



**FOURLIS HOLDINGS S.A.**

**REG. NO: 13110/06/B/86/01**

**GENERAL COMMERCIAL REGISTRY NO: 258101000**

**LEI Registration Number: 213800V54ASIMZREDX49**

**REGISTERED SEAT - HEADQUARTERS: 18-20, SOROU STR. (Building A) – 151 25 MAROUSI**

## **ANNUAL FINANCIAL REPORT**

**For the period**

**1/1/2023 to 31/12/2023**

**(TRANSLATED FROM THE GREEK ORIGINAL)**

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## **Statements of the Members of the Board of Directors**

(In accordance with article 4 par. 2 L. 3556/ 2007)

The undersigned below

1. Vassilis S. Fourlis, Chairman of the Board of Directors,
2. Dafni A. Fourlis, Vice Chairman of the Board of Directors, and
3. Dimitrios E. Valachis, CEO

We confirm that to the best of our knowledge:

- a. The Financial Statements (Consolidated and Separate) of FOURLIS HOLDINGS SA for the period 1/1/ - 31/12/2023 which have been prepared in accordance with International Financial Reporting Standards as endorsed by the EU, provide a true and fair view of the Assets, Liabilities and Shareholder's Equity along with the income statement of FOURLIS HOLDINGS S.A. as well as of the companies that are included in the consolidation taken as a whole.
- b. The Annual Report of the Board of Directors provides a true and fair view of the evolution, performance and financial position of FOURLIS HOLDINGS S.A. and of the companies included in the consolidation, taken as a whole, as well as a description of the main risks and uncertainties they face.

Kifissia, April 8 2024

The Chairman of the BoD

The Vice Chairman of the BoD

The CEO

Vassilis S. Fourlis

Dafni A. Fourlis

Dimitrios E. Valachis, CEO

**Annual Report of the Board of Directors of the Company FOURLIS HOLDINGS SA on the Consolidated and Serarate Financial Statements of the Company for the year 2023 (1/1 – 31/12/2023)**

**To the ordinary annual General Assembly of Shareholders of the year 2024**

Dear Shareholders,

This Financial Report of the Board of Directors concerns the period of twelve consecutive months of the period year ending on 31/12/2023 (1/1 - 31/12/2023) and was conducted in compliance with the relevant provisions of L. 4548/2018 as applicable until 31/12/2023, article 4 of L. 3556/2007 and resolution 7/448/22.10.2007 of the Hellenic Capital Market Commission. The Consolidated and Separate Financial Statements have been conducted in accordance with the IFRS as endorsed by the EU.

Please find below for your approval, the Financial Statements for the period 1/1 – 31/12/2023 of the Company FOURLIS HOLDINGS S.A. and the Group which consists of its direct and indirect subsidiaries. In the meeting of the Board of Directors in which the preparation and drafting of the Financial Statements of the Company and the Group was discussed, the Board of Directors was in quorum and participated in it all its independent non-executive members.

**1. The Group – Business Segments**

The parent company FOURLIS HOLDINGS S.A. ("Company"), along with its direct and indirect subsidiaries, form the Fourlis Group ("Group"), which is mainly operating in the Retail Trading of Home Furniture and Household Goods (IKEA Stores) and in the Retail Trading of Sporting Goods (INTERSPORT Stores).

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, the date on which it acquired the Group's properties through a contribution of the specific sector.

The direct and indirect subsidiaries of the Group, that are included in the consolidated financial statements for the year 2023 grouped per segment and country of operation, are the following:

**a) Full consolidation method**

**Retail Trading of Home Furniture and Household Goods (IKEA Stores)**

The retail trading of home furniture and household goods segment includes the following Companies:

- HOUSEMARKET SA FOR THE TRADING OF HOME FURNITURE, HOUSEHOLD AND

CATERING GOODS, with the distinctive title HOUSEMARKET SA and registered seat in Greece, in which the parent company has a direct shareholding of 100%.

- H.M. HOUSEMARKET (CYPRUS) LTD, with the distinctive title HOUSEMARKET (CYPRUS) LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS COMMERCIAL AND INDUSTRIAL S.A., with the distinctive title "TRADE LOGISTICS SA" and registered seat in Greece, in which the parent company has an indirect shareholding of 100% (except for one share). The retail trading of home furniture and household goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- RENTIS REAL ESTATE INVESTMENTS SA, with the distinctive title RENTIS SA and registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- HOUSE MARKET BULGARIA EAD, with the distinctive title HOUSE MARKET BULGARIA EAD, and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 100%.
- WYLDES LIMITED with the distinctive title WYLDES LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 100%. Through associated companies WYLDES LTD, VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, the Group has a shareholding in the company SOFIA SOUTH RING MALL EAD, which operates one of the biggest malls in Sofia Bulgaria as well as its relevant business activities.
- TRADE ESTATES BULGARIA EAD with the distinctive title TRADE ESTATES BULGARIA EAD and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- TRADE ESTATES CYPRUS LTD with the distinctive title TRADE ESTATES CYPRUS LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- H.M. ESTATES CYPRUS LTD with the distinctive title H.M. ESTATES CYPRUS LTD and registered seat in Cyprus, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA with the distinctive title TRADE ESTATES REIC and registered seat in Greece, in which the parent company has

a direct shareholding of 21.81%.

- TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA with the distinctive title TRADE ESTATES REIC and registered seat in Greece, in which the parent company has an indirect shareholding of 41.46%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- BERSENCO REAL ESTATE DEVELOPMENT AND PROPERTY MANAGEMENT SA with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- KTIMATODOMI SOLE SHAREHOLDER SA with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- VOLYRENCO REAL ESTATE DEVELOPMENT AND EXPLOITATION SOCIETE ANONYME with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- POLIKENCO REAL ESTATE DEVELOPMENT AND MANAGEMENT SOCIETE ANONYME with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- MANTENKO REAL ESTATE DEVELOPMENT AND MANAGEMENT SOCIETE ANONYME with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).
- YALOU SINGLE MEMBER SOCIETE ANONYME FOR TRADE, TOURISM & REAL ESTATE DEVELOPMENT AND MANAGEMENT with registered seat in Greece, in which the parent company has an indirect shareholding of 63.27%, whereas the remaining shareholding of 36.73% is owned by third parties (minority shareholders).

### **Retail Trading of Sporting Goods (INTERSPORT Stores)**

The retail trading of sporting goods segment includes the following Companies:

- INTERSPORT ATHLETICS COMMERCIAL SA, with the distinctive title INTERSPORT ATHLETICS SA and registered seat in Greece, in which the parent company has a direct shareholding of 100%.
- INTERSPORT ATHLETICS (CYPRUS) LTD, with the distinctive title INTERSPORT ATHLETICS (CYPRUS) LTD and registered seat in Cyprus, in which the parent company

has an indirect shareholding of 100%.

- GENCO BULGARIA EOOD with distinctive title GENCO BULGARIA EOOD and registered seat in Bulgaria, in which the parent company has an indirect shareholding of 100%.
- TRADE LOGISTICS COMMERCIAL INDUSTRIAL S.A., with distinctive title TRADE LOGISTICS SA and registered seat in Greece, in which the parent company has an indirect shareholding of 100% (except for one share). The retail trading of sporting goods segment includes warehousing services provided by the company TRADE LOGISTICS SA.
- GENCO TRADE SRL, with distinctive title GENCO TRADE SRL and registered seat in Romania. The parent company has a direct shareholding of 1.57% and an indirect shareholding of 98.43%.

Further, within the year 2022 the company "WELLNESS MARKET SOLE SHAREHOLDER SOCIETE ANONYME" with distinctive title "WELLNESS MARKET S.A." and registered seat in Greece, in which the parent company has a direct shareholding of 100% and is engaged in the retail sale of health & wellness products.

#### **b) Net Equity method**

The Group's consolidated data include the following affiliated companies:

- VYNER LTD, with distinctive title VYNER LTD and registered seat in Cyprus, in which WYLDES LIMITED has a direct shareholding of 50%.
- SW SOFIA MALL ENTERPRISES LTD, with registered seat in Cyprus, in which WYLDES LIMITED has a direct shareholding of 50%.
- SEVAS TEN SA, with registered seat in Greece, in which TRADE ESTATES REIC has a shareholding of 50%, engaged in real estate management.
- RETS CONSTRUCTION SA, with registered seat in Greece in which TRADE ESTATES REIC has an indirect shareholding of 50%.

## **2. Group's Consolidated Financial Results**

(All the amounts are reported in terms of thousands of Euros, unless otherwise stated)

The Sales of the retail trading of Home Furniture and Household Goods (IKEA Stores) have increased by 12.9% compared to the corresponding period of 2022, whereas the sales of the retail trading of Sporting Goods (INTERSPORT Stores) have decreased by 4.5 %.

More specifically:

The retail trading of Home Furniture and Household Goods (IKEA Stores) segment realized sales of euro 358.4 million for the year 2023 (2022: euro 317.6 million). The total EBITDA of the segment, as defined in section 9, amounted at Euro 49.0 million compared to the amount of euro 36.0 million in 2022. The total EBITDA (OPR) of the segment, as defined in section 9, amounted to Euro 43.2 million compared to the amount of Euro 30.5 million in 2022. The total EBIT of the segment, as defined in section 9, amounted to Euro 57.6 million compared to the amount of Euro 31.6 million in 2022, whereas the segment presented profits before taxes of euro 44.0 million compared to profits of euro 23.8 million in 2022.

The retail trading of Sporting Goods (INTERSPORT Stores) realized sales of euro 176.3 million for the year 2023 (2022: euro 184.3 million). The total EBITDA of the segment, as defined in section 9, for the year 2023 amounted to euro 24.6 million compared to euro 26.0 million in 2022. The total EBITDA (OPR) of the segment, as defined in section 9, amounted to Euro 10.8 million compared to Euro 12.4 million in 2022. The total EBIT of the segment, as defined in section 9, amounted to euro 4.0 million compared to euro 5.6 million in 2022, whereas the segment, presented losses before taxes of euro 7.4 million compared to losses before taxes of euro 0.4 million in 2022.

The Group's consolidated sales amounted to EUR 535.1 million (2022 EUR 501.4 million). Group's consolidated profits before taxes amounted to euro 31.0 million compared to consolidated profits before taxes of euro 20.0 million in 2022. Net profits amounted to euro 19.2 compared to profits of euro 19.2 million in 2022.

In an effort to present the real view of the Group's performance and course of business activities, as this has been formulated during the reference period, we present below (see in the following tables) the Group's consolidated results per segment for the period 1/1 – 31/12/2023 comparable to the corresponding results for the fiscal year 2022. The amounts are reported in terms of thousands of Euros.

**Retail Trading of Home Furniture and Household Goods (IKEA stores) Segment:**

	<b>2023</b>	<b>2022</b>	<b>2023/2022</b>
Revenue	358,407	317,558	1.13
EBITDA	49,018	35,970	1.36
EBITDA (OPR)*	43,199	30,495	1.42
EBIT (*)	57,574	31,560	1.82
Profit before Tax (*)	43,962	23,849	1.84

(\*) The alternative performance measurement indices selected are mentioned in section 9.



### Retail Trading of Sporting Goods (INTERSPORT Stores) Segment:

	2023	2022	2023/2022
Revenue	176,328	184,257	0.96
EBITDA (*)	24,616	25,997	0.95
EBITDA (OPR)*	10,830	12,428	0.87
Operating Profits/ (Losses)	3,987	5,615	0.71
(Losses) before Tax [PBT] (*)	(7,360)	(369)	19.94

(\*) The alternative performance measurement indices selected are mentioned in section 9.

### Group's Consolidated Financial Data:

	2023	2022	2023/2022
Revenue	535,112	501,379	1.07
EBITDA (*)	68,585	59,081	1.16
EBITDA (OPR)*	48,243	39,639	1.22
EBIT (*)	55,501	33,747	1.64
Profit before Tax (*)	30,924	20,007	1.55
Net Profit After Tax and Minority Interests	19,238	19,165	1.00

(\*) The alternative performance measurement indices selected are mentioned in section 9.

We note that on a consolidated basis the Group's Total Equity allocated to the shareholders of the parent company on 31/12/2023 amounts to euro 184 million compared to an amount of euro 185 million on 31/12/2022.

The Group's Management remains focused on its initial strategic plan regarding TRADE ESTATES REIC, which included the listing of TRADE ESTATES REIC on the Athens Exchange through a share capital increase, as well as the reduction of the Group's shareholding in TRADE ESTATES REIC to below 50%.

The retail home furnishings and furniture sector (IKEA Stores) also includes investments in real estate through the Group's subsidiary TRADE ESTATES REIC, which was established in July 2021 date on which it acquired through a contribution property of the Group in this

sector.

Excluding the results of real estate investments, the Group's retail sales in 2023 amounted to EUR 521.3 million, up 10% compared to 2022.

Total EBITDA (OPR) from the Group's retail business amounted to EUR 35.9 million in 2023 compared to EUR 28.6 million in 2022, up 26%.

Total EBIT from the Group's retail business amounted to EUR 21.1 million in 2023 from EUR 14.9 million in 2022, up by 41.3%.

