SUSTAINABLE DEVELOPMENT,

ENVIRONMENTAL & SOCIAL RESPONSIBILITY POLICY

TABLE OF AMENDMENTS

Version	Responsible	Date of approval	Approval	Description of changes
1	Sustainable Development Department	16/01/2021	Board of Directors	Initial edition
2	Sustainable Development Department	20/06/2024	Sustainability Committee & Audit Committee	Update

CONTENTS

1. Introduction

This Sustainable Development, Environmental and Social Responsibility Policy (hereinafter referred to as "Policy") is part of the strategic framework of Thrace Group. It governs and is integrated into all processes and business activities of the Group and is binding for all companies within the Group.

2. Scope

The current Policy is implemented, maintained, and periodically reviewed. It has been communicated to all companies comprising the Group and is publicly available through the Group's Website.

The implementation monitoring of the Policy is the responsibility of the Sustainable Development Department, with the assistance of the Human Resources Department regarding social issues, under the supervision of the Sustainability Committee for environmental and social issues, and with the support of the Internal Audit Department under the supervision of the Audit Committee for governance issues.

During its implementation, the Group's companies must designate employees with clear responsibilities for coordinating relevant issues.

3. Fundamental Framework

The Group recognizes sustainable development as one of the major challenges of today's era for securing the present and the future, views the goals of sustainable development, the principles of the circular economy, the mitigation of climate change impacts, and social responsibility as significant parameters for its operation and is committed to monitoring and continuously improving its performance using appropriate indicators.

4. Purpose-Approach

At the core of the Sustainable Development Policy is the Group's pursuit to develop with respect for society and the environment, creating solutions for a sustainable future, thereby remaining a reliable social partner. Its approach to sustainable development is based on six principles: Support circular economy, deal with climate change, empower human capital, contribute to society, operate with integrity, ensure business continuity.

Under the framework of this Policy, the Group is committed to:
- Providing all means for full compliance with Legislation and other requirements governing its operations.
- Systematically recognizing and evaluating the impacts of its operations.
- Identifying and managing risks, opportunities, and best practices.
- Providing appropriate training and raising awareness among employees to promote a responsible culture.
- Periodically reviewing and revising its goals.
- Improving its performance.
- Monitoring corporate performance indicators through annual performance measurement and the establishment of annual goals.
- Communicating this Policy to employees, partners (contractors, suppliers, customers), and the broader community within which it operates to enhance their environmental and social consciousness and promote synergies by publishing it on the Group's Website.

5. Strategic Plan

The Group has adopted and follows a 5-year Strategic Sustainable Development Plan based on the following strategic objectives, each of which is analyzed into specific targets and actions:

- Reduce greenhouse gas emissions in all processes
- Improve product environmental impact
- Implement circular economy projects
- Improve social aspects affecting stakeholders
- Ensure a responsible corporate governance
- Build awareness and obtain appropriate certifications

These pillars correspond to the dimensions of society, the environment, and corporate governance, encompassing the principles of sustainable development upon which the Group's approach is based. In implementing this Policy, the Group's companies align both with the framework set by the Group concerning Responsible Corporate Governance, Social Responsibility, and Environmental Responsibility, as described below, and with the targets outlined in the Strategic Plan.

6. Responsible Corporate Governance

The Group has adopted and follows a comprehensive framework of principles, procedures, and policies that ensure transparency and responsible operation. More specifically:

Combating Corruption and Bribery
The Group has implemented the _Anti-Fraud Policy_ and is committed to conducting its activities according to the highest ethical standards, demonstrating zero tolerance for all forms of corruption and bribery.

Respect for Human Rights
The Group has implemented the _Human Rights Policy_ and is committed to zero tolerance concerning workplace harassment, any form of discrimination based on race, religion, gender, nationality, age, disability, sexual orientation, etc., as well as forced and child labor.

Supplier Ethics and Code of Conduct
The Group recognizes the necessity of applying ethical and deontological principles in its supply chain. Therefore, there is a continuous effort to evaluate significant suppliers according to their social and environmental commitments and performance, thus ensuring the minimization of risk from deviation from proper social and environmental standards, including labor practices and human rights, as well as combating corruption.

Whistleblowing and Anonymous Reporting Policy
The Group has implemented a _Whistleblowing and Anonymous Reporting Policy_ and uses a Reporting Submission Platform, through which it is possible to report illegal behaviors related to corruption and bribery, non-compliance, human rights violations, or personal data breaches.

