

HELLENIC DEVELOPMENT BANK OF INVESTMENTS CALL FOR THE EXPRESSION OF INTEREST

InnovateNow

I. INTRODUCTION

Pursuant to the as of 2022 April 1st. Agreement between the Hellenic Development Bank of Investments S.A. (HDBI) and the Hellenic Republic, HDBI has undertaken the mandate to manage the resources originating from the Recovery and Resilience Facility and to execute the project:

«Recovery and Resilience Facility: Equity Platform Instrument (Q-equity & InnovateNow)».

In the context of the above project, HDBI has in particular undertaken inter-alia the mandate of the sub-project "**InnovateNow**" (for the purposes of this call hereinafter referred to as the "**Project**"), in the total amount of one hundred million Euros (€ 100,000,000). InnovateNow aims at the participation of HDBI in newly established venture capital funds (private equity funds) that will invest through equity / quasi equity instruments in small and medium-sized enterprises (SMEs) that maintain an establishment in Greece at the time of the investment. These enterprises should have innovative features and be active in rapidly growing sectors of the economy, such as. of information technology, biotechnology, microelectronics and contribute to the production process through the development of Cyber-physical systems, IoT, On-demand availability of computer system resources, cognitive computing, robotic applications, artificial intelligence, nanotechnology, genomics, cyberspace, big data analysis etc. The financial intermediaries should be managed by private sector entities and invest with private economic criteria, in accordance with current legislation and the terms of this call.

The assigned Project resources shall be managed by HDBI in accordance with the applicable statutory framework, as in force from time to time, the terms of the aforementioned Agreement of 01-04-2022 with the Greek State, and the internal procedures / regulations of HDBI.

To that effect, HDBI is inviting interested parties, who intend to establish and manage financial intermediaries (as these defined below), to submit proposals to HDBI regarding its possible participation in these under the following terms and conditions. The purpose of this call is to sign a management agreement with those participants who express interest and fulfill the criteria of this call until the financial resources available for this Project are exhausted.

This present call is posted on the website of HDBI and is kept active until 31-12-2024, unless a prior announcement is posted on the same website regarding the exhaustion of the financial resources available for the implementation of the Project.

II. DEFINITIONS

In the present, the following words and expression are defined as follows, unless contextually inferring otherwise.

AIFM SA	Any AIFM organised in the form of a (société anonyme), registered in Greece and has obtained an operating license from the Hellenic Capital Market Commission (HCMC).
VC Fund	A Venture Capital Fund as defined in article 7 of Law 2992/2002 (Government Gazette A' 54), as in force.
Excluded Activities	<u>A. Fossil fuel-based energy production and related activities</u> (1) Coal mining, processing, transport and storage;

	<p>(2) Oil exploration & production, refining, transport, distribution and storage.</p> <p>(3) Natural gas exploration & production, liquefaction, regasification, transport, distribution and storage.</p> <p>(4) Electricity power generation exceeding the Emissions Performance Standard (i.e. 250 grams of CO₂e per kWh of electricity), applicable to fossil fuel-fired power and cogeneration plants, geothermal and hydropower plants with large reservoirs.</p> <p><u>B. Energy-intensive and / or high-CO₂ emitting-industries</u></p> <p>(1) Manufacture of other inorganic basic chemicals (NACE 20.13)</p> <p>(2) Manufacture of other organic basic chemicals (NACE 20.14)</p> <p>(3) Manufacture of fertilizers and nitrogen compounds (NACE 20.15)</p> <p>(4) Manufacture of plastics in primary forms (NACE 20.16)</p> <p>(5) Manufacture of Cement (NACE 23.51)</p> <p>(6) Manufacture of basic iron and steel and ferro-alloys (NACE 24.10)</p> <p>(7) Manufacture of pipes, tubes, hollow profiles and related fittings of steel (NACE 24.20)</p> <p>(8) Manufacture of other products of first processing of steel (NACE 24.30, incl. 24.31-24.34)</p> <p>(9) Aluminum production (NACE 24.42)</p> <p>(10) Manufacture of conventionally - fuel aircraft and</p>
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	<p>related machinery (sub-sector NACE 30.30)</p> <p>(11) Air transport, airports and service activities incidental to air transportation (NACE 51.10, 51.21 and 52.23)</p>
(Fund) Manager	<p>(a) any AIFM (including any AIFM SA) appointed by the AIF or on behalf of the AIF, and is due to, such appointment, responsible for the management of the AIF, or</p> <p>(b) the AIF itself, that is licensed as an AIF, if required, in case that the legal form of the AIF allows the internal management and if the management party of the AIF chooses not to appoint an external AIFM.</p>
AIFM	Any legal entity whose usual activity is the management of one or more AIFs.
HDBI	Has the meaning attributed to this term in the Introduction of herein and is an entrusted entity (according to the Commission Regulation 651/2014 article 2, paragraph 79), as amended and in force.
Expression of Interest	A proposal by an interested party that responds to this Call for the establishment and management of a Financial Intermediary, which is submitted in the form of a proposal along with the accompanying documents as set out in Annex 1 hereto and contains at minimum the information referred to in Chapter VII (CONTENTS OF THE EXPRESSION OF INTEREST AND SELECTION CRITERIA).
VC Firm	A Venture Capital Firm, as defined in article 5 of law 2367/1995 (Government Gazette A' 261), as in force.
Financial	Any VC Fund, VC Firm or other equivalent foreign venture capital scheme, established and placed under

Intermediary	the management of a Manager, for the purpose of investing in Investment Targets, under the general terms of Chapters IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES), VI (HDBI PARTICIPATION TERMS) herein and pursuant to the provisions of Commission Regulation 651/2014 (article 2, paragraph 34), as amended and in force.
Follow-on Investment	The additional risk finance investment in a company subsequent to one or more previous investment rounds
Investment Committee	Has the meaning as given to this term in Chapter VI (HDBI PARTICIPATION TERMS) par. (7) (a) herein.
Project	Has the meaning given to this term in Chapter I (INTRODUCTION) herein.
Private Investors	Independent Private investors that: (a) irrespective of their ownership structure, pursue a purely commercial interest, use their own resources and bear the full risk in respect of their investment, and include, in particular: credit institutions investing at own risk and from own resources, private endowments and foundations, family offices and business angels, corporate investors, insurance undertakings, pension funds, academic institutions, as well as natural persons who either conduct an economic activity or not. The European Investment Bank, the European Investment Fund, an international financial institution in which a Member State is a shareholder, or a legal entity that carries out financial activities on a professional basis which has been given a mandate by a Member State or

	<p>a Member State's entity at central, regional or local level to carry out development or promotional activities (national promotional bank or another promotional institution), will not be considered private investors for the purposes of this definition. 'Independent' investor means an investor that is not a shareholder of the eligible undertaking in which it invests. In the context of follow-on investments, an investor remains 'independent' if it was considered as an independent investor in a previous investment round. Upon the creation of a new company, any private investors, including the founders, of such new company, are considered to be independent from that company;</p> <p>(b) are financially and structurally independent of the Manager and of any entities and / or persons associated with the Manager;</p> <p>(c) are financially and structurally independent of the Investment Targets in case an investment is made, and of any entities and / or persons associated with the Investment Targets.</p>
Private Capital	Private Investors' funds in accordance with the meaning given to this term in the section "Contribution of Private Capital" of the table of Chapter IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES).
Small-and Medium sized Enterprise	An enterprise, as defined in Annex I to the Commission Regulation 651 /2014, as amended and in force, declaring certain categories of aid compatible with the

(SME)	internal market in application of Articles 107 and 108 of the Treaty (2014/L187/12) by category.
AIF	An alternative investment fund, as defined in Article 4(a) of Law 4209/2013 (Government Gazette 253/A), as in force from time to time.
Resources (Financial)	The total amount of up to one hundred million euros (€100,000,000), concerning the execution of the Project.
State-Aid Regime	Pursuant to the common provisions of Chapter I and article 21 of Commission Regulation (EU) No 651/2014 of the 17th of June, 2014, as amended and in force ¹ .
Undertaking in Difficulty	<p>Any “Undertaking in Difficulty”, as such term is defined in paragraph 18 of article 2 of the Commission Regulation EU No 651/2014, as amended and in force., i.e., an undertaking in respect of which at least one of the following circumstances occurs:</p> <p>(a) In the case of a limited liability company (other than an SME that has been in existence for less than 3 years or, for the purposes of eligibility for risk finance aid, an SME that fulfils the condition in Article 21 (3), point (b), and qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the</p>

¹ Upon expiry of Commission Regulation (EU) 651/2014 of 17 June 2014, as in force and amended by Council Decision (EU) 2023/1351, the Project will be amended accordingly.