More specifically, the home furnishings and furniture retail business (IKEA Stores), in 2023, reported sales of EUR 346 million, compared to EUR 310.1 million in 2022, up 11.6%.

The EBITDA (OPR) of Home Furnishings and Furniture Retail (IKEA Stores), amounted to EUR 30.7 million from EUR 20.2 million in 2022, up by 52.0%.

The EBIT of the retail of household equipment and furniture (IKEA stores), amounted to EUR 22.7 million, compared to EUR 12.9 million in 2022, up 76%.

In Sports Retail (INTERSPORT Stores), excluding INTERSPORT ATLETIK Stores in Turkey and SNEAKERS MARKET (The Athlete's Foot Stores) sold in 2023, sales for 2023 amounted to EUR 174 million compared to EUR 163.7 million in 2022, up 6.3%.

EBITDA (OPR), excluding INTERSPORT ATLETIK Stores in Turkey and SNEAKERS MARKET (The Athlete's Foot Stores), the sports retail business (INTERSPORT Stores), amounted to EUR 11.2 million from EUR 11.6 million in 2022.

EBIT, excluding INTERSPORT ATLETIK Stores in Turkey and SNEAKERS MARKET (The Athlete's Foot Stores), sports retail (INTERSPORT Stores), amounted to EUR 4.4 million, compared to EUR 5.4 million in 2022.

In health and wellness retail (Holland & Barrett Stores), sales for 2023 amounted to EUR 0.8 million, while EBITDA (OPR) amounted to EUR -1.9 million and EBIT to EUR -2.0 million.

### **3. Basic Financial Indicators of the Group's Consolidated Financial Statements**

Please find below basic Financial Indicators in respect of the Group's Financial Structure and Performance and Efficiency according to the consolidated financial statements included in the Annual Financial Report of the Group, for the fiscal year 2023 in comparison with the previous fiscal year 2022.

**Financial Structure Indicators:**

	<b>31/12/2023</b>	<b>31/12/2022</b>
Total Current assets/Total Assets	70.32%	65.36%
Total current assets without Assets classified as held for sale / Total Assets	17.43%	23.10%
Total Liabilities/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	68.27%	73.26%
Total Shareholders Equity/TOTAL SHAREHOLDERS EQUITY & LIABILITIES	20.41%	24.59%
Total Current assets/ Total Current Liabilities	134.47%	150.60%
Total current assets without Assets classified as held for sale / Total current Liabilities without Liability arising from assets held for sale	67.98%	96.26%

**Performance and Efficiency Indicators:**

	<b>2023</b>	<b>2022</b>
Operating Profit / Revenue	10.37 %	6.73%
Profit before Tax / Total Shareholders Equity	16.78 %	10.82 %

**4. Operating Performance – Important developments:**

During the period 1/1 – 31/12/2023 the following share capital changes in the parent company and its subsidiaries were realized:

**A. WELLNESS MARKET SOLE SHAREHOLDER SA**

1. Under resolution of the General Assembly of shareholders of "WELLNESS MARKET Sole Shareholder Societe Anonyme" held on the 23d of March 2023 (according to the relevant minutes of the G.A. no.1/23.03.2023) the company's share capital was increased by the amount of one million (1,000,000.00) euros, after cash payment, with the issuance of 1,000,000 new ordinary registered shares, with a nominal value of 1.00 euro each. The total amount of the said share capital increase was covered / paid by the sole shareholder "FOURLIS HOLDINGS SOCIETE ANONYME", upon exercising its relevant pre-emptive right.
2. Under resolution of the General Assembly of shareholders of "WELLNESS MARKET Sole Shareholder Societe Anonyme" held on the 25<sup>th</sup> of July 2023 (according to the relevant

minutes of the G.A. no.3/25.07.2023) the company's share capital was increased by the amount of five hundred thousand (500,000.00) euros, after cash payment, with the issuance of 500,000 new ordinary registered shares, with a nominal value of 1.00 euro each. The total amount of the said share capital increase was covered / paid by the sole shareholder "FOURLIS HOLDINGS SOCIETE ANONYME", upon exercising its relevant pre-emptive right.

Following the aforementioned changes, the share capital of the company, currently amounts to two million five hundred thousand euros (2,500,000.00), divided into 2,500,000 shares, with a nominal value of one (1.00) euro per each share, fully paid.

## **B. TRADE ESTATES REAL ESTATE INVESTMENT SOCIETE ANONYME**

1) On May 24, 2023, during the Extraordinary General Meeting of the Company's Shareholders, it was decided to increase the Company's share capital through a contribution of real estate (the Valuation Report of the real estate, according to article 17 of L. 4548/2018, published in the General Commercial Registry under protocol number 2972006/01.06.2023) by the amount of six million three thousand one hundred eight and eighty cents (6,003,108.80 Euros), by issuing 3,751,943 new common registered shares with voting rights, with a nominal value of one Euro and sixty cents (EUR 1.60) each and an issue price of EUR 2,13222 each and the corresponding amendment to Article 5 of the Company's Articles of Association. The difference of 0.53222 euros per share, between the premium price and the nominal value per share, totaling one million nine hundred ninety-six thousand eight hundred fifty-nine and ten (1,996,859.10) euros has been paid in accordance with the law in credit of the "SPECIAL RESERVE FROM A SHARE PREMIUM" account. The total amount of the increase of seven million nine hundred and ninety-nine thousand nine hundred sixty-seven euros and ninety cents (EUR 7,999,967.90) was covered by the contribution of the property with an estimated value of 8,054,478 euros by the shareholder "AUTOHELLAS TOURIST AND TRADING S.A.", which was completed on 30/6/2023 with the transfer of the property to the Company.

The amendment of the Company's Articles of Association was approved by the Hellenic Capital Market Commission with the Decision No. 1/1901/16.6.2023 of its Executive Committee, in accordance with article 21 par. 5 of L.2778/1999.

After the aforementioned share capital increase, which was registered to the General Commercial Registry (GCR) on 20.06.2023 (Code Registration No. 3656710), issued for this purpose by the announcement of the G.C.R. Office No. 2979243/20.06.2023 of the Athens Chamber of Commerce and Industry, the share capital of the above company amounts to one hundred and forty-four million eight hundred and twenty-five thousand eleven and twenty (144,825,011.20 euros), divided into ninety million five hundred and fifteen thousand six hundred and thirty-two (90,515,632) ordinary registered shares with voting rights, with a nominal value of one euro and sixty cents (EUR 1.60) each.

By the decision of the Board of Directors of the Company dated 18/7/2023, which has been registered in the General Commercial Registry (G.C.R.) on 1/8/2023 (Code Reg.No. 3730546), upon issuance to this effect of the Announcement No.3008360/01.08.2023 by the G.C.R. Office of the Athens Chamber of Commerce and Industry, the increase in the Company's share capital was certified, in accordance with the Decision of the General Meeting of the Shareholders dated 24/05/2023, through a contribution in kind, in the amount of six million three thousand one hundred eight Euro and eighty cents (6,003,108.80 euros), by issuing three million seven hundred and fifty-one thousand nine hundred and forty-three (3,751,943) new ordinary registered shares with voting rights, with a nominal value of one euro and sixty cents (EUR 1.60), in accordance with Article 20, par. 8 of L. 4548/2018, with the Notarial Deed No.22.340/30.06.2023 on transfer of property, issued by Maria Tsaggari, daughter of Panagiotis, and with the Registration deed No.16.222/17.07.2023 in the Athens Cadastral Office, Elefsina Branch.

2)On September 8, 2023, at the meeting of the Extraordinary General Meeting of the Company's Shareholders, it was decided to increase the Company's share capital by the total amount of EUR Forty-Eight Million Twenty-One Thousand Twenty-Two Euros and forty cents (48,021,022.40), through the issue of Thirty Million Thirteen Thousand Thirteen Thousand One Hundred and Thirty-Nine (30,013,139) new ordinary registered shares with voting rights, with a nominal value of one euro and sixty cents (1.60), as follows:

(a)by paying cash in the total amount of Euros Forty Six Million Five Hundred Seventy Two Thousand Seven Hundred Seventy Two and Eighty cents (46,572,772.80), through the issuance of Twenty Nine Million One Hundred Seven Thousand Nine Hundred Eighty Three (29,107,983) new common registered shares with voting rights, with a nominal value of one euro and sixty cents (1.60) each, by public offer and private placement, while the difference of 0.32 euro cents, per share, between the premium price and the nominal value of each share, which amounted to the total amount of Euros Nine Million Three Hundred Fourteen Thousand Five Hundred Fifty Four Euros and Fifty Six cents (9,314,554.56), will be paid into the Special Account "SPECIAL RESERVE FROM A SHARE PREMIUM ACCOUNT",

and (b) with capitalization of distributable reserves in the amount of one million four hundred forty eight thousand two hundred forty nine euros and sixty cents (1,448,249.60) and the issuance of nine hundred five thousand one hundred fifty six (905,156) new common registered shares with voting right, in accordance with provisions of article 114 of Law 4548/2018 and the Company's Free Shares Allocation Program, ("Founders' Grant"), which was approved and decided by the company's Extraordinary General Meeting at its meeting on 31/7/2023.

The amendment of the Company's Articles of Association was approved by the Hellenic Capital Market Commission with the Decision No. 494/23.10.2023 of the Head of the Agency Directorate, in accordance with article 21 par. 5 of L.2778/1999.

The increase of the Company's share capital was completed on 3/11/2023 and was covered (a) by a cash payment in the amount of Euros 46,572,772.80, and (b) by capitalization of an equal distributable reserve in the amount of Euros one million four hundred forty-eight thousand two hundred forty-nine and sixty cents (1,448,249.60).

After the aforementioned share capital increase, which was registered in the General Commercial Registry (GCR) on 23.10.2023 (Code Registration No. 3827277), upon issuance to this effect of the announcement No. 3085678/23.10.2023 of the G.C.R. Office of the Athens Chamber of Commerce and Industry, the share capital of the above company amounts to one hundred ninety-two million eight hundred and forty-six thousand thirty-three euros and sixty cents (192,846,033.60 euros), divided into one hundred twenty million five hundred twenty-eight thousand seven hundred and seventy-one (120,528,771) common registered shares with voting rights, with a nominal value of one euro and sixty cents (EUR 1.60) each.

By the decision of the Board of Directors of the Company dated 09/11/2023, which has been registered in the General Commercial Registry (G.C.R.) on 22/11/2023 (Code Reg.No. 3910380), upon issuance to this effect of the announcement No.3113346/22.11.2023 of the G.C.R. Office of the Athens Chamber of Commerce and Industry, it was established that the increase was paid in cash in accordance with the "Assurance Report of the Independent Chartered Accountant for the certification of the payment of the share capital in accordance with article 20 of L.4548/2018", and the overall coverage of the increase decided by the 8/9/2023 decision of the Extraordinary General Meeting of the Company's shareholders was established in accordance with article 20 par. 6 and 7 of L. 4548/2018. In addition, article 5 of the articles of association on share capital was adapted and published together with the above Report in the announcement numbered 3113346/22.11.2023, issued by the G.C.R. Office.

### **C. MANTENKO REAL ESTATE DEVELOPMENT AND MANAGEMENT SOCIETE ANONYME**

On October 16, 2023, at the meeting of the Extraordinary General Assembly of Shareholders of the company, it was decided to increase the share capital by the total amount of one hundred and forty thousand euros (140,000.00), with the payment of cash and the issuance of one thousand four hundred (1,400) new common shares with a nominal value of one hundred euros (100.00) each. The increase in the Company's share capital was covered equally by the Shareholders.

After the aforementioned share capital increase, which was registered in the General Commercial Registry (GCR) on 23.10.2023 (Code Registration No. 3826617), upon issuance of the announcement No.3084086/23.10.2023 of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to eight hundred and twenty-eight thousand two hundred euros (828,200.00) divided into eight thousand two hundred and eighty-two (8,282) common registered shares, with a nominal value of one hundred euros (100.00) per each share.

By the decision of the Board of Directors of the Company dated 02/11/2023, which has been registered in the General Commercial Registry (G.C.R.) on 20/11/2023 (Code Reg.No. 3901750), upon issuance to this effect of the announcement No.3131859 /20.11.2023 of the G.C.R. Office of the Athens Chamber of Commerce and Industry, the total payment of the increase of the Share Capital in the amount of Euro 140,000 was certified, which was decided by the General Assembly of the shareholders dated 16/10/2023.

#### **D. POLIKENCO REAL ESTATE DEVELOPMENT AND MANAGEMENT SOCIETE ANONYME**

A) Pursuant to the decision of the Extraordinary General Meeting of the shareholders of POLIKENCO SA on the 15th of March 2023, the share capital of this company was increased by the amount of two hundred and twenty thousand euros (220,000) with cash payment, and the issuance of two thousand two hundred (2,200) new common registered shares with a nominal value of one hundred euros (100.00) each.

After the aforementioned share capital increase, which was registered in the General Commercial Registry (GCR) on 28/3/2023 (Code Registration No. 3529879), upon issuance to this effect of the relevant announcement No.2923507/28/03/2023 of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to euros two million seven hundred fourteen thousand six hundred (2,714,600.00) divided into twenty seven thousand one hundred forty six (27,146) common registered shares, with a nominal value of one hundred euros (100.00) each.