7. Social Responsibility

The Group integrates social corporate responsibility into its strategy and addresses social issues with care and sensitivity. The responsibility demonstrated by the Group and the implementation of good practices in the societies where it operates affect both its sustainability and the sustainability of the societies it impacts and the employees it employs. Through its business activities, the Group strives to achieve high performance, thereby producing and distributing direct or indirect economic value to the social environment in which it operates, with particular emphasis on:

- Strengthening the economies of the countries in which it operates.
- Addressing the needs of the citizens and societies that encompass the Group and are affected by its activities.
- Employment, through the direct and indirect creation and maintenance of jobs throughout the value chain.

The Group recognizes its direct impact on various stakeholder groups, primarily employees and local communities. Generally, those affected by the Group's socially responsible operations include:

Employees & Their Families

As an employer that continually evolves and provides job security, the Group positively impacts its employees and their families by offering uninterrupted work and stability in employment matters, maintaining employment in the areas where it operates, and expanding the number of employees with every opportunity for growth.

In addition to consistently meeting formal obligations (payroll, social security contributions, and taxes, etc.), the Group provides additional benefits that target the care of employees and cover essential needs, such as private health insurance programs and meal vouchers.

The Group also cares for the continuous development of employees' skills through training and information programs and emphasizes ensuring safety and health in the workplace for all employees, partners, and visitors, according to the _Safety, Health, Environment Policy_.

Local Communities & Authorities (local authorities, public services, trade unions)

The Group recognizes the particularities of the local communities where it operates and emphasizes the opportunities created for local communities through its activities, such as the cases where there is a need for permanent or seasonal employment, and positions are communicated to the local communities or priority is given to local suppliers.

Additionally, it supports social solidarity programs and actions to address recognized social issues of charitable organizations and non-profit organizations with individual donations to cover specific needs and support vulnerable social groups.

Simultaneously, it supports the "Stavros Chalioris Social Center," which is a Non-Profit Urban Company operating since 2010 and aims to contribute practically to society through educational, cultural, recreational, and social content activities.

Customers & End Users of Products

The Group recognizes the importance of the quality of products and services provided to customers and end users and ensures their quality by implementing modern, comprehensive, and certified Quality Management Systems in its companies.

8. Environmental Responsibility

The Group always aims to improve the environmental impacts resulting from its operations, placing particular emphasis on the application of circular economy principles, responsible waste management, reduction of energy consumption, and limitation of greenhouse gas emissions associated with its activities. Specifically, it has adopted the principles of the circular economy (reduce, reuse, recycle) from the sourcing of raw materials and product design through to their entire life cycle. To mitigate risks arising from climate change, the Group adapts its business model to reduce its carbon footprint and energy consumption, fully complying with environmental legislation and contributing to the achievement of the Sustainable Development Goals it most significantly impacts. In implementing this Policy, Group companies must ensure the following:

- The adoption of practices in accordance with the principles of the circular economy to ensure the efficient use of natural resources and raw materials through the use of recycled raw material depending on the application and reliable information on traceability and recycled material content through appropriate certifications.
- Research and innovation consistently oriented towards the development of sustainable products with features such as the use of recycled raw materials, the recyclability, and the reusability. To ensure the sustainable characteristics of products, certifications that ensure traceability and Environmental Product Declarations (EPD) for representative product types based on Life Cycle Assessments (LCA) can be used.
- The optimal management of solid waste, through stream separation aimed at their reuse or recycling and cooperation with licensed waste recyclers for their optimal processing.
- The proper use and management of chemicals by adhering to all necessary safety measures during temporary storage and cooperation with a licensed manager for their safe disposal.
- The optimization of resource efficiency in production units by reducing production residues (scrap) through appropriate actions in the production processes and their optimal reuse.
- The optimization of energy efficiency through the recording of energy consumption and the implementation of specific measures and actions aimed at achieving the best possible efficiency, as well as a consistent orientation towards the use of energy from renewable sources (solar, geothermal, and hydroelectric).
- The reduction of direct and indirect greenhouse gas emissions through the monitoring of data for each category (scope 1, 2, 3) according to the GHG Protocol methodology and ISO 14064-3, and the identification of significant points for improvement.
- The protection and preservation of biodiversity and addressing atmospheric and environmental pollution with appropriate measurements and taking measures to avoid the dispersion of microplastics into the environment.
- The optimal management of water consumption and liquid waste.