	<p>subscribed share capital. For the purposes of this provision, 'limited liability company' refers in particular to the types of company mentioned in Annex I to Directive 2013/34/EU of the European Parliament and of the Council² and 'share capital' includes, where relevant, any share premium.</p> <p>(b) In the case of a company where at least some of its members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than 3 years or, for the purposes of eligibility for risk finance aid, an SME that fulfils the condition in Article 21, point (b), and qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, 'a company where at least some of its members have unlimited liability for the debt of the company' refers in particular to the types of company mentioned in Annex II to Directive 2013/34/EU.</p> <p>(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.</p> <p>(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.</p>
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² Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).

	<p>(e) In the case of an undertaking that is not an SME, where, for the past two years:</p> <p>(1) the undertaking's book debt to equity ratio has been greater than 7,5 and</p> <p>(2) the undertaking's EBITDA interest coverage ratio has been below 1,0.</p>
Prior Expression of Interest	As such term is defined in paragraph 10, Chapter VIII herein
Call	This Invitation for Expressions of Interest entitled InnovateNow.
Investment Target	Meaning any private undertaking, in which an investment is examined or made by the Financial Intermediary.
Management Agreement	An agreement on the establishment and management of a Financial Intermediary, or, if the latter is an internally managed AIF, its Articles of Incorporation and Rules of Operations or any agreement between its shareholders/partners regarding its management
Investment Contract	Any agreement between (a) Financial Intermediary and (b) Investment Target and / or its shareholders / partners, regarding the investment of the Financial Intermediary in that Investment Target.

III. PARTICIPATION ELIGIBILITY

Eligible to participate has any interested natural or legal person, who intends to establish and manage Financial Intermediaries for as long as Financial Resources are available.

IV. DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES

<p>Manager</p>	<p>The Manager of the Financial Intermediary is required to:</p> <ul style="list-style-type: none"> - manage the Financial Intermediary on the basis of commercial principles, - be independent and able to make management and investment decisions independently, - consist of a team of experienced professionals, - act with the diligence of a professional manager, in good faith, avoiding conflicts of interest and applying best practices and regulatory supervision, - be compensated in accordance with market practices, depending on its performance and assumes part of the investment risks by participating in the Financial Intermediary with own resources, so that its interests at all times are aligned with the interests of HDBI and other investors, - draw up the investment strategy, criteria and proposed investment timetable, - operate in accordance with market best practices and professional standards issued by Invest Europe, ILPA or another relevant Authority and carry out appropriate audits, - commit not to hold its establishment in non-cooperative tax jurisdictions according to the EU list contained in the "Council Conclusions on the revised EU list of non-cooperative tax jurisdictions" (2020 / C64 / 03) and not to trade professionally with entities
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	<p>based in the above areas,</p> <ul style="list-style-type: none"> - ensure the compliance of both the Manager and the Financial Intermediary with the applicable law, including the rules governing the relevant national laws and regulations, the Provided State Aid Scheme [including Article 9 of Regulation (EU) 651 / 2014), as amended and in force, (obligation to register data in SANI, the TAM (Transparency Award module) and the annual registration of implementation data in the SARI system for EU information)], money laundering, the fight against terrorism and tax fraud, - ensure compliance with the Commission Communication (2021 / C 58/01) “Technical guidance on the application of the ‘Do no significant harm’ principle under the Regulation establishing the Resilience and Recovery Facility prior to the investment decision.
Duration of the Financial Intermediary	The total duration of the Financial Intermediary is set at ten years with the possibility of two consecutive annual extensions (10 + 1 + 1 years).
Duration of the Investment Period	The duration of the investment period is set at four years with the possibility of an annual extension (4 + 1).
Maximum level-limit of Investment per Investment Target	Up to 15% of the total funds under management with a maximum total investment amount of sixteen million five hundred thousand euros (€16,500,000) per Investment Target.
Replacement Capital	<p>Not allowed.</p> <p>The acquisition of any securities by the Financial Intermediaries will take place only with their participation in a capital increase of the company, or</p>

	<p>in the conclusion of a convertible bond loan or with a corresponding use of other quasi-equity investments, forbidding the purchase of existing securities or existing securities from their owners.</p> <p>It is allowed for the Financial Intermediary to acquire securities or shares as a product of the execution of securing rights of their respective investment, rights that have been agreed on reasonable terms during the time of investment, or as a product of the exercise of options, aimed at achieving the agreed/preset participation of the Financial Intermediary on the total capital structure of the business in which the investment has been carried out, based on the valuation of the company on the occasion of subsequent financing rounds or issuance of securities or units, through the transfer to the Financial Intermediary of existing securities or units without a fee or at a symbolic price.</p>
<p>Follow-on Investments</p>	<p>1. Follow-on Investments can be made in Investment Targets, including after the eligibility period referred to in paragraph 2, point (b), of the section "Investment Targets Characteristics", i.e. after the 10 years following their registration, or after the 7 years after their first commercial sale, , provided that the following conditions are cumulatively met:</p> <p>a) the total permitted amount of business risk financing referred to in paragraph 8 of article 21 of Reg. 651/2014, as amended and in force is not exceeded;</p> <p>b) the possibility of Follow-on Investments was foreseen in the original business plan;</p>

	<p>c) the undertaking receiving Follow-on Investments has not become linked, within the meaning of Article 3 (3) of Annex I to Regulation (EU) 651/2014, with any other undertaking other than the Financial Intermediary or the independent private investor providing risk finance, unless the new entity meets the definition of SMEs.</p> <p>2. In any case, the investment in a specific Investment Target cannot exceed 15% of the total funds under management. The total amount for follow-on investments after the end of the investment period may not exceed 30% of the total funds under management.</p>
Type of financing	Equity or/and quasi equity. (Indicatively, acquisition of common or preferred shares and / or bonds convertible into shares, and / or bonds that provide additional rights to be received in addition to interest).
Development Stage of the Investment Target	Startup / Growth / Expansion
Financial Intermediaries Investment Targets	Financial Intermediaries will invest in companies operating in fast-growing sectors of the economy, such as of information technology, biotechnology, microelectronics and contribute to the production process through the development of Cyber-physical systems, IoT, On-demand availability of computer system resources, cognitive computing, robotic applications, artificial intelligence, nanotechnology, genomics, cyberspace, big data analysis etc.
Investment Targets	1. Non-listed, Small and Medium Enterprises (SMEs)

<p>Characteristics</p>	<p>with share capital, which are not Undertakings in Difficulty and maintain an establishment in Greek territory at the time of investment realization and respect fully the climatic and environmental standards and priorities of the European Union and the principle of "do no significant harm" in accordance with the provisions of the Commission Communication (2021 / C 58/01) "Technical guidance on the application of the principle of 'do no significant harm' in the framework of the Regulation establishing the Recovery and Resilience Facility".</p> <p>2. The Investment Targets at the time of the initial investment must additionally meet at least one of the following conditions and in accordance with paragraph 3 article 21 of the Regulation (EU) 651/2014, as amended and in force:</p> <p>(a) they must not operate in any market;</p> <p>(b) they must operate in any market for any of the following:</p> <p>(i) less than 10 years following their registration; or</p> <p>(ii) less than 7 years after their first commercial sale.³</p> <p>(c) they require an initial investment which, based on a business plan prepared in view of a new economic activity, is higher than 50 % of their average annual</p>
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³ Where one of the eligibility periods referred to in points (i) and (ii) has been applied to a given undertaking, only that period can be applied also to any subsequent risk finance aid to the same undertaking. For undertakings that have acquired another undertaking or were formed through a merger, the eligibility period applied shall also encompass the operations of the acquired undertaking or the merged undertakings, respectively, except for such acquired or merged undertakings whose turnover accounts for less than 10 % of the turnover of the acquiring undertaking in the financial year preceding the acquisition or, in case of undertakings formed through a merger, less than 10 % of the combined turnover that the merging undertakings had in the financial year preceding the merger. Concerning the eligibility period referred to in point (i), if applied, for undertakings that are not subject to registration, the eligibility period shall start from either the moment when the undertaking starts its economic activity or the moment when it becomes liable to tax with regard to its economic activity, whichever is earlier;