On 5/4/2023 it was registered in the General Commercial Registry (G.C.R.) with Reg. Cod. No. 3543281, the Minutes of the Board of Directors dated 29/3/2023 which certified the total payment of the increase of the Share Capital in the amount of Euro 220,000, upon issuance to this effect of the announcement no. 2929187/06.04.2023 of the G.C.R. Office of the Athens Chamber of Commerce and Industry.

B) Pursuant to the decision of the Extraordinary General Meeting of the shareholders of POLIKENCO SA on the 30th of March 2023, the share capital of this company was increased by the amount of two million euros (2,000,000.00) with cash payment, and the issuance of



twenty thousand (20,000) new common registered shares with a nominal value of one hundred euros (100.00) each.

After the aforementioned share capital increase, which was registered in the General Commercial Registry (GCR) on 25/4/2023 (Code Registration No. 3562008), upon issuance to this effect of the relevant announcement No.2936928/25/04/2023 of the GCR Office of the Athens Chamber of Commerce and Industry, the share capital of the aforementioned company amounts to euros four million seven hundred fourteen thousand six hundred (4,714,600.00) divided into forty seven thousand one hundred forty six (47,146) common registered shares, with a nominal value of one hundred euros (100.00) each.

By the decision of the Company's Board of Directors dated 20/6/2023 - given that **(a)** the shareholders were granted a preemptive right to the amount of the increase in the share capital according to their shareholding in the share capital, in accordance with the law and article 7 par. 3 et seq. of the articles of association, while according to the then shareholding composition of the Company, the company's shareholders were two with equal shareholding percentages in the share capital amounting to 50% each - therefore, each shareholder had a preemptive right to 50% of the amount of the increase of the share capital, i.e. an amount of one million euros (1,000,000) with the subscription of ten thousand (10,000) new shares with a nominal value of one hundred euros (100) each; **(b)** the shareholder TRADE ESTATES REIC exercised its preemptive right on the date of the increase in the share capital, i.e. on 30/3/2023 and made the relevant payment on 31/3/2023; **(c)** the (former) shareholder, TEN BRINKE HELLAS S-M SA., reserved the right to exercise its right within the set deadlines, i.e. within one hundred and ten (110) calendar days from the registration of the decision in the G.C.R.; **(d)** the decision was registered in the G.C.R. on 25/04/2023 (taking the No. Prot. 2936928 and Reg.Code No.3562008), therefore the actual day for the exercise of the preemptive right was the 13th of August 2023; **(e)** TRADE ESTATES REIC, under the share purchase agreement dated 29/5/2023 of the other shareholder, TEN BRINKE HELLAS S-M.SA., acquired the preemptive right to the new share capital as well, **(f)** TRADE ESTATES REIC, by its letter as of 19/6/2023 to POLIKENCO's Board of Directors has announced that it does not wish to exercise the preemptive right nor to take over the uncovered shares; **(g)** according to the aforementioned decision of the General Meeting of Shareholders of the company dated 30/3/2023, it was provided that in the event that the shares are not taken over upon exercising the preemptive right or by the remaining shareholders, then the Board of Directors will proceed in certification of the already covered shares and amendment of the articles of association with the relevant adjustment of article 5 on the share capital, reducing the capital by the amount that was not covered, in accordance with the law (article 28 of L. 4548/2018) – the Board of Directors certified the partial coverage of the amount of the capital increase, i.e. the coverage of the ten thousand (10,000) new shares with a nominal value of one hundred (100) euros each amounting to one million euros (1,000,000) was certified by TRADE



ESTATES REIC and the relevant adjustment of the Articles of Association was decided. The decision of the Board of Directors has not yet received a registration number in the G.C.R.

By virtue of the above, the company's share capital amounts to three million seven hundred fourteen thousand six hundred (3,714,600.00) euros, divided into thirty-seven thousand one hundred and forty-six (37,146) common registered shares, with a nominal value of one hundred euros (100.00) each.

#### **E. GENCO BULGARIA FOOD**

Under the resolution of the General Assembly of the shareholders of the company dated 10/10/2023, the company's share capital was increased by the amount of BGN 1 million seventy-five thousand and seven hundred (BGN 1,075,700.00) with the issuance of one hundred and seven thousand five hundred seventy (107,570) new ordinary registered shares with voting rights, with a value of ten BGN (10.00) per share. The share capital increase was totally covered by the shareholder INTERSPORT ATHLETICS SA (in execution of the decision of the Board of Directors on 2/10/2023). After the aforementioned share capital increase, the share capital amounts to twenty million one hundred and twenty-two thousand nine hundred and seventy BGN (BGN 20,122,970.00), divided into 2,012,297 shares, with a nominal value of ten BGN (BGN 10.00) each.

#### **F. WYLDES LTD**

Under the resolutions dated 27/2/2023 and 29/6/2023 of the BoD of the sole shareholder "HOUSEMARKET SA", the latter proceeded to the payment to the company under the name «**WYLDES LTD**» with registered seat in Nicosia, Cyprus, of a total amount of euros 75,000.00 in consideration of the acquisition of 75 ordinary registered shares with voting rights to be issued with a nominal value one (1.00) euro per share (that is with a total nominal value of 75.00 euros plus a premium amount of 74,925.00 euros).

It should be mentioned, that after no decision on the share capital increase of the company, as above, has been taken up to date by the BoD of WYLDES LTD, its share capital shall continue to amount to 7,074.00 euros, divided into 7,074 ordinary (common) registered shares with voting rights, with a nominal value of one euro (1.00) each.

It is also noted that WYLDES LTD has an indirect shareholding of 50% in the company "SOFIA SOUTH RING MALL EAD", which is exploiting the commercial park owned by Sofia Ring Mall, and all the funds invested are directed in the development and optimization of the operation of the said commercial park.

The parent company FOURLIS HOLDINGS SA has no branches.

Subsidiaries and especially retail companies have developed and continue to develop a significant Stores network both in Greece and abroad.

**Retail Trading of Home Furniture and Household Goods Segment (IKEA Stores):**

The segment currently operates in total seven (7) Stores, five (5) of which in Greece, one (1) in Cyprus and one (1) in Bulgaria. Moreover, six (6) Pick up and Order Points with IKEA products are also operating in Greece, and, specifically, in Rhodes Island, Patras, Chania, Heraklion, Alexandroupoli and Kalamata, one (1) Small Store in Piraeus and one (1) Ikea Shop in the shopping center (THE MALL) in Marousi. In Bulgaria there are two (2) pick-up and drop-off points (Pick Up and Order Points) of IKEA products in Burgas and Plovdiv, one (1) IKEA Small Store in Varna, one (1) IKEA shop in Sofia at the (Mall of Sofia), whereas on 28/11/2023 one (1) new IKEA shop opened in Velico, Tarnovo. In Cyprus (Limassol) there is one (1) Planning studio store. There are also three e-commerce Stores in Greece, Cyprus, and Bulgaria.

**Retail trading of sporting goods (INTERSPORT Stores):** The segment on 31/12/2023 operates one hundred and eight (108) INTERSPORT Stores: fifty-nine (59) in Greece, thirty-three (33) in Romania, ten (10) in Bulgaria, and six (6) in Cyprus. The INTERSPORT Stores that were added to the network in the period 1/1 -31/12/2023 are: three (3) new stores in Greece, Serres (17/3/2023), Katerini (8/4/2023) and in Pagkrati, Athens (14/07/2023) and one (1) new store in Romania, whereas in Cyprus one (1) shop in the Minos Tower permanently suspended its operation (20/1/2023). At the same time, there are e-commerce Stores operating in Greece, Romania, Cyprus, and Bulgaria.

On 26/1/2023, the Fourlis Group announced the agreement to sell "Intersport" trading activity in Turkey. The agreement provides for the sale of total shares of the subsidiary company "Intersport Atletik Mağazacılık ve Dış Ticaret Anonim Şirketi", licensor of the trademark "Intersport" and "The Athlete's Foot" in Turkey. The acquiring company is the Group "Eren Perakende ve Tekstil Anonim Şirketi".

**5. Stock Price Evolution**

In this section we provide a Chart displaying the stock price evolution of the parent Company "FOURLIS HOLDINGS S.A." at the Athens Stock Exchange for the period 1/1/2023 to 31/12/2023 (orange line) compared to the Stock Exchange General Index (purple line).



## 6. Stock Awards Plans

The Ordinary General Assembly of shareholders of the Company "FOURLIS HOLDINGS SOCIETE ANONYME" dated 16/6/2023 approved the Stock Awards Program (hereinafter referred to as "the Program 2"), to executive officers of the Company and of its affiliated companies, in the forms: a) of granting of stock options (article 113 of L.4548/2018), and b) of free granting of stocks (stock grants) (article 114 of L.4548/2018), and authorized the Board of Directors to regulate the procedural issues and further details. The said Program 2 constitutes a revision of the approved by the Ordinary General Assembly of shareholders dated 16/6/2017 Stock Awards and Grants Program offered to the executives of the Company and of its affiliated companies in the form of pre-emptive rights for the purchase of shares (Stock Options Program), which had been established by law, in accordance with the provisions of article 13 par.13 and of article 29 par.3 and 4 and of article 31 par.2 of the C.L. 2190/1920.

Program 2 is divided into two separate programs:

A) Program for the smooth succession of senior executives of the Company and of its affiliated companies (hereinafter referred to as "Program A"):

Program A grants to the selected senior executive officers of the Company and of its affiliated subsidiary companies the right to purchase shares (stock options) at a fixed standard price and to be able to exercise this right within a fixed period of time in the future. The beneficiary exercising this option shall benefit, provided that, at the time of exercise of this option, the

share's stock exchange price is higher than its purchase price. Program A will be implemented via one and only series of shares for the aggregate number of the granted options (at the maximum number of 850,000 options of one (1) share).

Beneficiaries shall be senior executive officers of the Company and of its affiliated companies, especially Chief Executive Officers of these companies with fifteen years of previous work in the FOURLIS Group, in reward and recognition of their long-term offer and contribution to the development of FOURLIS Group. The term of the Program A ends in the year 2029, meaning that the options that will be granted to the beneficiaries of Program A may be exercised until December 2029, in accordance with the more specific provisions in the terms of the Program. During Program A and according to its terms, the Board of Directors shall issue to the beneficiaries who exercised their option, stock option certificates and shall issue and deliver the shares to the above beneficiaries, increasing the Company's share capital and officially confirming the capital's increase. These increases of the share capital shall not constitute amendments of the Articles of Association. The Board of Directors is required, within the last month of the annual fiscal year, in which the share capital's increases have taken place, to adjust, by its decision, the article on "share capital" in the Company's Articles of Association, so that the amount of the capital, as arisen after the above increases, shall be provided for, in compliance with the publicity requirements under article 13 of L.4548/2018.

On 4/9/2023 the BoD specified the beneficiaries and allocated in total 850.000 options (stock options) for the Program A'.

B) Program to attract, retain and encourage senior executive officers of the Company and of its affiliated companies (hereinafter also referred to as "Program B"):

Program B provides the selected senior executives of the Company and of its affiliated subsidiaries with free ordinary registered shares with voting rights (stock grants) by capitalization of the Company's reserves, in accordance with the provisions of article 114 of L.4548/2018, as currently applicable, for the achievement of specific goals. Program B will be implemented in three (3) annual series, with the granting, at maximum, of 1,300,000 shares in total. Beneficiaries shall be the top senior executives of the Company and of its affiliated companies who will be selected at the reasonable discretion of the Board of Directors, after consideration of their contribution to the achievement of the strategic plans of FOURLIS Group for the period 2025-2027. The term of the Program shall be forty-eight (48) months, commencing in March 2024.

During the term of Program B and according to its terms, the Board of Directors shall proceed to increases of the share capital, with capitalization of reserves, and issuance of new shares, that will be delivered to the beneficiaries. These increases of the share capital do not constitute amendments of the Articles of Association. The Board of Directors shall be required

during the last month of the corporate fiscal year within which increases of the share capital have taken place, to adjust, by its decision, the article on "share capital" in the Articles of Association, so that the amount of the capital, as arisen after the above increases, shall be provided for, in compliance with the publicity requirements under article 13 of L.4548/2018.

On the 28<sup>th</sup> of December 2023, by a decision of the BoD, the corporate goals-criteria were specified for the implementation of the first series of the program for free granting of registered shares with voting rights (stock grants) pursuant to article 114 of L.4548/2018, that was decided by the ordinary General Assembly of the Company's shareholders.

Apart from the above Program revised on the basis of the decision of the General Assembly dated 16/6/2023, in the Group shall apply the program approved by the Extraordinary General Assembly of the Company as of the 22<sup>nd</sup> of July 2021 and the program of the subsidiary company "TRADE ESTATES REIC" approved by the Ordinary General Assembly of shareholders dated 30/6/2022.

