices are applicable to large and more complex enterprises.

The HCGC's objective is to establish Special Practices of Good Corporate Governance as an effective and efficient tool to the benefit of enterprises and Greek entrepreneurship in general.

For more information, please contact us at +302103366894 and/or via email esed@esed.org.gr.