	<p>turnover in the preceding 5 years. By way of derogation from the first sentence, that threshold shall be limited to 30 % with regard to the following investments, which shall be considered initial investments into a new economic activity:</p> <p>(i) investments significantly improving the environmental performance of the activity in accordance with Article 36 paragraph 2 of the Regulation (EU) 651/2014, as amended and in force;</p> <p>(ii) other environmentally sustainable investments as defined in Article 2 point 1 of Regulation (EU) 2020/852;</p> <p>(iii) investments aiming at increasing capacity for the extraction, separation, refining, processing or recycling of a critical raw material listed in Annex IV of the Regulation (EU) 651/2014, as amended and in force.</p> <p>.</p>
<p>Non-Eligible Investment</p>	<p>Investments are prohibited in a sector or an Investment Target which is not allowed under the applicable legislation that governs HDBI or the origin of the Resources. These are investments in:</p> <ol style="list-style-type: none"> 1. undertakings engaged in any illegal economic activity, any activity which results in a restriction on individual rights and freedoms or violation of human rights, any activity not acceptable in environmental and social terms, any activity with a controversial ethical and moral content; 2. undertakings in Difficulty; 3. any undertaking that fall under the Deggendorf rule, i.e. undertakings for which an aid recovery

	<p>procedure is pending following a previous decision by the European Commission or the Court of Justice of the European Union declaring such aid illegal and incompatible with the internal market;</p> <p>4. undertakings engaged in any of the Excluded Activities⁴;</p> <p>5. undertakings, which in the financial year preceding the time of investment, have derived more than 10% of their revenues directly from activities and assets included in the Annex to the Council Implementing Decision approving the assessment of Greece's Recovery and Resilience Plan⁵, namely from activities and assets: (a) related to fossil fuels, including downstream use⁶, (b) under the EU Emissions Trading System (ETS) to achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks⁷, (c) related to waste landfills, incinerators⁸ and mechanical biological treatment</p>
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⁴ It is possible to make an investment in an Investment Target that carries out an Excluded Activity, provided that this activity, although "excluded", can be considered environmentally sustainable in line with Regulation (EU) 2020/852 of Regulation (EU) 2020/852 and the technical screening criteria of Commission Delegated Regulation (EU) 2021/2139).

⁵ For this information refer to Chapter R.3. Description of the reforms and investments for the loan, Investment: Loan Facility (measure ID 16980), p. 236, (<https://data.consilium.europa.eu/doc/document/ST-10152-2021-ADD-1/el/pdf>).

⁶ Excluding the activities that involve power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the "Do no Significant Harm" Technical Guidance (2021/C58/01). (It is made clear that this does not apply to Excluded Activities).

⁷ Where the activity achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible should be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System as set out in the Commission Implementing Regulation (EU) 2021/447. (Please note that this does not apply to Excluded Activities).

⁸ This exclusion does not apply to investments in plants exclusively dedicated to treating of non-recyclable hazardous waste as well as to existing plants where the investments are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from the incineration of ashes, provided that such investments made do not result in an increase of the plant's

	<p>plants⁹ and (d) where the long-term disposal of waste may cause harm to the environment;</p> <p>6. undertakings carrying out activities which are excluded from the scope of Article 1 of the Rules of Procedure Regulation (EC) No 651/2014, as amended and in force, namely:</p> <p>a. aid schemes for access to finance for SMEs with an average annual state aid budget exceeding EUR 150 million; six months after their entry into force (this Regulation may continue to apply for a longer period to any of these aid schemes, after examination of the relevant evaluation plan, which shall be notified by the Member State to the Commission within 20 working days of the entry into force of the scheme),</p> <p>b. any changes to the schemes referred to above, with the exception of amendments which are not liable to affect the compatibility of the aid scheme under that Regulation or which are not liable to significantly affect the content of the approved evaluation plan,</p> <p>c. aid for activities linked to exports to third countries or to Member States, in particular aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current costs linked to the export activity,</p>
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waste processing capacity or in an extension of the lifetime of these plants; for which, evidence shall be provided at plant level. (Please note that this does not apply to Excluded Activities).

⁹ This exclusion does not apply to investments in existing mechanical biological treatment plants, where the investment achieves an increase in energy efficiency or in the retrofitting to the recycling operations of separated waste to compost biowaste and anaerobic digestion of bio-waste, provided that the investments made do not result in an increase of the plant's waste processing capacity or in an extension of the lifetime of the plants; for which, evidence is provided at plant level. (Please note that this does not apply to Excluded Activities).

	<p>d. aid contingent upon the preferential use of domestic over imported products;</p> <p>e. in the area of the processing and marketing of agricultural products if the amount of aid is fixed on the basis of the price or quantity of those products bought in by primary producers or marketed by the undertakings concerned; or where the aid is accompanied by an obligation to reimburse it in part or in full to primary producers;</p> <p>f. aid to facilitate the closure of uncompetitive coal mines (Council Decision 2010/787).</p>
<p>Participation of other investors – Contribution of Private Capital</p>	<p>1. The participation of other investors in the Financial Intermediary cannot be less than 40% of its total capital, while there is a provision of setting a high limit of net return cap on HDBI's participation to the Financial Intermediary for the benefit of other investors.</p> <p>2. At the time of the investment in an Investment Target the percentage of the participation to the company covered by Recovery and Resilience Facility resources, shall not exceed 50% of the said investment.</p> <p>3. The overall contribution of the Private Investors shall reach the minimum thresholds referred to paragraph 12 of the article 21 of the Regulation (EC) No 651/2014, as amended and in force¹⁰.</p>

¹⁰ The public contribution provided to the financial intermediary shall leverage additional finance from independent private investors at the level of the financial intermediaries or the eligible undertakings, so as to achieve an aggregate private participation rate reaching the following minimum thresholds: (a) 10 % of the risk finance investment provided to the eligible undertakings that they have not been operating in any market; (b) 40 % of the risk finance investment provided to the eligible undertakings that they have been operating in any market for less than 10 years following their registration; or less than 7 years after their first commercial sale; (c) 60 % of the risk finance investment provided to the eligible undertakings referred to in paragraph 2, point (b), of the section "Investment Targets Characteristics",

	<p>4. The Manager of the Financial Intermediary will be obliged to ensure that, where the Financial Intermediary targeting eligible undertakings at different development stages as referred to in paragraphs 3 and 4 of the article 21 of the Regulation (EC) No 651/2014, as amended and in force, the Financial Intermediary shall achieve a private participation rate that represents at least the weighted average based on the volume of the individual investments in the underlying portfolio and resulting from the application of the minimum participation rates to such investments as referred to in paragraph 12 of the same article, unless the required participation from Private Investors is achieved at the level of the eligible undertakings.</p>
<p>Management fee</p>	<p>The management fee must be in line with commercial practice. The annual management fee will be calculated as a percentage of the total funds during the investment period, which will be assessed in relation to the management budget. After the investment period, the annual remuneration is calculated as a percentage of the invested funds less the cost of liquidations, while it is possible to define it as a fixed amount.</p>
<p>Due Diligence prior to the Investment</p>	<p>1. The Manager will make investment decisions based on the business plan of each investment, which should contain a product description, calculations and forecasts of turnover and profitability, a prior</p>

and for follow-on risk finance investment in eligible undertakings after the eligibility period referred to in paragraph 2 point (b), of the section "Investment Targets Characteristics".