In more detail:

The Extraordinary General Assembly of the subsidiary Company "TRADE ESTATES REIC" on 22/7/2021, in the context of the Stock Option Plan, approved the disposal of a maximum 1.600.000 stock options of one share i.e. 3.07% of the number of shares on the ATHEX and authorized the Board of Directors to regulate the procedural issues and details. The underlying share price is the closing stock price of the share on the resolution date of the General Assembly regarding the approval of the Program (SOP). The program will be implemented in a series. The duration of the Program is until the year 2028, in the sense that the options that will be granted to the beneficiaries of the Program with a grant date on 22/11/2021, may be exercised from 24/11/2024 to 15/12/2028.

Moreover, the Ordinary General Assembly of shareholders of the subsidiary company Trade Estates REIC held on 30/6/2022 decided to establish a Program for the free distribution of ordinary registered voting shares to executive members of the Board of Directors and to Managerial and other selected Executives of the Company.

The same Ordinary General Meeting of the subsidiary Company's TRADE ESTATES REIC shareholders approved a four-year Long-Term Reward Program for executive members of the Board of Directors, Managers and other selected Executives of the Company (hereinafter "Beneficiaries"), in the form of granting free ordinary registered voting shares to the Beneficiaries for the achievement of specific goals and once the listing of the Company's shares for trading on the organized (arranged) market of the Athens Stock Exchange is completed.

By the decision dated 31/7/2023 of the Extraordinary General Assembly of shareholders of the subsidiary company TRADE ESTATES REIC the revision of the Stock Grants Program adopted at the Ordinary General Assembly of shareholders of the subsidiary company as of 30/6/2022, was decided and the decisions of the Extraordinary General Assembly of shareholders of the company were revised/ updated as follows:

- With the replacement of the currently applicable A. "One-Off Reward Program for the listing of the subsidiary's shares TRADE ESTATES REIC for trading in the regulated (organized) stock market of the Athens Stock Exchange" by the "FOUNDERS'S GRANT Program", as an "One-Off Reward for the listing of the company in the Stock Exchange".
- With repeal of the B. Long-term Reward Program.

## **7. Information about the Group's prospected plan of development**

Critical issues such as inflationary pressures combined with the increase of the interest rates that reduced the demand and the consumer's purchasing power and the energy crisis, remain at the forefront of interest and determined the course of the global economy during 2023.

Nevertheless, the Group's Management, based on the long-term experience of managing demanding situations and supported by the strong competitive position of the Group's retail companies, but also by the balanced expansion of its business, and, consequently, of its revenues, makes every possible effort to limit the effects created by the difficult conditions prevailing in the market and consumers.

Regarding the developments in Ukraine and the Middle East, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia, Ukraine, or in the Middle East, nor significant transactions with related parties from these countries. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia, Ukraine, or the Middle East, nor does it hold accounts nor have loans with Russian Banks. The Management monitors the developments closely and is ready to take all the necessary measures to deal with any consequences in its operational activities.

Further, the contribution of the Recovery and Resilience Facility (RRF) is estimated that it will be significant in the years to come, strengthening the Greek banks and the Greek economy in general.

The estimates for the improvement of the financial data of the Group during the first half of 2024 depend directly on the evolutions and developments in the financial and political environment, especially in Greece, from which most of the revenue (59%) for the year 2023 continues to come.

The Group continues to implement its investment programme in the sectors in which it

operates.

On 31/1/2024 the parent company FOURLIS SA HOLDINGS announced the decision of Inter IKEA Group to invest in Greece, in cooperation with FOURLIS Group, for the establishment of a state-of-the-art international product distribution center, with a surface area of 50.000 square meters. The new facility will be built in Aspropyrgos, will be supplied via the port of Piraeus and will serve the markets of Eastern Mediterranean, covering initially the needs of IKEA stores in Greece, Bulgaria, Jordan, Israel and Cyprus. The aim is to support other countries as well in the future, such as Egypt. The Distribution Centre, which will be owned by the subsidiary TRADE ESTATES REIC, will be designed and developed in cooperation with Ten Brinke Hellas, whereas the operational management will be carried out by TRADE ESTATES REIC. The investment in Aspropyrgos has a budget of 70 million euros. In the new international distribution center approximately 100 permanent jobs will be created, including highly qualified positions in the fields of computerization, data analysis, logistics and artificial intelligence. As planned, work will begin this year and the distribution center is expected to be operational in mid-2025. The plant will have a zero environmental footprint, as it will be equipped with photovoltaics.

Further, on 29/5/2023 a private agreement was signed for the acquisition of 100% of the share capital of the company POLIKENCO REAL ESTATE DEVELOPMENT AND MANAGEMENT SOCIETE ANONYME, a company which is active in the purchase or acquisition of real estate, construction, renovation and exploitation of the commercial buildings and real estate located in Greece.

Fourlis Group and Latsco Family Office announced on 21/9/2023 the closing of an agreement for the participation of Latsco Hellenic Holdings Sarl in the share capital of TRADE ESTATES REIC. Specifically, Latsco Hellenic Holdings Sarl acquires 3.12% of the company's share capital from TRADE LOGISTICS SA, a subsidiary of the Fourlis Group, in consideration of an amount of eight million euros (8,000,000).

On 10/10/2023, the company entered into a binding agreement with REDS S.A. (a subsidiary of the ELLAKTOR Group), for the purchase of 100% of the shares of "YALOU SINGLE MEMBER SOCIETE ANONYME FOR TRADE, TOURISM & REAL ESTATE DEVELOPMENT AND MANAGEMENT" (the "YALOU SA"), owner and manager of SMART PARK. SMART PARK is located at the location "Yalou", inside the Business Park, in the Municipality of Spata - Artemis. Its commercial space is 100% leased to major retailers in Greece. This particular investment by TRADE ESTATES is part of the company's strategic specialization in the field of new generation Retail Parks and Logistics Centers as an integral part of the Omnichannel approach that is evolving in global commerce.



Shopping parks are currently the strongest trend in new retail developments worldwide, as consumers with less time on their hands and in the post-Covid era will constantly seek easy, safe and immediate access to markets and services. TRADE ESTATES S.A.'s objective is to operate purely in large-scale retail properties ("Big Boxes") and e-commerce infrastructure, through the acquisition of new properties and outside the Group, creating a portfolio of high quality and performance.

On 11/12/2023 a private agreement for the sale & transfer of the remaining 50% of the shares of MANTENKO S.A. was signed between TRADE ESTATES REIC and TEN BRINKE GREECE HOLDING B.V which was the shareholder of the 50% share of MANTENKO S.A. The price for the purchase of the shares was agreed in the amount of EUR 4 million, one hundred and thirty-two thousand, eight hundred and ninety-eight euros and eighty cents (4,132,898.80). MANTENKO has exclusive possession of a property, namely a land parcel (39,910.29 sq.m.), for the construction of a hypermarket/residential complex.

In the segment of Retail trading of furniture and household equipment the Group operates seven (7) IKEA Stores, eight (8) Pick up and Order Points, three (3) IKEA shops, two (2) IKEA small stores, one (1) planning studio store, and three (3) e-commerce stores in Greece, Bulgaria and Cyprus. Based on the development plan in the three countries where the Group operates IKEA stores, (3) three medium-sized IKEA stores of 5,000 - 12,000 sq.m., and three (3) small stores of 1,000 - 2,000 sq.m. will be opened in the next five years.

Within the year 2023 the first new Holland & Barrett stores in Kifisia and in Glyfada (18/1/2023), in Marousi (The Mall) on (13/2/2023) and in Chalandri (23/11/2023) started to operate, while the opening of other two (2) stores has been scheduled for the a' half of 2024. Through the specific retail business, the Group's goal is to play a leading role in one of the biggest retail networks of Europe in the health and wellness industry, with the company WELLNESS MARKET S.A. and intends to develop long-term a network of 120 physical stores, while simultaneously operating the Holland & Barrett e-shop.

In the segment of retail trading of sporting goods, the Group operates one hundred and seven (107) INTERSPORT Stores, while at the same time in Greece, Romania, Cyprus and Bulgaria e-commerce stores are also operating.

The orientation of the Management in the exploitation of the synergies within the Group will continue for the first half of 2023. "Integrity", "Mutual Respect" and "Efficiency" shall continue to be the values through which the Group seeks to achieve its goals.

## **8. Major Threats & Uncertainties faced by the Group.**

Risk management is handled by the Finance Department, which operates according to specific rules set by the Board of Directors.



The Group has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, evaluate and manage risks through a structured approach. The methodology is based on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) ERM, which provides guidance on how to integrate ERM practices and outlines their application principles. In this context, risks were identified and evaluated which were recorded in the Risk Register of the Group.

More specifically, the risk categories are: Profitability and Liquidity, Reputation and Ethics, Regulatory Compliance, Strategy, Customers, Sustainability, People, Health and Safety, Growth and Competition, Technology and Information Security, and Operations. The most important risks that have been identified for the Group are:

- *Risk related to the category "Sustainability":* The possibility of non-alignment of the business strategy with the ESG (Environmental, Social and Corporate Governance) requirements, such as Climate & Sustainability and with corporate governance expectations and the related effects on the financial results and the reputation of the Group.
- *Risk related to the category "People, Health and Safety":* The possibility of facing difficulties in attracting, developing (including training) and retaining the required skills and talents (including new skills in digital technologies) and the relative impact on the Group's performance.
- *Risk related to the Strategy category:* The probability of failure to clearly define the strategy and to align it with the business objectives and the relevant effects on the Group's development.
- *Risk related to the Strategy category:* The possibility of failure to adopt a state-of-the-art technology/ to achieve alignment of the information strategy with the business strategy and the new business models as well as the relative impact on the Group's reputation and revenues.
- *Risk related to the category "Profitability and Liquidity":* The possibility of ineffective management of liquidity, as well as the vague strategy of liquidation and the relevant effects on the profits and on the liquidity of the Group.
- *Risk related to the category "Profitability and Cash Flow":* The probability of adverse and detrimental global macroeconomic incidents and their related effects on the profits of the Group.
- *Risk related to the category Development and Competition:* The possibility of the emergence of new competitors (e-shop or physical stores) and the relative impact on the loss of market share.
- *Risk related to the category Development and Competition:* The possibility of entering international digital markets (marketplaces) and the relative impact on the loss of market

share.

- *Risk related to the Technology and Information Systems Security category:* The possibility of high cost of information systems platforms and the impact on the Group's profits.
- *Risk related to the Technology and Information Systems Security category:* The possibility of attack in cyberspace and the relative impact on the profits, performance and reputation of the Group.
- *Risk related to the category Operations:* The possibility of mismanagement of inventories and the relevant effects on the Group's performance and revenues.

The Board of Directors provides written instructions and guidelines for general risk management as well as specific instructions for the management of specific risks, such as the foreign exchange risk and the interest rate risk.

#### **a) Financial Risk Management**

The Group is exposed to financial risks, such as foreign exchange risk, interest rate risks and liquidity risks. The Financial Department shall determine, specify, evaluate and hedges the financial risks in cooperation with the Group's subsidiaries.

##### **Foreign Exchange Risks:**

The Group is exposed to foreign exchange risks arising from transactions in foreign currencies (RON, USD, SEK) with suppliers which invoice the Group in currencies other than the local one. The Group, aiming at minimizing the foreign exchange risks, according to the relevant needs, evaluates the need for pre-purchase of foreign currencies.

##### **Interest rates and liquidity risks:**

The Group is subject to cash flow risks which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or/and outflows related to the Group's assets or/and liabilities.

Cash flow risk is minimized via the availability of adequate bank credit lines but also significant treasury. Further, the Group has entered into, and uses Forward Interest Rate Swap (FIRS) contracts in order to face the said risks.

##### **Property price and lease risk:**

The Group is exposed to property price and lease risks as regards the possibility of a decrease in the commercial value of the real estate and/or leases, which may come from on-going developments in the real estate market in which it operates, the general conditions of the Greek and international macroeconomic environment, from the characteristics of the Company's portfolio real estate and from events concerning the Company's existing tenants.

To reduce property price risk, the Group carefully selects properties that are located in excellent position and promoted in commercial areas so as to reduce its exposure to this risk. It seeks to enter into long-term operating lease contracts, with tenants of high credibility, in which are foreseen annual adjustments of the lease related to the Consumer Price Index, while in case of negative inflation there is no negative impact on the lease.

### **Risks due to the energy crisis and inflationary pressures**

The Group carefully monitors the news and developments regarding the energy crisis and the inflationary pressures, in order to adjust in the special conditions arising. It complies with the official instructions of the competent authorities for the operation of its physical stores and headquarters in the countries in which it operates. It harmonizes with the current legislation and continues its commercial transactions in physical stores according to the instructions.

The energy cost for the operation of the Group's stores and warehouses is affected by the large increases observed internationally, but it is a relatively small part of the Group's operating cost.

The Group continues the strictly selected investments in both retail segments in which it operates.

Regarding the developments in Ukraine and in the Middle East, the Group declares that it has no subsidiaries, parent or affiliated companies based in Russia, Ukraine, or the Middle East, nor significant transactions with related parties from these countries. The Group also states that it has no significant customers or suppliers or subcontractors or partners from Russia, Ukraine, or the Middle East. The Group states that it does not maintain accounts or have loans with Russian Banks. The Management closely monitors the course of events and is ready to take all required steps and measures in order to face and fight any possible consequences and effects on its operational activities.