	<p>assessment of the viability of the project, as well as the clear and realistic exit strategy of each investment.</p> <p>2. Before taking an investment decision, the Manager is required to have ensured compliance with the Commission Communication (2021/C 58/01) "Technical guidance on the application of the principle of 'no significant harm' in the context of the Regulation establishing the Recovery and Resilience Mechanism". For this purpose, the Manager must:</p> <p>a) apply the Commission's technical guidance document on the sustainability proofing for the InvestEU Fund (Communication of the European Commission 2021/C 280/01),</p> <p>b) ensure that the Investment Target does not carry out any Excluded Activity. Nevertheless, it is possible to invest in an Investment Target that carries out an Excluded Activity, provided that this activity, although "excluded", can be considered environmentally sustainable in line with the Taxonomy Regulation (EU) 2020/852 and the technical screening criteria defined in the Commission Delegated Regulation (EU) 2021/2139 ¹¹,</p> <p>c) ensure that the Investment Target in the financial year preceding the time of the investment did not derive more than 10% of its revenues directly from the activities and assets included in the Annex to the Council Implementing Decision approving the assessment of Greece's¹², Recovery and Resilience</p>
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¹¹ For example, if an Investment Target maintains an installation in which activities are carried out under the European Union Emissions Trading System (ETS/ EU ETS), all installations must be below the values of the relevant benchmarks.

¹² For this information refer to Chapter R.3. "Description of the reforms and investments associated with

	<p>Plan, namely from activities and assets i) related to fossil fuels, including downstream use¹³, ii) under the EU Emissions Trading System (ETS) to achieving projected greenhouse gas emissions that are not lower than the benchmarks¹⁴, iii) related to waste landfills, incinerators¹⁵ and mechanical biological treatment¹⁶ plants and iv) where the long-term waste disposal of waste may cause harm to the environment , and</p> <p>d) verify - through a statutory audit by an independent auditor - the legal compliance of the Investment Target with European and national environmental legislation for all its transactions, including those excluded from the sustainability audit under (a) control.</p>
<p>Distribution of proceeds</p>	<p>1. Determination of the net return on HDBI's investment at a rate of 4% per annum for the benefit of the other investors.</p>

obtaining a loan, Investment: Loan facility (measure 16980), p. 236", (<https://data.consilium.europa.eu/doc/document/ST-10152-2021-ADD-1/el/pdf>).

¹³ Excluding the activities related to the production of electricity and/or heat, as well as to the related transmission and distribution infrastructure, using natural gas, which meet the conditions set out in Annex III of the technical guidance on the application of the principle of (Do no Significant Harm Technical Guidance (2021/C58/01)). (It is clarified that this does not apply to Excluded Activities).

¹⁴ Where the activity achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, documentation on why this is not possible should be provided. Benchmarks set for free allocation in respect of activities falling within the scope of the Emissions Trading System as defined in Commission Implementing Regulation (EU) 2021/447. (Please note that this does not apply to Excluded Activities).

¹⁵ This exemption does not apply to investments in the creation of plants dedicated to the treatment of non-recyclable hazardous waste as well as to existing plants where the investments are aimed at increasing energy efficiency, sequestering exhaust gases for storage or use or recovering materials from the incineration of ash, provided that the investments made do not lead to an increase in the waste treatment capacity of the plants or to an extension of the the lifespan of these plants; for this purpose, evidence shall be provided at unit level. (Please note that this does not apply to The Excluded Activities).

¹⁶ This exclusion does not apply to investments in existing mechanical biological treatment plants, where the investment achieves an increase in energy efficiency or in the retrofitting to the recycling operations of separated waste to compost biowaste and anaerobic digestion of bio-waste, provided that the investments made do not result in an increase of the plant's waste processing capacity or in an extension of the lifetime of the plants; for which, evidence is provided at plant level. (Please note that this does not apply to Excluded Activities).

	<p>2. Alternatively, provision of the possibility of distribution of pari passu between HDBI and the other investors and remuneration based on return (carried interest) after an agreed hurdle rate.</p>
<p>Additional features of the Financial Intermediary</p>	<p>1. Provision for the representation of investors in the governance bodies of the Financial Intermediary, such as the Supervisory Board or the Advisory Committee.</p> <p>2. The amount of the capital contributions and non-distributed committed capital of the Financial Intermediary used for liquidity management purposes may not exceed 20 %.</p>
<p>Regulatory Compliance</p>	<p>Procedures for KYC/AML, thorough audits for investors and management of conflicts of interest by the Manager in accordance with the applicable national legislation.</p>
<p>Reports</p>	<p>The Manager will provide HDBI with periodic information in a standardized format and in accordance with the standards of Invest Europe for reporting. It should also submit the necessary information to supplement the annual reports referred to in Article 11 of the Rules of Procedure. 651/2014, when applicable, as amended and in force.</p>
<p>Monitoring and Control</p>	<p>The Manager and the Investment Targets shall keep records in accordance with the applicable legislation and the Investment Agreements. For that purpose, the Manager shall include appropriate provisions in each Investment Agreement for the preservation of all records 10 years after the last individual investment has been carried out. The Manager is obliged to have at his disposal and provide access to documents</p>

	<p>related to the Project to each duly authorized person of HDBI to carry out audits and in accordance with the provisions of Article 12 of the Regulation. 651/2014, as amended and in force.</p>
Publicity	<p>The Manager should make adequate publicity activities and ensure the visibility of the funding through InnovateNow in accordance with the specific terms to be included in the relevant Agreement.</p> <p>Also, the Manager must comply with the provision of article 9 para. 1 of regulation EU 651/2014, as amended and in force, procedure and send the, to be published, data of individual aid referred to the aforementioned article, exceeding one hundred thousand euros (€ 100,000).</p>
State Aid cumulation	<p>1. Concerning accumulation, it is clarified that the aid granted may be cumulated with any other State aid with identifiable eligible costs. The aid may be accumulated with any other State aid without identifiable eligible expenses, up to the highest relevant limit (percentage) of total funding as determined on the basis of the specific data of each case by Article 8 of the Regulation. EU 651/14 or other block exemption regulation or decision issued by the Commission.</p> <p>2. Especially, for limits and maximum aid intensities in accordance with Article 8 of Regulation EU No 651/14, as amended and in force, the total amount of aid shall be taken into account.</p> <p>a) Where Union funding centrally managed by the institutions, agencies, joint undertakings or other</p>

bodies of the Union that is not directly or indirectly under the control of the Member State is combined with State aid, only the latter shall be considered for determining whether notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted in relation to the same eligible costs does not exceed the most favourable funding rate laid down in the applicable rules of Union law.

b) Aid without identifiable eligible costs exempted under Article 21 of Regulation EU 651/2014 (Aid for risk finance) may be cumulated with any other State aid with identifiable eligible costs. Aid without identifiable eligible costs may be cumulated with any other State aid without identifiable eligible costs, up to the highest relevant total financing threshold fixed in the specific circumstances of each case by this or another block exemption regulation or decision adopted by the Commission.

c) Aid with identifiable eligible costs exempted by this Regulation may be cumulated with any other State aid, as long as those measures concern different identifiable eligible costs.

d) Aid with identifiable eligible costs exempted by this Regulation may be cumulated with any other State aid, in relation to the same eligible costs, partly or fully overlapping, only if such cumulation does not result in exceeding the highest aid intensity or aid amount applicable to this aid.

e) State aid exempted under Regulation (EU) No 651/2014 shall not be cumulated with any de minimis

	aid relating to the same eligible costs if such cumulation would result in an aid intensity exceeding those laid down in Chapter III of Regulation (EU) No 651/2014.
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V. GROUNDS FOR EXCLUSION

1. Any interested party who has been convicted by means of an irrevocable court judgment for any of the following crimes shall be excluded from this Call:

a) participation in a criminal organization, as defined in article 2 of Council Framework Decision 2008/841/JHA of 24 October 2008 (OJ L 300 of 11.11.2008, p. 42) on the fight against organized crime and crimes under article 187 of the Penal Code (criminal organization),

b) bribery, as defined in Article 3 of the Convention regarding the fight against corruption involving officials of the European Communities or of Member States of the European Union (OJ C 195 of 25 June 1997, p. 1) and Article 2(1) of Council Framework Decision 2003/568/JHA of 22 July 2003, on combating corruption in the private sector (OJ L 192 of 31.7.2003, p. 54) and as defined in the applicable laws or in the economic operator's national legislation and the crimes of articles 159A (bribery of politicians), 236 (bribery of an official) 237 (2-4) (bribery of court officials), 237A (2) (trade of influence through intermediaries), 396 (2) (bribery in private sector) of the Penal Code,

c) fraud against the financial interests of the Union, within the meaning of Articles 3 and 4 of Directive (EU) 2017/1371 of the European Parliament and of the Council of 5th July 2017 on combating, through criminal law, fraud against financial interests of the Union (L 198/28.07.2017), which was incorporated in the national legislation with Law 4689/2020 (A '103), and the crimes of articles 159A (bribery of politicians), 216 (forgery), 236 (bribery of an employee), 237 (2-4)

(bribery of court officials), 242 (false certificate, forgery, etc.), 374 (fraudulent theft), 375 (embezzlement), 386 (fraud), 386A (computer fraud), 386B (subsidy fraud), 390 (infidelity) of the Penal Code and articles 155. of the National Customs Code (Law 2960/2001, A '265), when directed against the financial interests of the European Union or related to the infringement of these interests, as well as the crimes of articles 23 (cross-border VAT fraud) and 24 (subsidiary provisions for the criminal protection of the financial interests of the European Union) of law 4689/2020 (A '103),

d) terrorist crimes or crimes linked to terrorist activities, as defined in Articles 3-4 and 5-6 respectively of the Directive (EU) 2017/514 of the European Parliament and of the Council of 5th July 2017 on combating terrorism and the replacement of Council Framework Decision 2002/475 / JHA and the amendment of Council Decision 2005/671 / JHA (OJ L 88 / 31.03.2017) or incitement or complicity or attempted crime as defined in Article 14 and the crimes of articles 187A and 187B of the Penal Code, as well as the crimes of articles 32-35 of law 4689/2020 (A '103),

e) money laundering or terrorist financing as defined in Article 1 of Directive 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing, the amendment of the regulation (EU) n. 648/2012 of the European Parliament and of the Council, and the repealing Directive 2005/60/EC of the European Parliament and of the Council and the Directive 2006/70/EC of the Committee (OJ L 141/05.06.2015) which was transposed into Greek law by Law 4557/2018 (A' 139) and the crimes of articles 2 and 9 of L.4557/2018 (A' 139),

f) child labor or other forms of human trafficking, as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combating trafficking of human beings and

protection of its victims, and in the replacement of Council Framework Decision 2002/629/JHA (OJ L 101 of 15.4.2011, p. 1), as transposed into the Greek law by Law 4198/2013 (215/A) and the crimes of article 323A of the Penal Code (human trafficking),

g) crimes punishable under the laws governing the market of securities / transferable securities / payments instruments, including laws on market manipulation, acts of persons in possession of confidential information, usury, infidelity, misappropriation or financial crime in general.

2. In addition, excluded parties from the procedure of the present call, are ones that HDBI:

a) knows they have defaulted on their tax or social security obligations, and this is established by means of an irrevocable and enforceable court judgment or administrative order, in accordance with the laws of the country in which such parties are established or under national law,

b) can prove with sufficient evidence that they have defaulted on their tax or social security obligations,

c) knows or can prove with sufficient evidence that, within two (2) years from the date an Expression of Interest was submitted: i) 3 decisions imposing fines issued by the competent inspectors of the Labor Inspectorate for breaches of labor law which are characterized by Ministerial Decision No. 2063/D1632/2011 (Government Gazette 266/B) as in force as of "high" or "very high" severity, resulting from 3 inspections carried out, or ii) 2 decisions imposing fines issued by the competent inspectors of the Labor Inspectorate for breaches of labor law relating to undeclared work, resulting from 2 inspections carried out. The sanctions set out in sections (i) and (ii) above must have become irrevocable and enforceable.

If an interested party is a Greek citizen or an entity established in Greece, its social security obligations include both primary and supplementary insurance.

The provisions of sections (a), (b) and (c) above shall no longer apply if the participant-economic entity concerned has fulfilled its obligations either by paying the relevant amount of taxes or social security contributions due, including, as applicable, any amount of accrued interest or fines, or by entering into a binding payment arrangement.

3. The exclusion of Interested parties as per paragraphs (1) and (2) may also apply if the person against to whom an irrevocable court judgement has been issued is a member of their administrative, management or supervisory body or has powers to represent, make decisions or control it. The obligation set out in the preceding indent applies to:

- a) The Managers of Limited Liability Companies ("ΕΠΕ"), Private Companies ("ΙΚΕ") and General or Limited Partnerships ("ΟΕ" or "ΕΕ").
- b) The CEO and all members of the Board of Directors of Sociétés Anonyme.,
- c) The members of the Board of Directors of cooperatives.

4. By way of exception, the grounds for exclusion prescribed in paragraphs 1 to 3 above shall not apply in any situations where exclusion is clearly disproportionate, especially if the tax or social security obligations not paid are only of small amounts or if the debtor became informed of the outstanding tax/social security payment due at a time when it was unable to take any action prior to expiry of the deadline for submission of proposals.

5. An interested party, who falls under the scope of paragraphs (1) and (2c) above, may present evidence suggesting that they have taken proper action to prove their credibility, although the relevant ground of exclusion may still stand. If the evidence adduced is considered to be adequate, the interested party shall not be excluded from the Call procedure. For that purpose, the interested parties have to prove that has compensated or has committed to compensate any damage arising from their criminal offence

or misconduct; that has thoroughly clarified the facts and circumstances of the act, by actively cooperating with the investigation authorities, and that has taken specific technical and organizational measures as well as staff-related measures to prevent any further criminal offences or misconduct. Any remedial actions taken by interested parties shall be evaluated in conjunction with the severity and the particular circumstances of the criminal offence or misconduct concerned. If such measures are deemed to be inadequate, the reasoning of the decision is notified to the interested party.

VI. HDBI PARTICIPATION TERMS

1. HDBI will participate exclusively in newly established Financial Intermediaries that will operate in accordance with the terms of Chapter IV [DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES]) and that should be managed by private sector entities on private-economy terms.

2. The share of HDBI's participation in the Financial Intermediaries cannot exceed 60%, with the contribution of the funds of other investors being not less than 40%. It is clearly stated that no own equity of Hellenic Development Bank of Investments S.A. is co-invested.

3. HDBI cannot participate in each selected Financial Intermediary with a capital of more than twenty-five million euros (€ 25,000,000)¹⁷.

4. All disbursements to the Financial Intermediaries will be made simultaneously for all the other Investors throughout their operation.

5. Financial Intermediaries, as well as investors or Fund Managers, are selected on the basis of objective criteria linked to experience, expertise and

¹⁷ In the First Closing.

operational and financial capacity, through an open, transparent and non-discriminatory procedure, in accordance with applicable EU and national law.

6. Financing decisions are made based on profitability. This is considered valid when all of the following conditions are met:

a) the Financial Intermediaries are established in accordance with applicable legislation;

b) HDBI provides for a due diligence process to ensure a commercially sound investment strategy for the purposes of implementing the business risk financing measure, in accordance with Article 21 of Reg. 651/2014, as amended and in force, including an appropriate risk management policy, which aims to achieve financial viability and cost-effectiveness in terms of the size and territorial scope of the relevant investment portfolio,

c) the funding provided to the Investment Targets is based on a sustainable business plan, which contains details of product, sales and profitability and determines ex ante financial viability;

d) there is a clear and realistic exit strategy for each equity or quasi-equity investment.

7. The Management Agreement shall provide:

(a) the establishment, in each Financial Intermediary, of an Investment Committee independent of investors. The consent of the above committee is required for the realization of any investment.

(b) the establishment of an Advisory Committee for the duration of the Investment Scheme, in which HDBI will participate and up to four (4) of the largest investors of each Financial Intermediary with responsibilities that will be defined in the Management Agreement. The responsibilities of the Advisory Committee, among others, will be to monitor the legality of the decisions of the Investment Committee and especially in the event that an investment plan is contrary to any of the terms of the Invitation and the

Agreement governing the Financial Intermediary, the determination of the valuation method, the assessment of conflict-of-interest situations and everything else provided in the Management Agreement.