### **Non-financial risks:**

In addition to the financial risks, the Group also focuses on non-financial risks related to specific issues, which have been identified as essential in the context of sustainable development. These issues concern the full compliance with the legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activity, the supply chain, and the evolution of the companies in the market in which they operate. Risk management presupposes the determination of objective goals based on which the most important events that can affect the Group are identified, the relevant risks are assessed and the Group's response to them is specified.

### **b) Significant Pending Court Cases**

There are no litigations or legal issues that might have a material impact on the Group's or the Company's Annual Consolidated Financial Statements for the period 1/1 - 31/12/2023.

## 9. Selected Alternative Performance Measures (APMs)

Under the implementation of ESMA Guidelines (05/10/2015|ESMA/2015/1415), FOURLIS Group adopted as Alternative Performance Measure (APM) the earnings before taxes, interest and depreciation and amortization (EBITDA). Alternative Performance Measures (APMs) are used in the context of decision-making for financial, operational and strategic planning as well as for the assessment and publication of performances. Alternative Performance Measures (APMs) are taken into account combined with financial results which have been conducted according to IFRS and under no circumstances they replace them.

Definition **EBITDA (Earnings Before Interest, Taxes, Depreciation, Amortization and Impairment)/ Operating results before taxes, financing, investing results and total depreciation/amortization/impairment** = Earnings before tax +/- Financial and investing results (Total finance cost + Total finance income + Share in the losses of affiliated companies) + Total depreciation/amortization/impairment (tangible and intangible property and assets).

The amount most directly related to this EDMA (EBITDA) is operating profit (EBIT) and depreciation / amortization. Operating profit is presented in the income statement line and depreciation / impairment is presented in total in the Cash Flow Statement line. More specifically, the agreement of the selected EDMA (EBITDA) with the financial statements of the Group of the respective period is the following:

(amounts in thousands of euros)

Group's Consolidated Results		
	1/1-31/12/2023	1/1-31/12/2022
<b>Profits/ (Losses) before Tax (PBT)</b>	<b>30,924</b>	<b>20,007</b>
Interests on leases' liabilities	6,414	6,415
Other Financial and Investment Results	18,163	7,326
Total Depreciation/Amortization/Impairment	13,083	25,334
<b>Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)</b>	<b>68,585</b>	<b>59,081</b>

Depreciation of assets with right of use (IFRS16)	(20,342)	(19,442)
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<b>EBITDA (OPR)</b>	<b>48,242</b>	<b>39,639</b>
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**Retail trading of home furniture and household goods segment (IKEA Stores)**

**1/1-31/12/2023**      **1/1-31/12/2022**

<b>Profits/ (Losses) before Taxes (PBT)</b>	<b>43,962</b>	<b>23,849</b>
Interests on leases' liabilities	3,209	3,014
Other Financial and Investment Results	10,402	4,698
Total Depreciation/Amortization/Impairment	(8,555)	4,410

<b>Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)</b>	<b>49,018</b>	<b>35,971</b>
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Depreciation of assets with right of use (IFRS16)	(5,819)	(5,475)
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<b>EBITDA (OPR)</b>	<b>43,199</b>	<b>30,495</b>
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**Segment of the Retail Trading of Sport Items (INTERSPORT Stores)**

**1/1-31/12/2023**      **1/1-31/12/2022**

<b>Profits/ (Losses) before Taxes (PBT)</b>	<b>(7,360)</b>	<b>(369)</b>
Interests on leases' liabilities	3,112	3,359
Other Financial and Investment Results	8,235	2,625
Total Depreciation/Amortization/Impairment	20,629	20,382

<b>Earnings before interest, tax, depreciation, amortization and impairment (EBITDA)</b>	<b>24,616</b>	<b>25,997</b>
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Depreciation of assets with right of use (IFRS16)	(13,786)	(13,569)
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<b>EBITDA (OPR)</b>	<b><u>10,830</u></b>	<b><u>12,428</u></b>
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## 10. Sustainable Development and Social Responsibility

### [GRI 2-2, GRI 2-3, GRI 2-5]

This Report is the annual Non-Financial Statement issued by FOURLIS Group and is part of the Management Report of the Board of Directors, covering the period from January 1st, 2023, to December 31st, 2023 and the publication date matches the Annual Management Report of the Board of Directors publication date. The Statement includes information related to the activities of FOURLIS Group companies, the management and performance of Sustainable Development and Social Responsibility in the following thematic aspects, based on articles 151 and 154 of Law 4548/2018, codified by 5019/2023 Government Gazette A' 104/13-06-2018 as well as the EU Taxonomy Regulation 2020/852:

1. Brief description of the business model
2. Key non-financial risks
3. Environmental matters/climate change
4. Social and employee-related matters
5. Respect for human rights
6. Anti-corruption and bribery matters
7. Supply chain matters
8. Taxonomy Report

In this Statement, information on the common European supervisory priorities for the annual financial reports and statements for the financial year 2023 as announced by ESMA has been included, in particular for "2.1. Further information is available in the section "Taxonomy Reporting". The Group acknowledges the other oversight priorities, namely "1.1. Priority 1: Climate-related issues", "2.2. Priority 2: Disclosures of climate-related objectives, actions and progress," and "2.3. Priority 3. Scope 3 GHG emissions", and commits to concrete initiatives in the coming period.

The content of this Statement has been drafted by taking into consideration the GRI Standards (2021).

In addition, it incorporates metrics of the Athens Stock Exchange ESG Reporting Guide, published in 2022.

FOURLIS Group's Sustainable Development and Social Responsibility Division is responsible for the preparation of this Statement and undertakes to collect all the necessary information, in cooperation with the relevant departments of the Group. Any restatements of information are highlighted within the Statement under the relevant sections.

Recognizing the importance of external assurance, the Management of the FOURLIS Group, as early as 2020, has proceeded with external independent assurance (limited assurance) of specific content of the annual autonomous Sustainable Development and Social Responsibility Report. This year, for the first time, the Group proceeds with independent external assurance (limited assurance) of specific content of the present Non-Financial Statement (see Section "Independent Limited Assurance Report").

The Board of Directors approves the financial report of which this non-financial information constitutes a part.

## **MESSAGE FROM THE MANAGEMENT**

[GRI 2-22]

This statement presents the Sustainable Development and Social Responsibility management approach and performance. Group's main goal through the compilation of this statement is to maintain responsibility, transparency, and accountability to stakeholders. In addition, through this statement, the Group's positive contribution to the UN Sustainable Development Goals is highlighted. The intense challenges of the day, from the geopolitical instability that characterizes the world and the volatile economic environment it creates, as well as the rapid developments in the European legislative framework in relation to sustainable development, have prompted us to remain committed to our work on sustainable development in the following pillars:

### People and Society

As a Group with international operations, we are proud to have been able to create more than 3,900 direct jobs and many more indirect jobs. We want all our employees to have equal opportunities and to be evolved within our Group companies, according to objective criteria that promote the protection of human rights and the elimination of discrimination in the workplace. We believe that an environment of diversity and mutual respect can help our employees to bring out their talents, their best selves and achieve significant results both for themselves and for the Group.

In addition, we are committed to offer and support the communities in which we

operate, as we are part of their daily lives. We implement important programs that improve the daily lives of hundreds of people, whilst in cases of emergency, we respond immediately by supporting the people who have been called upon to face difficulties and serious challenges in their lives, so that they can gain hope and live with dignity.

### Sustainable Environment

Environmental protection, as well as initiatives to climate change adaptation and mitigation, are a strategic part of all FOURLIS Group's operations and business planning. Guided by the Paris Agreement, in compliance with the European Taxonomy Regulation and the National Climate Law, we monitor our impacts and focus on programs to reduce energy consumption, use of renewable energy sources in our facilities and manage waste and materials properly. At the same time, we strive to continuously support a sustainable lifestyle through environmental initiatives to raise awareness among employees and consumers and through our companies' products that promote sustainability.

## **1. Brief description of the business model**

### **[GRI 2-1, GRI 2-2, GRI 2-6]**

FOURLIS Group, is the successor of FOURLIS BROS S.A., which was founded by Anastasios, Stylianos, Ioannis and Ilias Fourlis. FOURLIS Group, headquartered at 25 Ermou Street, Kifissia, is one of the largest trading groups of consumer goods in Greece, Cyprus, Bulgaria and Romania.

More information regarding the business environment, strategy, objectives and main progress and factors that could impact on the Group's development, is available in the following chapters of the Board of Directors' Annual Report:

Section 4. Operating performance-Important developments.

Section 7. Information about the Company's prospected plan of development.

Section 8. Major threats and uncertainties faced by the Company, as well as in the following paragraphs.

## **Sustainable Development Policy and Strategy**

### **[GRI 2-2, GRI 2-12, GRI 2-13, ATHEX ESG Metric C-G4]**

The Group has a Sustainable Development Policy that applies to all its companies and is approved by the Board of Directors. The Group's Sustainable Development and Social Responsibility Division is responsible for the Policy. The Group's Management is



committed to the implementation of the Sustainable Development Policy at all levels, companies, sectors and countries of its activity.

The FOURLIS Group Sustainable Development Strategy is based on the Sustainable Development material topics, as they arise through the Materiality Analysis, which is carried out in accordance with the GRI Standards 2021.

### **Sustainable Development Oversight**

**[GRI 2-12, GRI 2-13, GRI 2-14, ATHEX ESG Metric C-G2]**

Driven by the Group's Values and Principles, the Sustainable Development and Social Responsibility Division was created in 2008, with the aim of coordinating the companies in initiatives and actions, in the field of Sustainable Development and Social Responsibility. The Division constantly operates and develops, having as main priorities to respect the Group's People, to support the Market, to contribute to the Society and to protect the Environment.

The Sustainable Development and Social Responsibility Division designs the Group's Sustainable Development and Social Responsibility strategy and implements and monitors relevant programs in collaboration with executives of its subsidiaries, who act as coordinators for the issues related to the four above-mentioned axes.

Sustainable development topics are discussed at least once a year in the FOURLIS Group Executive Committee, which is attended by executives of its companies as well as by executive members of the BoD. These members possess knowledge on Sustainable Development/ESG topics and in turn communicate the respective topics to the other members of the BoD, in order and according to the results of the Materiality Analysis, to set priorities and corresponding goals at the meetings of the Board of Directors.

In addition, the Sustainable Development and Social Responsibility Division of FOURLIS Group informs the Audit Committee about the work carried out in the field of Sustainable Development and relevant issues are included in the Committee's Activities Report.

### **Stakeholder Engagement**

**[GRI 2-29, ATHEX ESG Metric C-S1]**

The Group defines as stakeholders the individuals or groups whose interests are affected or could be affected by its activities. The main stakeholder groups of FOURLIS



Group are the following:

Having identified and prioritized its stakeholders, the Group invests in a continuous and two-way contact and communication with them, in order to maintain a steady flow of information, from and to the Group, about their requests, concerns and expectations. The role and views of the Group's stakeholders are important in its effort to improve its products and services as well as for its sustainable operation and development. Therefore, discussions are held at a Board level regarding the management of these issues as well as the respective targeting setting.

More information regarding the practices followed by the Group in order to maintain a balanced and constructive communication with them, is available in the [Sustainable Development and Social Responsibility Report 2022](#).

### **Materiality Analysis**

**[GRI 2-14, GRI 3-1, GRI 3-2, GRI 3-3, ATHEX ESG Metric C-G3]**

In the context of continuously improving the approach to Sustainable Development and Social Responsibility topics, FOURLIS Group performed a materiality analysis, in accordance with the GRI Standards 2021, to prioritize the topics that present the most significant actual and potential, positive and negative impacts on the environment, the economy and people. For 2023, FOURLIS Group proceeded with the same material topics as these derived from the 2022 materiality analysis.

More specifically, the materiality analysis was carried out through the following four phases:

- Phase 1: Understanding the organization's context
- Phase 2: Identification of impacts
- Phase 3: Impact assessment
- Phase 4: Prioritisation of impacts

During the materiality analysis process, it was identified that the Group's operation creates or is likely to create positive and negative impacts on the environment, the economy and people, as follows:



More information on the impact identification methodology, is available in the FOURLIS Group [Sustainable Development and Social Responsibility Report 2022](#).

### Material Topics

**[GRI 3-2, GRI 3-3, GRI 2-14, ATHEX ESG Metric C-G3]**

Based on the results of the impact assessment, the grouping of impacts into topics and the threshold set by the Management, the material topics that are included in this Report are:



## **Memberships**

### **[GRI 2-23, GRI 2-28]**

Since 2008, FOURLIS Group is an official member of the United Nations Global Compact, the largest international voluntary initiative for responsible business practices. At the same time, the Group is a founding member of the Global Compact Network Hellas (GCNH).

The UN Global Compact consists of 10 Principles that derive from internationally accepted standards pertaining to human rights, labor conditions, fight against corruption and environmental protection. FOURLIS Group is committed to adopt, support and promote these principles through its business operation.

In order to comply with the 10 Principles of the Global Compact, the Group prepares the CEO Statement of Continued Support and submits the CoP Questionnaire, which are posted on [Homepage | UN Global Compact](#).

Below, additional participations of FOURLIS Group and its companies (FOURLIS HOLDINGS S.A., INTERSPORT ATHLETICS S.A., TRADE LOGISTICS S.A., TRADE ESTATES S.A., HOUSEMARKET S.A., HOLLAND & BARRETT S.A.) are presented:

- Association of Chief Executive Officers (A.C.E.O.)
- Greek People Management Association (G.P.M.A.)
- Association of Business and Retail Sales of Greece (H.R.B.A.)

- Union of Listed Companies (U.L.C.)
- Hellenic Fund of Asset Investment Association (Association of Greek Institutional Investors)
- Athens Chamber of Commerce and Industry (A.C.C.I.)
- Hellenic Federation of Enterprises (SEV)
- Hellenic Advertisers Association (SDE)
- Greek e-Commerce Association (GRECA)
- Piraeus Chamber of Commerce and Industry (PCCI)
- Thessaloniki Chamber of Commerce and Industry (TCCI)
- Hellenic Institute for Logistics Management (iLME)
- Greek Tourism Conferderation (SETE)
- GS1 Association Greece
- European Logistics Association (E.L.A.)
- National Board on Development and Supply Chain Competitiveness (Hellenic Ministry of Development and Investment)
- Institute of Communication
- Hellenic-Swedish Chamber of Commerce
- Achaia Chamber of Commerce and Industry
- Hellenic Institute of Internal Auditors
- Association of Sociétés Anonymes and Ltd.
- IMA Hellenic Association
- Non-Executive Directors' Club in Greece (NED Club)
- ISACA Athens Chapter
- Institute for Diversity and Inclusion

In addition:

**FOURLIS HOLDINGS S.A.:**

- Participates in the Regulatory Compliance Professionals of Greece.

**TRADE LOGISTICS:**

- Coordinates the National Logistics Committee at the Ministry of Development and Investments.
- Participates in the advisory working group for the formulation and modernizing of the institutional framework of the supply chain.

**INTERSPORT:**

- Participates in the SEV consumer working group.

**TRADE ESTATES:**

- Participates in the Legislative Committee for the reform of the institutional framework of Public Limited Companies for Real Estate Investments Sociétés Anonymes.

**2. Key non-financial risks**

**[GRI 2-23, GRI 2-24]**

The Risk Management Unit is an independent body, with operational reporting to the BoD and administrative reporting to the CEO. The Risk Management Head has access to all required sources of information, as well as sufficient knowledge and experience.

The Group has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, evaluate and manage risks through a structured approach.

The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework which provides directions for the incorporation of ERM methods and captures their implementation principles. In this context, certain risks were identified and evaluated which were recorded in the Risk Register of the Company.

More specifically, the risk categories are: Profitability and Liquidity, Reputation and Ethics, Society and People, Regulatory Compliance, Strategy, Customers, Health and Safety, Growth and Competition, Technology and Operations.

The most important non-financial risks identified within the Group are indicated below:

- **Risk related to the category Society and People:** The possibility for the Group to face difficulties in attracting, developing, (including training) and retaining of the required skills and talents (including new skills in digital technologies), as well as the relevant impact on the Group's performance.
- **Risk related to the category Strategy:** The possibility of misaligning the business strategy with the ESG obligations (Environmental, Social and Corporate Governance), such as Climate & Sustainability, and the expectations of the corporate governance and the relevant implications on the financial results and the reputation of the Group.

The BoD provides written instructions and guidelines for general and specific risk management procedures.

More information is available on the [Risk Management Unit](#) website, as well as in the present Management Report of the Board of Directors for 2023, in section 8.

### **3. Environmental matters/climate change**

#### **Corporate policies and due diligence**

In the context of the global necessity to protect the environment, contribute to tackling climate change and reduce the impacts arising from it, FOURLIS Group systematically monitors the effects of its activities, while it carries out a series of initiatives and interventions to reduce its environmental footprint, through the reduction of greenhouse gas emissions resulting from its operation, saving and recycling natural resources and integrating circular economy practices, responsible management of water resources, as well as raising awareness among employees and public on environmental protection issues and adopting a responsible attitude to life.

The Group's companies are responsible for the monitoring and implementation of the legislation related to their activities, as well as for the voluntary measures taken and the respective implementation of procedures and practices aiming to reduce their environmental impacts. The role of the Group's parent company, through the Sustainable Development and Social Responsibility Division, is to monitor the relevant procedures and practices, as well as to collect and compare their results with previous years' data. Through this process, the Group can present to its stakeholders the results of the practices it applies and to set up new objectives for the following years, shaping the relevant strategy.

#### **Climate Stability and Air Pollutants**

##### **[GRI 3-3]**

FOURLIS Group's companies systematically monitor electricity, heating oil and natural gas consumption at their facilities and proceed with the necessary interventions, where and when necessary, aiming at the reduction of their environmental footprint. Given that the Group's facilities are highly diversified and for the effectiveness of the interventions made for energy consumption reduction, the differences between the companies' facilities have been considered and relevant measures and practices for improving their energy efficiency are applied.



Specifically for 2023, the actions of the IKEA chain stores are listed below:



- Gradual addition of solar energy systems to produce domestic hot water. The project is completed and operating at 100%.
- Gradual installation of a compensation system in the boilers, to save natural gas. Project implementation continued during the reference year (70% completion rate).
- Gradual supply and use of peak electricity consumption management systems, with optimization/deferral of the operation of installations and devices operating with electricity. This project is at an early stage in the reference year.
- Restructuring of regular/preventive and repair maintenance of building facilities and their systems (90% completion rate in the reference year), targeting two main areas:
  1. The management and assurance of the proper operational quality of all buildings' systems and facilities, in order to avoid operational failures, to maximize their performance and longevity and to ensure the economy of operations and to minimize any kind of environmental impacts. The project implementation remained at the same levels as in 2022 (80%).
  2. The management and assurance of the maintenance and/or the upgrade of the quality of the building envelope to ensure the maximum economy of operations and the minimization of any kind of environmental impacts.

It is worth mentioning that the full integration and implementation of all provisions of the European legislation has already been completed (100%), e.g., full implementation of procedures to ensure the provisions of the European Regulation EU 517/2014, which replaced the previous corresponding EC 842/2006, on the control of the use and emission in the environment of fluorinated greenhouse gases.

At the same time, to avoid the risk of increased energy consumption due to the aging of the basic E/M buildings' installations, HOUSEMARKET is in the process of progressively implementing the installation of electric power generation systems on its buildings' roofs, aiming to maximize the facilities' use that do not produce any form of burden to the environment.

## **TRADE LOGISTICS**

Indicative measures implemented in 2023 by TRADE LOGISTICS, aiming at the reduction of energy consumption at its facilities:

- In the first quarter, the conversion of hardware layouts in all the company's power distribution panels by specialized electrical installers was completed, so that all panels operate according to the modern ELOT HD384 standard.
- In the first quarter, the electrical autonomy of the loading and unloading areas on the warehouse ramps was completed, so as to illuminate only the ramps that are selected for operation.

In addition, the following projects are in progress:

- Installation of a new 1MW photovoltaic system on the roof of the Schimatari warehouse, to produce electricity through Net Metering (self-production). It is estimated that the installation of the system will be completed in the first quarter of 2024.
- Operation of new 80W LED road lighting and 400W LED floodlights in the surrounding area, where 60% of the lighting operated with 250W sodium vapor road lighting and 1000W sodium vapor field floodlights respectively.
- Replacement of 250W sodium vapor bell type luminaires with new 100W High Bay LED bell type luminaires, in the high parts of the warehouse.
- Electrical autonomy of the warehouse spaces, in which the packing stations of the e-shop and the INTERSPORT stores operate, so that their lighting needs are -to the extent possible- reduced.
- Coverage of translucent panels with a special fabric, to limit the radiation entering the building. Measurements showed that 50% of the heat entering the building comes from translucent panels that cover 8% of the roof of the building. A special fabric was placed on all translucent panels which reduces by 80% the heat that enters from them. This fabric can be removed during winter and repositioned during summer.

In 2023, TRADE ESTATES has implemented the following:

- Installation of a "Green Roof" on the property of the Company's subsidiary (Bersenco S.A.) at 86 Pireos Street. The installation is a green cover of 2,576.47 m<sup>2</sup> on a roof area of 7,286.01 m<sup>2</sup>. The surface is covered with ground cover plants and turf, enhancing the bioclimatic characteristics of the building. In particular, it contributes to the enhancement of thermal insulation, energy saving for cooling/heating, reduces the abrupt runoff of water in case of heavy rainfall and leads to the reduction of the amount of water in the sewers while absorbing solar radiation and noise.
- Provision of electric company car leasing to its employees.
- Implementation of a memorandum of cooperation with Public Power Corporation (PPC) for green actions in the Company's buildings, such as the installation of photovoltaics on the roofs of the Company's Commercial Parks. In this context, the installation of a photovoltaic system at the Company's Retail Park in Pireos Street, with a capacity of 361.35 KW, is in progress.

#### Greenhouse gas emissions

#### **[GRI 3-3, GRI 305-1, GRI 305-2, GRI 305-4, ATHEX ESG Metric C-E1, C-E2]**

To reduce its environmental impact and contribute to climate change mitigation, FOURLIS Group has assessed the carbon footprint of its activities based on the GHG Protocol and ISO 14064-1:2018 standards and in accordance with the guidelines of the National Climate Law (4936/27.05.2022). In this context, for the second year, the Group proceeded with the collection of activity data and calculation of direct (Scope 1) and indirect (Scope 2) emissions arising from the Group's activities in Greece, for the following companies: Fourlis Holdings S.A., Housemarket S.A., Intersport Athletics S.A., Trade Logistics S.A. and Wellness Market S.A. In addition, in 2023, the Group will prepare an annual carbon footprint report in accordance with the requirements of the National Climate Law, for emissions resulting from the activities of companies, for which the Group holds operational control and are subject to the National Climate Law.

**Scope 1 emissions:** Includes direct emissions from fuels used by fixed equipment, mobile equipment (machinery and fleet vehicles), and the fugitive emissions from

FOURLIS Group refrigerants. In particular, the fuels used are the following:

- Fixed equipment
  - Natural gas
  - Petroleum G/S<sup>1</sup>
  - Heating Oil
- Company vehicles
  - Diesel
  - Petrol
  - LPG<sup>2</sup>
- Machinery equipment
  - Diesel
- Refrigerants

Carbon dioxide emissions were calculated by combining activity data and conversion factors with the corresponding emission factors of the National Inventory - NIR Greece (2023), IPCC (AR5) and DEFRA (2023), according to the requirements of the National Climate Law.

**Scope 2 emissions:** Resulting from electricity supplied. The methodology for calculating emissions is based on the combination of activity data and the respective emission factors NIR Greece (2023) and DAPEEP (2021).

**GHG emissions intensity:** CO<sub>2</sub>e emissions intensity is a disclosure used to manage and improve the greenhouse gas emissions of corporate business operations. Based on the GHG Protocol, the GHG emissions intensity is calculated with a unit of measurement relevant to the company's activities. The GHG intensity disclosure can be particularly useful as a measure to monitor emission reduction based on future emission reduction actions by FOURLIS Group.

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<sup>1</sup> Petroleum G/S are small power plants that use fuel to generate motion or mechanical energy which they convert into electricity.

<sup>2</sup> LPG (Liquefied petroleum gas).

**Waste and Resource Intensity****[GRI 3-3, GRI 306-1, GRI 306-2]**Efficient material management and promotion of circular economy

FOURLIS Group implements recycling programs in cooperation with competent bodies for sorting and appropriate treatment of individual waste categories. In addition, recycling programs are implemented at the facilities of FOURLIS Group companies with the participation of employees and the use of special recycling bins placed in the workplaces for this purpose. Recycling bins for plastic, paper, glass, lamps, batteries and small electrical and electronic appliances are also available to the public at IKEA stores.

Through financial contribution to the Hellenic Recovery Recycling Corporation (HERRCO), the Group's companies have also actively supported the effort to stimulate recycling infrastructure in our country. According to data provided by HERRCO, the total amount of their monetary contributions from 1/1/2023 to 31/12/2023 can be matched and thus assumed to have financed the purchase of:

- 24 blue recycling bins from HOUSEMARKET S.A. (IKEA Stores)
- 259 blue recycling bins from INTERSPORT S.A. (INTERSPORT Stores)

Aiming at the reduction of paper consumption across FOURLIS Group's companies, some of the practices implemented are the use of fax servers and printers with dual printing capability (duplex printing), implementation of electronic tools for managing Human Resources issues, document scanning ability and electronic storage, electronic archiving and monitoring of contracts (e-docs system), electronic system for submitting and approving/rejecting applications, implementation of managed print services and electronic archiving and monitoring of documents of goods, expenses and fixed assets.