(c) HDBI's right to pay among investors the required portion of its participation, when its participation in the Financial Intermediaries is equal to or greater than 50%.

(d) HDBI's right to assign to audit companies the periodic and / or extraordinary audit of the Investment Scheme and the individual placements of the company.

(e) the operation of the Fund Manager in accordance with the law of the State governing it.

8. The Management Agreement of each Financial Intermediary should include terms and conditions that relate to at least the following:

(a) adequate dispersion of investments;

(b) investments solely on market terms in Investment Targets;

(c) the existence of a business plan, detailing the viability of each Investment Target;

(d) a forecast for a realistic investment exit strategy;

(e) mandatory payment of the participation in cash;

(f) determination of minority rights and how they are exercised;

(g) linking the Manager's remuneration to the results of the Financial Intermediary, setting the objectives of the Financial Intermediary and its proposed investment schedule;

(h) the obligation of the Fund Manager to comply, to the extent not provided by applicable law, with the Valuation Guidelines and Reporting Guidelines of the European Investment Capital Association (Invest Europe);

(i) obligation to inform the Investment Targets that the investment is provided in the context of the implementation of the specific Project;

(j) an obligation to inform HDBI, as well as HDBI's right to audit or have a person authorized by it or by other competent audit bodies;

(k) an obligation to inform HDBI of compliance with the provisions of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;

(l) information rights,

(m) existence of a custodian in accordance with the applicable legislation.

9. Current legislation must be complied with as regards: (a) the prevention of money laundering and terrorist financing; (b) anti-corruption laws and (c) tax laws, with the level of professional care, effectiveness and transparency normally anticipated from a business organisation.

10. The obligations listed above do not howsoever entail HDBI's waiver of its right to negotiate each individual term to be included in the Management Agreement to be signed with any Financial Intermediary, it may decide to participate in, subject essentially to the terms of Agreements dated 01-04-2022 between HDBI and the Greek State, whereby HDBI was assigned the management of the Resources for the implementation of the Project, as the above Agreement is applicable from time to time.

VII. CONTENTS OF THE EXPRESSION OF INTEREST AND SELECTION CRITERIA

1. The interested parties, with the Expression of Interest they submit, provide detailed information regarding the following:

(a) Management Team

Composition of the group / possible additions of members depending on the size of the Financial Intermediary / identification of full-time and part-time members in the Financial Intermediary, their place of residence, their responsibilities / key persons / changes in the composition of the team (previous departures and / or subsequent additions of new members with a corresponding timeline of these changes) / schedule for the finalization of the

composition of the group / previous cooperation of the team members / sufficient assurances for the ability of the Manager to manage the Financial Intermediary, as an additional activity in case it manages during the submission of the proposal another similar investment tool / a list of positions held by the members of both the management team and the committees of the Manager in boards and committees and description of the way with which these holdings could affect operation of the Financial Intermediary / decision-making of the Financial Intermediary committees / shareholder composition of the offeror (in case of a legal entity) and of the proposed management company / details regarding the distribution of carried interest / detailed description of the previous activities of the offeror and recording of possible conflicts of interest of the offeror and / or management team members in relation to the activity of the proposed Financial Intermediary / proposed measures and policies to address conflicts of interest / record elements that could potentially affect the required independence of the manager and its members / contact list to provide references.

(b) Size of the Financial Intermediary

Proposed size of the Financial Intermediary, with a relevant description of the rationale and the corresponding budget of the Financial Intermediary and the Manager.

(c) Investment strategy

Targeting of the Financial Intermediary, including the financial instrument/tool (majority / minority equity investments, quasi equity, etc.), the stage of business development, the sector, the number and size of investments.

(d) Investment history / track record

Detailed recording of liquidated and non-liquidated investments for each of the team members with reference to the company name / date of entry and exit, investment size / ownership status / profits / percentage return on the initial investment amount and multiples of the cost / current valuation / gross internal rate of return (gross IRR) / role and contribution of the management team

member to the investment accompanied with contact details of relevant persons to provide references.

(e) Target Market - Target Sectors

Detailed description of the market, competition and possible synergies.

(f) Deal sourcing and pipeline of investment proposals, strategy for attracting investment opportunities / collaborations with relevant bodies.

(g) Legal structure of the Financial Intermediary / corporate governance

(h) Proposed terms

Basic financial terms, including management fees and projected expenses / proposed terms for financial incentives / description of how profits are distributed.

(i) Expected Return

Determining the expected returns / description of the strategy for the creation of added value to the companies from the realization of the investment and the exit strategy / contribution of the investments in the Greek economy.

(j) Other investors - Fundraising schedule

Description of the other investors and determination of the relevant stage of intention or commitment to participate.

2. In addition to the Expression of Interest the following are also provided: (i) the supporting documents and information described in Annex 1 hereto and (ii) information on the fulfillment of the typical requirements of Chapters IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES and VI (HDBI PARTICIPATION TERMS)).

3. The Managers are selected through an open, transparent and non-discriminatory procedure, in accordance with the applicable EU and national legislation, as the relevant procedure is set out herein in Annex 2 "EVALUATION PROCEDURE DIAGRAM".

4. The criteria to be applied by HDBI in selecting the Financial Intermediaries it will participate in are the following:

<p>(a) <u>In relation to the Manager and the Management Team</u>: Reliability and experience of the Fund Manager and its shareholders / parties controlling it. Composition of the management team, prior experience in the sector and field concerned, size of the team and combination of skills, ability to generate added value, commitment for the Financial Intermediary's entire life cycle. In the event that, the Fund Manager of the proposed Financial Intermediary manages another similar investment vehicle at the time the proposal is submitted, there should be adequate assurances as to its ability to carry out a new additional activity.</p>	40%
<p>(b) <u>in relation to the market</u>: Determination of the target market, market size and prospects for growth, SME growth prospects in the target market.</p>	
<p>(c) <u>in relation to the expected investments</u>: Experience in identifying investment opportunities, quality of investment proposals, reliability of plans to attract investment proposals. Existence of a solid and reliable methodology to identify and evaluate Investment targets. Deal Flow.</p>	
<p>(d) <u>in relation to investment strategy</u>: Suitability of the investment strategy for the specific target market, compatibility with the objectives of the Call, determination of suitable and achievable disinvestment / liquidation strategies. Expected Returns.</p>	30%
<p>(e) <u>in relation to the size and legal structure of the investment scheme</u>: Accurate determination of the legal form and size of the Financial Intermediary.</p>	

(f) <u>in relation to operating terms</u> : the Financial Intermediary should operate on the basis of private economy criteria and be expected to be financially viable. The operation of the Financial Intermediary should be in line with the best market practices and with the business standards issued by Invest Europe, ILPA or any similar association.	30%
(g) <u>Amounts and terms of Fund Manager's fee payment</u> : Amount of expenses and charges to be incurred in the implementation of business participations and proposed calculation methodology. A discrete differentiation in the operating costs of the Financial Intermediary and the Fund Manager's fee, which will be tied into the overall performance of the Financial Intermediary, and which cannot exceed the levels which apply in the market over similar conditions.	
(h) <u>Attracting other investors</u> : Participation of other investors who will thoroughly cover the contribution of required capital to the Financial Intermediary.	
(i) <u>Conflicts of Interest</u> : Existence of measures and policies to align interests and mitigate potential conflicts of interest	
(j) Other proposed terms: As per international practice, all derogations being thoroughly explained.	
Overall Evaluation Score	100%
Pass Rate	60%

HDBI will evaluate all applications based on its internal procedures and in line with international reporting standards (Invest Europe, ILPA etc).

VIII. MANAGER'S SELECTION PROCEDURE

1. In order for HDBI to participate in a Financial Intermediary, there must be

initially no effective grounds for exclusion according to Section V (GROUNDS FOR EXCLUSION) and thorough compliance with the requirements of Sections IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES), VI (HDBI PARTICIPATION TERMS) of this Call and all the common provisions of Chapter I must be met. The selection shall be made through a transparent and objective procedure based on the criteria laid down in Section VII (CONTENT OF EXPRESSION OF INTEREST AND SELECTION CRITERIA) herein. The selection procedure is as follows:

Phase I: Submission of the Expressions of Interest and checking that the formal conditions laid down in the Call are met.