Moreover:

- The Group's goal is to reduce ink consumption and printing. To achieve this goal, the Group implements new technology practices, such as the use of laser printers, which significantly contribute to the protection of the environment, as they require less ink to operate. In Greece, Cyprus and Romania all the ink cartridges used are sent for recycling. In Bulgaria, ink cartridges used are refilled and reused, or when this is not possible, they are sent for recycling. Furthermore, in all Group's companies' stores, in all countries of operation, all the printers that issue customer

receipts are thermal.

- HOUSEMARKET S.A. (IKEA Stores Greece) has implemented an electronic archiving system for copies of invoices and credit notes, with significant benefits in paper savings.
- INTERSPORT Greece has proceeded with the electronic archiving of copies of sales documents. Since 2023, the practice is also implemented by HOLLAND AND BARRETT, following the opening of its stores.
- All sales documents of the e-shop of INTERSPORT Greece, Cyprus and Romania are sent to customers/recipients in electronic form instead of paper form. From 2023, the practice is also implemented by HOLLAND AND BARRETT, following the opening of its stores.
- INTERSPORT Greece has proceeded to replace paper boxes with reusable plastics for the transport of its goods from its central warehouse (TRADE LOGISTICS) to its stores in Attica, Thessaloniki, Larisa and Trikala.
- INTERSPORT Greece, Cyprus, Bulgaria, and Romania use a packaging box, for products purchased from their online store, which is made from recycled materials and is recyclable.

#### Reduction of food waste

HOUSEMARKET has invested in an electronic food waste monitoring and recording system in restaurants' kitchens (Waste Watchers), while has trained all stores' employees where the system "Waste Watchers" is applied (Kifissos, Airport, Thessaloniki, Cyprus, Sofia-Bulgaria), addressing the effects of food waste on the environment and the importance of proper recording and management of stocks. In 2023, the electronic system was implemented at IKEA stores in Maroussi (The Mall Athens), Ioannina, Larisa and Varna in Bulgaria. In the Piraeus store, it is scheduled to be implemented in 2024.

#### **Responsible water consumption**

At FOURLIS Group companies' facilities a significant water quantity is consumed, due to sanitation needs and the large number of visitors and employees. The Group monitors consumption per subsidiary and examines the implementation of additional measures, where necessary, to reduce water consumption at its facilities.

**Offering products and actions/initiatives that contribute to a more sustainable lifestyle**



- On the website (<https://www.ikea.gr/en/simple-changes-for-a-more-sustainable-life/>) advice is provided for more sustainable living.
- On the website (<https://www.ikea.gr/en/simple-changes-for-a-more-sustainable-life/how-to-eat-more-sustainably/>) information is provided about the herbal products available in IKEA stores.

**Consumers**

- Through advertising channels, the company encouraged its consumers in Greece, Cyprus and Bulgaria to undertake small changes and sustainable habits with a major impact on the environment, such as replacing plastic with reusable polyester recycled bags, reducing the use of single-use plastic with the recyclable and reusable bottles, using of glass containers to store leftover food, recycling, use of rechargeable batteries, replacing of LED lamps and using of faucets with smart mechanism for consumption reduction. Through these channels, the company communicated its own actions in the context of environmental protection such as:
  - The removal of all disposable plastics from restaurants and products.
  - Exclusive offer of LED lamps, which consume 85% less energy.
  - The availability of IKEA water faucets that lead to the reduction of water consumption by up to 50%, through their special mechanism.
  - The gradual withdrawal of common batteries and the adoption of the use of rechargeable batteries.
  - The use of sustainable and recyclable raw materials in the production of IKEA products.
  - Reduction of food waste.
  - The creation of [www.ikea.gr/en/a-more-sustainable-everyday-life/](https://www.ikea.gr/en/a-more-sustainable-everyday-life/) website, a section presenting IKEA's strategy, commitments and practices in the pillars: Health and Sustainable Living, Circular and Climate Positive, Fair and Equal.

- Once again in 2023, a joint action in cooperation with PPC, in the context of which visitors of IKEA Airport, IKEA Kifissos, IKEA Thessaloniki, IKEA Thessaly and IKEA Ioannina stores from 15/11/2023 until 16/12/2023 had the opportunity to be informed by experienced PCE executives about integrated energy saving solutions and get ideas for a more sustainable home life from IKEA. There was also a competition where 5 winners won gift cards worth €3,000 for purchases of sustainable products and 5 winners received 1 year of free electricity with Green Pass, while educational activities were also held, where children had the opportunity to learn how they can make responsible choices for the planet and win gifts. At the same time, IKEA participated in the 6th PPC Trading Conference held at the Athens Conservatory on 29/11/2023 with the main theme of its presentation: Together for a more sustainable future.
- Electric car charging stations operate at IKEA Airport, IKEA Thessaloniki and IKEA Sofia stores in Bulgaria. IKEA Sofia, also, has electric vans that can be rented at very preferential prices by customers who do not have a car or have a small car, in order to transport their purchases to their destination.
- HOUSEMARKET S.A. supported once again, through the Hellenic Advertisers Association (SDE), the Planet Pledge initiative in Greece. The aim of the initiative is to make marketing and communication a driving force to address the major environmental issues that threaten the planet.

### **Inter IKEA Group**

Inter IKEA Group applies the following, which also include the HOUSEMARKET company (IKEA Stores) of FOURLIS Group in Greece, Cyprus and Bulgaria:

- IKEA, worldwide, is committed to the use of renewable and recycled materials in all its products, by 2030.
- With the flat packaging, IKEA achieves a reduction of carbon emissions from transportation from the factory to the store and from the store at home, as well as reduction of transportation cost.
- In 2022, IKEA announced the gradual elimination of plastic from the packaging of its consumer products. The replacement of the packaging of the new product inventory will be completed by 2025, while for the existing inventory by 2028. With this gradual elimination, IKEA aims to reduce plastic waste and plastic pollution, leading the industry agenda to the development of packaging products based on renewable and recycled materials.



- INTERSPORT stores have products that promote a sustainable lifestyle, and which are presented in detail at [www.intersport.gr/en/](http://www.intersport.gr/en/)
- In 2023, INTERSPORT continued the implementation of the LIGHTS OFF program in its stores in Greece, under which the illuminated signs of the stores are switched on at 17:30 pm and turned off at 21:30 pm, while the screens are turned off during the night.
- Continued this year as well, in all countries of operations, the eStore and social media used to publish actions related to clothes made from recycled and sustainable materials. Exclusive giphys and videos are also created, collaborations with influencers are implemented to inform the public, the Google Display Network and discovery ads are used in Google campaigns, as well as relevant newsletters are sent including their publication on websites with interested audience. In addition, products from recycled materials with a separate indication (sustainable) are marked in the eStore so that they can be easily distinguished by consumers.



Implementation of a memorandum of cooperation with Public Power Corporation (PPC) for green actions in the Company's building such as for the installation of state-of-the-art electricity chargers in the Company's Retail Parks. Chargers for electric cars already operate at the Company's facilities in Ioannina and Piraeus.

## **Results of the above policies and non-financial performance indicators**

### **Climate Stability and Air Pollutants**

#### Photovoltaic systems

- TRADE LOGISTICS: The total energy production in 2023 amounted to 1,338 MWh, while 1,221 metric tons of CO<sub>2</sub>e was the amount of greenhouse gases that was not released into the atmosphere at the same period.
- HOUSEMARKET: The total energy production in 2023 amounted to 518 MWh,

while 466 metric tons of CO<sub>2</sub>e was the amount of greenhouse gases that was not released into the atmosphere at the same period.

**[GRI 2-4, GRI , GRI 302-1, GRI 302-3, ATHEX ESG Metric C-E3]**

Energy consumption within the Group	Unit of Measurement	2023*	2022
<b>Fuels</b>			
Natural gas	GJ	26,026.9	28,121.7
Heating oil	GJ	3,687.6	4,812.7
Petroleum (G/S)	GJ	169.8	283.6
Diesel (company vehicles)	GJ	4,429.5	3,953.7
Diesel (machinery equipment)		10.4	n/a
Petrol	GJ	2,468.6	1,700.8
LPG	GJ	14.3	96.7
<b>Total fuel consumption from non-renewables sources</b>	<b>GJ</b>	<b>36,807.1</b>	<b>38,969.2</b>
<b>Total fuel consumption from renewable sources</b>	<b>GJ</b>	<b>0</b>	<b>0</b>
<b>Electricity</b>			
Total amount of electricity produced (photovoltaics)	GJ	6,680.9	7,952.0
	MWh	1,855.8	2,208.9
Total amount of electricity produced (photovoltaics) and consumed	GJ	1,864.1	2,796.8
Electricity supplied	GJ	<b>144,186.7</b>	<b>141,606.1</b>
<b>Total energy consumption in Group</b>	<b>GJ</b>	<b>182,857.9</b>	<b>183,372.1**</b>
	<b>MWh</b>	<b>50,793.9</b>	<b>50.936.7**</b>
Percentage of electricity consumed in the Group in total energy consumption	%	79.9%	78.7%**
Percentage of electricity consumed by the Group that comes from renewable sources	%	1.0%	1.5%**
Percentage of electricity produced by the Group that comes from renewable sources	%	100%	100%

*\*TRADE ESTATES' energy consumption has been excluded from the Group's total energy consumption for 2023, without significantly affecting the results.*

*\*\* The Group's total energy consumption and the corresponding reported percentages for 2022 have been recalculated, as the figure of the Group's total energy consumption in last year's Report included the total amount of electricity produced (including the amount of electricity returned to the grid) and not only the amount consumed.*

Energy consumption in Greece	Unit of Measurement	2023*	2022
<b>Fuels</b>			
Natural gas	GJ	9,426.3	11,618.8
Heating oil	GJ	2,401.2	2,479.4
Petroleum (G/S)	GJ	94.6	207.2
Diesel (company vehicles)	GJ	3,773.6	3,953.7
Diesel (machinery equipment)	GJ	10.4	n/a
Petrol	GJ	2,161.2	1,700.8
LPG	GJ	14.3	96.7
<b>Total fuel consumption from non-renewables sources</b>	<b>GJ</b>	<b>17,881.7</b>	<b>20,056.7</b>
<b>Total fuel consumption from renewable sources</b>	<b>GJ</b>	<b>0</b>	<b>0</b>
<b>Electricity</b>			
Total amount of electricity produced (photovoltaics) **	GJ	4,816.8	5,155.2
	MWh	1,338.0	1,432.0
Electricity supplied	GJ	92,889.7	93,657.8
<b>Total energy consumption in Greece</b>	<b>GJ</b>	<b>110,771.4</b>	<b>113,714.5***</b>
	<b>MWh</b>	<b>30,769.8</b>	<b>31,587.4***</b>
Percentage of electricity consumed in Greece in total energy consumption	%	83.9%	82.4%***
Percentage of electricity consumed in Greece that comes from renewable sources	%	0%	0%***
Percentage of electricity produced in Greece that comes from renewable sources	%	100%	100%
<b>Energy intensity</b>			
Energy intensity	GJ/m <sup>2</sup>	0.30	0.35
Energy intensity calculation denominator	m <sup>2</sup>	349,213.4	342,953.1

*\*TRADE ESTATES' energy consumption is excluded from the total energy consumption of Greece for 2023, without significantly affecting the results.*

*\*\*The energy produced is not used for self-consumption and is returned back to the grid.*

*\*\*\* The total energy consumption in Greece and the corresponding reported percentages for 2022 have been recalculated, as the figure of total energy consumption in Greece in last year's Report included the total amount of electricity produced (including the amount of electricity returned to the grid) and not only the amount consumed.*

Energy consumption abroad / Cyprus	Unit of Measurement	2023	2022
<b>Fuels</b>			

Natural gas	GJ	0	0
Heating oil	GJ	1,286.4	2,333.2
Petroleum (G/S)	GJ	0	0
Diesel	GJ	121.4	N/A**
Petrol	GJ	245.9	N/A**
LPG	GJ	0	N/A**
<b>Total fuel consumption from non-renewables sources</b>	<b>GJ</b>	<b>1,653.7</b>	<b>2,333.2</b>
<b>Total fuel consumption from renewable sources</b>	<b>GJ</b>	<b>0</b>	<b>0</b>
<b>Electricity</b>			
Total amount of electricity produced (photovoltaics) *	GJ	1,864.1	2,796.8
	MWh	517.8	776.9
Electricity supplied	GJ	14,374.2	13,850.9
<b>Total energy consumption in Cyprus</b>	<b>GJ</b>	<b>17,892.0</b>	<b>18,980.9</b>
	<b>MWh</b>	<b>4,970.0</b>	<b>5,272.5</b>
Percentage of electricity consumed in Cyprus in total energy consumption	%	90.8%	87.7%***
Percentage of electricity consumed in Cyprus that comes from renewable sources	%	10.4%	14.7%
Percentage of electricity produced in Cyprus that comes from renewable sources	%	100%	100%

*\*The total electricity produced is used for self-consumption.*

*\*\* Fuel consumption for company vehicles is not available for 2022 and not zero, as stated in last year's Report.*

*\*\* The percentage of electricity consumed in Cyprus in total energy consumption for 2022 has been recalculated, as in last year's Report the total electricity produced which is used for self-consumption was not included in the figure.*