2. Interested parties should initially submit to HDBI the Expression of Interest, which should be complete and well-documented and clearly mention on the cover of the physical file or in the title of the electronic file the title of the Project "**InnovateNow**". The Expression of Interest should be delivered both by e-mail and in hard copy (by hand or by registered letter or by courier) at the following contact details:

HDBI, 3 Merlin str., Athens, 10671

Email: innovatenow@hdbi.gr

In case of discrepancy between the contents of the electronic file and the physical file, the contents of the electronic file shall be deemed to have overriding effect. Within three (3) days from receiving the physical file, HDBI shall send an email confirming that it has been received. It is clarified that the above confirmation is not a statement or acceptance of the completeness of the file, nor acceptance of the proposal by HDBI.

3. Once the proposal is submitted, HDBI will check the fulfillment of the typical conditions set out in this Call and shall then carry out an initial assessment of the following: (a) whether there are any grounds for exclusion according to the terms of Section V (GROUNDS FOR EXCLUSION) herein; (b) whether the Expression of Interest includes all supporting documents and information laid down in Annex 1 and Section VII (CONTENT OF THE

EXPRESSION OF INTEREST AND SELECTION CRITERIA) of this Invitation and (c) whether the proposal – submitted through the Expression of Interest complies with the formalities prerequisites laid down in Sections IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES) and VI (HDBI PARTICIPATION TERMS).

4. HDBI shall then inform by e-mail each interested party, within thirty (30) days from the day their Expression of Interest was filed, whether the Expression of Interest meets the requirements of paragraph 3 above in principle (in which case the Expression of Interest will advance to Phase II, as described below) or not (in which case the interested party has the right to file objections as per the terms of Section IX (RIGHT TO OBJECT) herein).

Phase II: Substantive Evaluation of Expressions of Interest

5. Every Expression of Interest that meets the requirements listed in paragraph (3) above [either after an initial evaluation as per paragraph (4) or after HDBI accepts the interested party's objections as per paragraph (2) of Section IX (RIGHT TO OBJECT) below], is then substantively evaluated by HDBI, which shall include the verification of the quality criteria of this Call. HDBI may evaluate in parallel more than one Expressions of Interest and may request from the interested parties to provide any additional information or clarification necessary for such purpose. In the context of the above processes, the interested parties would be requested to present to HDBI the proposal included in their Expression of Interest.

6. Subsequent to that, a due diligence would be performed by HDBI, i.e. investigation, audit and/or review of the Expression of Interest, the Proposal submitted through the Expression of Interest and its individual elements, inter alia, to confirm facts or details and analyze the risk. Where the above evaluation and review of the proposal contained in the Expression of Interest is successful and has been approved by the competent bodies (see Table

in Annex 2), the interested parties would be invited to specify in detail the terms of the Management Agreement, otherwise, they would be informed by email that their proposal contained in the Expression of Interest has been declined. The aforementioned do not oblige HDBI to conclude a Management Agreement.

Phase III: Conclusion of a Management Agreement or final rejection of the Expression of Interest

7. The conclusion of a Management Agreement is subject to the approval of its final draft by the competent HDBI bodies. Once (and if) such approval is granted, HDBI will invite the interested parties to sign a Management Agreement.

8. Subject to paragraph (10) of this Section, HDBI will notify by e-mail within one hundred and twenty (120) days from submission of their Expression of Interest, each interested party who was requested to present their proposal as per paragraph (5), whether the drafting of a Management Agreement has been approved by the competent HDBI bodies. A Management Agreement is then signed by the interested party within 30 days from such notification. In case a Management Agreement is not signed within the time period stipulated above, then, and provided that the Expression of Interest concerned constitutes a Prior Expression of Interest, HDBI may evaluate and accept a subsequent Expression of Interest by derogation from the rule of precedence established in paragraph (10), Section VIII (MANAGER SELECTION PROCEDURE) herein.

Other terms of the procedure

9. HDBI shall accept Expressions of Interest for participation in Financial Intermediaries until the allocated Resources are exhausted and, in any case, not beyond 31/12/2024. In case the Resources have been exhausted, HDBI

will issue a notice to that effect. In any event, the proposals shall be analyzed and evaluated using objective and professional criteria in line with the internal procedures of HDBI and international reference standards (Invest Europe, ILPA, etc.) and based on the terms of this Call.

10. In case Expressions of Interest are submitted, which, when taken cumulatively, require that HDBI provide additional to the available resources, the rule of precedence shall be complied based on the date of submission of the Expression of Interest. If an Expression of Interest (Prior Expression of Interest) is being evaluated, is expected to lead to exhaustion of the available Resources, HDBI may at any stage of the procedure inform by email the interested parties who have submitted a subsequent Expression of Interest that the evaluation of the subsequent Expression of Interest is suspended until the conclusion of the procedure relating to the previous Expression of Interest is completed.

11. HDBI reserves the right to terminate any discussions with any interested party as above, and to cancel the investment in any proposed Financial Intermediary. This Call and/or the procedure outlined above does not constitute a proposal from HDBI nor does it create any obligation to HDBI to accept a proposal from an interested party or to cover any expenses. Commitment on behalf of HDBI against any interested party would only commence once a Management Agreement is signed, and subject to the terms of such Agreement.

IX. RIGHT TO OBJECT

1. Where an interested party's proposal is rejected due to failure to meet the formal prerequisites laid down in this Call, as outlined in paragraph 3 of Section VIII (MANAGER SELECTION PROCEDURE) the latter reserves the right to submit objections which should be sent to the email address innovatenow@hdbi.gr within 10 days from the date on which a message was

sent that the proposal was rejected by HDBI.

2. HDBI would reply by email within 10 days from receipt of said objections and where these are accepted, HDBI will proceed to the second stage of examination and evaluation of the Expression of Interest in accordance with paragraph 5 of Section VIII (MANAGER SELECTION PROCEDURE).

3. It is clarified that an interested party found to meet grounds for exclusion under Section V (GROUNDS FOR EXCLUSION) herein, may be excluded at any stage of the procedure after an Expression of Interest was submitted. If this is established following the completion of the procedure described in paragraph (3) of Section VIII (MANAGER SELECTION PROCEDURE), HDBI will inform the interested party for their rejection by e-mail and whereas the procedure described in Section IX (RIGHT TO OBJECT) may apply.

X. DATA PROTECTION

1. In the context of the evaluation of proposals of Expression of Interest, as described herein, HDBI may process personal data of the interested parties and of management teams/investors or any other individuals included in the Expressions of Interest, taking all the necessary technical and organizational measures to protect the confidentiality and security processing of this data.

2. For the purposes of this Call, as “personal data” is any information referred to individuals which is essential and is required and requested in the context of this Call and any related documentation, including any additional information which may be requested by HDBI at a later stage, any information which is legitimately collected by HDBI from publicly accessible sources and generally any information which is furnished an interested party with their explicit consent (hereinafter: the “Data”).

3. Data processing shall be carried out for the purpose of implementing the terms of this Call and evaluating the submitted proposals and the Financial Intermediaries included in the Expressions of Interest, in accordance with the terms of this Call; ensuring compliance with HDBI's statutory obligations; attaining HDBI's statutory objectives and ensuring compliance with the applicable laws and the mandate Agreement of the Project. HDBI may process Data principally on the basis of consent granted by each interested party in accordance with the terms of this Call for the conclusion and implementation of the Management Agreement. As far as processing under the consent provided is concerned, each interested party may withdraw that consent at any time in writing (addressing HDBI at dpo@hdbi.gr for the attention of the Data Protection Officer) without affecting the legitimacy of processing based on consent prior to that withdrawal.

4. Recipients of the data will be HDBI through its authorized representatives and the auditing and supervisory bodies of HDBI as well as the High Counsel that has been appointed to monitor the implementation of HDBI's investment strategy in the context of the 01-04-2022 Mandate Agreement of the Project, and in general all persons who have competence to access and control the HDBI's files pursuant to express provisions of law. HDBI may assign specific data processing tasks to third parties (data processors), bound by confidentiality undertaking, acting accordingly to HDBI's instructions and may under no circumstances act for their own benefit.

5. The Data shall be kept and stored by HDBI throughout the investment period and the operation of the Financial Intermediaries as well as after their expiry/termination, for as long as may be necessary to ensure compliance with HDBI's obligations and with the regulatory procedures applicable under law.

6. The supply of Data to HDBI by each interested party is an essential requirement in order for HDBI to evaluate and approve each proposal through

its Expression of Interest and meet its statutory obligations. Therefore, a refusal or withdrawal of consent of Data processing may result to HDBI's inability to fulfill its statutory objectives and may cause the rejection of the Expression of Interest, or prevent the implementation of the proposal that is included in it.

7. Each interested party will be entitled to exercise all its rights accorded to it by the applicable law (specifically under Regulation (EU) 2016/679), and in particular the right to be informed of the Data which are to undergo processing by HDBI, the right of access to and rectification or erasure of their personal data, the right to object and the right of restriction of processing, the right of data transfer to another responsible or acting processor, subject to the terms and conditions applicable by law. In case of exercise of any of the above rights, HDBI shall take all necessary measures to satisfy the relevant request within the applicable deadline (30 days, which may be extended by two months) and shall notify the specific interested party in writing as to whether their request has been satisfied, or else stating any reasons preventing the enforcement or satisfaction of their rights. The above rights are to be exercised by means of a written request addressed to HDBI (tel. 2103387110/email dpo@hdbi.gr for the attention of the Data Protection Officer).

Each interested party reserves the right to file a complaint before the competent regulatory authority (Hellenic Data Protection Authority) against HDBI in relation to the processing of their Data.

For any additional information interested parties may contact Hellenic Development Bank of Investments S.A. Tel.: +30210 338-7110 (email: info@hdbi.gr).

ANNEX 1 – EXPRESSION OF INTEREST TEMPLATE

To:

HDBI S.A.

3 Merlin str,

Athens, 10671

[Date]

In relation to the Call for Proposals for InnovateNow (the "**Call**") of the "Hellenic Development Bank of Investments S.A." ("**HDBI**") in the context of the mandate to manage resources deriving from the Recovery and Resilience Facility which was given to HDBI S.A. by virtue of Agreement dated 01-04-2022 between HDBI and the Greek State for the implementation of the "InnovateNow" project, we hereby submit on of behalf [●] [the "Offeror"] an Expression of Interest. Words and expressions with capital, unless otherwise specified herein, are interpreted in accordance with the Invitation.

The undersigned signatory(-ies), legal representative(s) legally authorized by [Offeror], by signing the present:

1. Submit(s) the [Offeror's] proposal regarding the establishment and management of a Financial Intermediary, as described in detail in the documents attached hereto.
2. Declare(s) that the information included in this Expression of Interest and the Annexes is truthful, complete and not misleading in all respects.
3. Declare(s) that the [Offeror] does not engage in illegal activities in accordance with the applicable law of the state that governs its operations.
4. Declare(s) that none of the Offeror's representatives or authorized bodies: (a) has ever offered, accepted or received, and/or (b) intends to offer, accept or receive, and/or (c) has pursued or intends to pursue and/or (d) has tried to gain or will try to gain any benefit, whether financial or other, to or from any third parties, in a manner that constitutes illegal practice or leads to

corruption, whether directly or indirectly, in the form of an incentive or reward for the signature of a Management Agreement in relation to the proposed Financial Intermediary.

5. Acknowledge(s) and agree(s) that, if the Offeror is selected, the Offeror shall undergo checks by HDBI's audit bodies, in accordance with the terms of the Management Agreement.

6. I hereby declare that I have read and thoroughly understood the terms of HDBI's Call, in particular Section X therein, which lays down the terms governing the processing of data by HDBI. I hereby acknowledge and consent explicitly and unconditionally to the collection and processing by HDBI, in accordance with the terms of Section X above, of any data relating to individuals that are associated with the Offeror, with the investors proposed for the Financial Intermediary or generally with the proposal which is hereby submitted. In this context, I hereby represent and warrant to HDBI that all information I have provided has been obtained in a fully legitimate manner and that I have a right to disclose it to HDBI, otherwise I hereby undertake explicitly to indemnify HDBI for any liquidated or consequential damage that may arise from any third-party claims relating to the transmission of such data by the [Offeror] and their processing by HDBI.

Date(day/month/year)

Name - Signature(s)

Attachments to the Expression of Interest:

1. Identification data of the Offeror (according to the template in Appendix 1 of the Expression of Interest)
2. Offeror's proposal for a Financial Intermediary (must meet the terms of Chapters IV (DESCRIPTION AND GENERAL CONDITIONS OF THE OPERATION AND INVESTMENT OF THE FINANCIAL INTERMEDIARIES) and VI (HDBI PARTICIPATION TERMS) of the Call and must include at least the information listed in Chapter VII (CONTENT OF THE EXPRESSION OF INTEREST AND SELECTION CRITERIA) of the Call and must be adequately documented.
3. Documentation of the Manager and management team members (as listed in Appendix 2 of the Expression of Interest)
4. Declaration (in accordance with the model of Appendix 3 to the Expression of Interest)

APPENDIX 1 TO THE EXPRESSION OF INTEREST
OFFEROR'S DETAILS

1.1 Offeror's Details

REQUIRED INFORMATION	
OFFEROR'S NAME	
CONTACT DETAILS	Address: Tel: E-mail:
LEGAL FORM	
COMMERCIAL REGISTRATION etc. REGISTRATION DETAILS	Registration Name: Registration Date: Country of Registration: Registration No.:

1.2 Person authorized to file the Expression of interest on behalf of the Offeror

REQUIRED INFORMATION	
NAME	Surname: Name(s)
TITLE	
CONTACT DETAILS	Address: Tel: Fax: E-mail:

1.3 Contact Person (if other than the one indicated under 1.2)

REQUIRED INFORMATION	
NAME	Surname Name(s):
TITLE	
CONTACT DETAILS	Address: Tel: Fax: E-mail:

APPENDIX 2 TO THE EXPRESSION OF INTEREST
DOCUMENTS SUBMITTED JOINTLY FOR THE MANAGER AND THE MANAGEMENT
TEAM

1. Offeror's Articles of Association (where applicable)
2. Shareholder structure and composition of the Offeror (and the proposed Manager, if other than the Offeror)
3. Identification documents of the shareholders/persons exercising control and of the management executives of the Offeror (and the proposed Manager, if other than the Offeror)
4. Copies of Identification documents of the Investment Scheme management team members [if different from the persons indicated under (3)]
5. Resumes of the shareholders/persons exercising control and of the management executives of the Offeror (and the proposed Manager, if other than the Offeror)
6. Resumes of the management team members [if different from the persons indicated under (5)]
7. Excerpt of the criminal record of the shareholders/persons exercising control and of the management executives of the Offeror (and the proposed Manager, if other than the Offeror)
8. Excerpt of the criminal record of the Investment Scheme management team members [if different from the persons indicated under (7)]
9. Legalization documents of Offeror's representative authorizing him/her to submit the Expression of Interest on behalf of the Offeror

APPENDIX 3 TO THE OFFEROR'S EXPRESSION OF INTEREST

OFFEROR'S DECLARATION

The undersigned, [name of the person(s) signing this Declaration], in my/our capacity as legal representative(s) of: [Offeror's registered name] ("Offeror")

Registered name:

Legal Form:

Registered Office:

Tax Registration No.:

I HEREBY state on account and on behalf of the Offeror the following:

(1) No petition has been filed or court order has been issued for declaration in bankruptcy, placement in compulsory administration, pre-bankruptcy reconciliation, out-of-court/court settlement or special administration as per the provisions of Law 4307/2014 (or any other similar procedure under the law applicable to the Offeror), and the Offeror has not suspended its business activity as at the date this Declaration is submitted.

(2) Neither the Offeror nor any of the persons listed in paragraph (4) of Section V (GROUNDS FOR EXCLUSION) fall(s) under any of the situations described in Section V (GROUNDS FOR EXCLUSION) of the Call.

Date(day/month/year)

Name-Signature(s)

ANNEX 2 EVALUATION PROCEDURE DIAGRAM