Energy consumption abroad / Bulgaria	Unit of Measurement	2023	2022
<b>Fuels</b>			
Natural gas	GJ	14,329.5	14,889.8
Heating oil	GJ	0	0
Petroleum (G/S)	GJ	75.2	76.4
Diesel	GJ	N/A	N/A*

Petrol	GJ	N/A	N/A*
LPG	GJ	N/A	N/A*
<b>Total fuel consumption from non-renewables sources</b>	<b>GJ</b>	<b>14,404.7</b>	<b>14,966.2</b>
<b>Total fuel consumption from renewable sources</b>	<b>GJ</b>	<b>0</b>	<b>0</b>
<b>Electricity</b>			
Total amount of electricity produced (photovoltaics)	GJ	0	0
	MWh	0	0
Electricity supplied	GJ	24,566.6	22,316.9
<b>Total energy consumption in Bulgaria</b>	<b>GJ</b>	<b>38,971.2</b>	<b>37,283.1</b>
	<b>MWh</b>	<b>10,825.3</b>	<b>10,356.4</b>
Percentage of electricity consumed in Bulgaria in total energy consumption	%	63.0%	59.9%
Percentage of electricity consumed in Bulgaria that comes from renewable sources	%	0%	0
Percentage of electricity produced in Bulgaria that comes from renewable sources	%	0%	0

*\*Fuel consumption for company vehicles is not available for 2022 and not zero, as stated in last year's Report.*

<b>Energy consumption abroad / Romania</b>	<b>Unit of Measurement</b>	<b>2023</b>	<b>2022</b>
<b>Fuels</b>			
Natural gas	GJ	2,771.1	1,613.1
Heating oil	GJ	0	0
Petroleum (G/S)	GJ	0	0
Diesel	GJ	534.5	N/A*
Petrol	GJ	61.5	N/A*
LPG	GJ	0	N/A*
<b>Total fuel consumption from non-renewables sources</b>	<b>GJ</b>	<b>2,867.1</b>	<b>1,613.1</b>
<b>Total fuel consumption from renewable sources</b>	<b>GJ</b>	<b>0</b>	<b>0</b>
<b>Electricity</b>			
Total amount of electricity produced (photovoltaics)	GJ	0	0
	MWh	0	0
Electricity supplied	GJ	12,356.2	11,780.6

<b>Total energy consumption in Romania</b>	<b>GJ</b>	<b>15,223.3</b>	<b>13,393.7</b>
	<b>MWh</b>	<b>4,228.7</b>	<b>3,720.5</b>
Percentage of electricity consumed in Romania in total energy consumption	%	81.2%	88.0%
Percentage of electricity consumed in Romania that comes from renewable sources	%	0%	0%
Percentage of electricity produced in Romania that comes from renewable sources	%	0%	0%

*\*Fuel consumption for company vehicles is not available for 2022 and not zero, as stated in last year's Report.*

- The Group does not sell electricity, heating, steam, cooling. The electricity produced in facilities in Greece is returned back to the grid.*
- The energy intensity is calculated with the energy consumption (fuel and electricity) within the organization per square meter for all FOURLIS GROUP (excluding fuel consumption for the use of corporate vehicle fleet). The countries Cyprus, Romania, Bulgaria are excluded, as data (m<sup>2</sup>) are not available for the calculation of intensity.*
- Energy consumption was calculated by multiplying raw data by the corresponding conversion factors.*

*In particular, the calculation of electricity and fuel consumption, unit conversion factors (kWh, m<sup>3</sup>, lt) from the DEFRA methodology guide. (Department for Environment, Food & Rural Affairs) were used.*

- For Bulgaria, the following data are not available: fuel consumption for company vehicles.*

**[GRI 305-1, GRI 305-2, GRI 305-4, ATHEX ESG Metric C-E1, C-E2]<sup>1</sup>**

	Unit of Measurement	2023 <sup>2,3</sup>	2022
Total direct (Scope 1) greenhouse gas emissions	t CO <sub>2</sub> e	1,681	2,263
Total location-based indirect emissions <sup>4</sup> (Scope 2)	t CO <sub>2</sub> e	9,613	9,670
Total market-based indirect emissions <sup>5</sup> (Scope 2)	t CO <sub>2</sub> e	10,429	9,700
Total emissions (Scope 1 & 2) - location-based	t CO <sub>2</sub> e	11,294	11,932
Total emissions (Scope 1 & 2) - market-based	t CO <sub>2</sub> e	12,110	11,963
GHG emissions intensity within the Group <sup>6</sup>	t CO <sub>2</sub> e/m <sup>2</sup>	0,033	0,034
Which gases were included in the calculation of indirect emissions (e.g. CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all types)?			CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O

<sup>1</sup>The results of the carbon footprint may vary for the Group's companies in Greece that fall within the scope of the National Climate Law, as revised emission factors are expected from the Ministry of Environment and Energy, in the context of the implementation of the National

*Climate Law.*

<sup>2</sup>For the estimation of the carbon footprint of FOURLIS Group, the calculation method (activity data x emission factors x GWP) was used. For the emission factors, activity data were combined with the respective emission factors of suppliers DAPEEP (2023 and 2021), NIR Greece (2023), IPCC (2006) and DEFRA (2023).

<sup>3</sup> The emissions resulting from the activity of TRADE ESTATES are excluded from the emissions calculations for 2023, without significantly affecting the results.

<sup>4</sup>Location-based emissions: they refer to the average emissions intensity of the network of the country where electricity is used (calculated using the average emission factor of the country's energy mix from the grid).

<sup>5</sup>Market-based emissions: they refer to emissions calculated on the basis of the Supplier's energy mix (e.g. PPC, NRG), taking into account the Guarantees of Origin and other products specific to the origin of electricity that the Supplier offered to a share of its customers during the year.

<sup>6</sup>For the calculation of the intensity of emissions within the Group, Scope 2 emissions – market based and the total square meters of offices and stores were used.

### **Efficient material management and promotion of circular economy**

- **HOUSEMARKET:** Through the implementation of an electronic archiving system for copies of invoices and credit notes, it is estimated that in 2023 the printing of a total of 809,820 A4 pages was avoided, while since the beginning of the implementation of this practice, the printing of 4,722,285 A4 pages has been avoided in stores, e-shop, as well as in the IKEA Pick Up & Order Points.
- **INTERSPORT:**
  - Through the implementation of an electronic archiving system for copies of sales documents, it is estimated that in 2023 the printing of 3,596,086 copies of documents was avoided, while since the beginning of the implementation of the practice the printing of 16,723,285 copies of documents has been avoided altogether.
  - Thanks to the implementation of the electronic sending of sales documents of the e-shop of INTERSPORT Greece, Cyprus and Romania to customers/recipients, it is estimated that in 2023 the printing of approximately 73,915 documents was avoided.

• **HOLLAND AND BARRETT:**

- Thanks to the implementation of the electronic sending of sales documents of the HOLLAND AND BARRETT e-shop to customers/recipients, it is estimated that in 2023 the printing of approximately 3,468 documents was avoided.

<b>MATERIALS' RECYCLING (FOURLIS Group Total)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Paper (kg)	1,432,643	2,424,546	1,901,731
Batteries (kg)	956	6,101	15,637
Cooking oil (lt)	26,924	20,386	6,085
Light bulbs (kg)	2,051	1,715	1,026
Aluminium (kg)	0	0	970
Glass (kg)	120	130	0
Plastic (kg)	49,780	81,775	79,834
Metal (kg)	144,585	119,690	46,080
Timber (kg)	110,017	100,041	146,364

<b>Number of used ink cartridges used/recycled*</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Greece	2,245	2,275	2,383
Cyprus	277	240	340
Bulgaria	554	685	566
Romania	915	825	943
Turkey	-	40	32
Total	3,991	4,065	4,264

*\* Data refers to all Group companies. All consumed inks are sent for recycling as mentioned in the subsection "Efficient material management and promotion of the circular economy". In Bulgaria ink cartridges are refilled and reused.*

**Reduction of food waste**

For the period 1/1/2023-31/12/2023, HOUSEMARKET:

- Achieved savings in food waste by 37.4\* tn corresponding to:
  - 160.9\* t CO<sub>2</sub>e and
  - 93,545\* meals worth €199,369\*
- Based on the requirements of the new bill on recycling "Law 4819/2021 Submission of food waste data", the company proceeded to data recording and mapping on types,



quantit and methods of food waste treatment at IKEA stores in Greece.

TYPE OF FOOD WASTE	QUANTITY 2023 (t)	QUANTITY 2022 (t)	TREATMENT/DISPOSAL METHOD
Food waste in the preparation of meals*	6,802*	7,099	Disposal to the green recycling bin of the respective Municipality
Meals prepared and not consumed, but suitable for consumption*	1,675***	1,853	Donation in cooperation with the NGO "Boroume"
Raw materials and products unsuitable for human consumption (e.g., expired food, spoiled food)*	1,393*	2,207	Disposal to the green recycling bin of the respective Municipality
Leftovers of customers meals on the plate**	18,415	15,466	Disposal to the green recycling bin of the respective Municipality

\* Data as recorded by the Waste Watchers system operating in the IKEA Airport, Kifissos, Thessaloniki stores in 2022 and in the IKEA Airport, Kifissos, Thessaloniki, Mall Athens, Ioannina and Larissa stores, in 2023.

\*\* The quantity has been estimated approximately.

\*\*\* The data comes from the self-delivery of IKEA stores to the Non-Profit Organization "Boroume".

## Responsible water consumption

Water consumption (lt)*	2023	2022	2021
<b>Greece</b>	38,292,439	38,501,703	32,690,560
<b>Cyprus</b>	6,365,000	5,986,000	5,008,000
<b>Bulgaria</b>	26,382,000	29,139,780	23,268,000
<b>Romania</b>	1,547,823	1,610,000	1,823,000
<b>Turkey</b>	-	16,200	N/A
<b>Total</b>	<b>72,587,262</b>	<b>75,253,683</b>	<b>62,789,560</b>

\*2023 data include all FOURLIS Group companies with the exception of TRADE ESTATES. The TRADE LOGISTICS warehouse in Oinofyta, the HOLLAND & BARRETT stores in Chalandri, Nea Smyrni, Elliniko, the INTERSPORT stores in Bulgaria, the

*IKEA Order and Receipt Center in Heraklion, Crete and the IKEA store Veliko Tarnovo (Mall) are also excluded. The Group does not have activity in Turkey in 2023. 2022 & 2023 data were adjusted, to include the total bills that were not available at the time of the issuance of the Sustainable Development and Social Responsibility Report 2022.*

## **4. Social and employee-related matters**

### **Employee-related matters**

#### **Corporate policies and due diligence**

##### **Employment**

##### **[GRI 3-3]**

FOURLIS Group is its people, all those who daily support its operations. At FOURLIS Group, the creation and safeguarding of job positions, occupational health and safety conditions, meritocracy and personal development, respect for human rights, as well as the provision of equal opportunities for all in relation to training, assessment, development and reward, constitute the focus of its philosophy and practices.

FOURLIS Group aims at creating new job positions through the development of its activities in Greece and abroad. By doing so, the Group strengthens local communities and stimulates the national economies in the countries where it operates.

The Group's approach to employment and relations with its employees directly affect their performance, turnover and development, while they constitute important issues for its long-term sustainable development.

The following are the core axes of the Open Resourcing Policy, regarding staff recruitment and the professional development of the Group's human resources:

- The common recruiting assessment criteria at all Group's companies, to ensure equal opportunities and combat discrimination.
- The provision of equal opportunities for development through internal mobility and promotion processes to all Group employees.
- The compensation and benefits policy that is based on the Group's financial results, on employees' performance appraisal that takes place on an annual basis and on the trends of the market regarding remunerations.
- The maintenance of gender balance, nationality, religion, political or other characteristics, as well as disability, sexual orientation etc., in the selection and development processes of the Group's employees, as well as in the compensation

and benefits policies.

In cases where any of the companies have new job openings, these are readily covered either by internal employee transfers/promotions (through the Open Resourcing policy), or by a direct proposal to an employee for a repositioning/promotion (for Executives) or by a new hire.

Specifically, the Open Resourcing Policy implemented by the Group, ensures that all job openings are firstly announced to the Group's employees, who can apply and participate, with priority, in the assessment and selection process.

Regarding new hires, FOURLIS Group also helps young people take their first professional steps and gain working experience through their participation in the paid employment program for young people called "ReGeneration" and through the Group's close cooperation with Universities, Private Institutions and Organizations such as the Athens University of Economics and Business and the Deree College.

In addition, FOURLIS Group implements:

- **Institutions for employees' recognition, contribution and reward**
  - Years In Service Award: Employees who have contributed for numerous years to the achievement of the Group's objectives are rewarded (10, 20 and 30 years)
  - We say BRAVO: highlight and award those employees who, through certain behaviors, stand out for their professionalism and distinct contribution, always in alignment with the Group's Values and Mission.
  - Awarding Honor Students: Employees' children are awarded, either for being honoured students, or for their successful admission to universities.
- **Group Employee's Children Acquiring Work Experience During Summer:**

FOURLIS Group implements the "Group employees' children acquiring work experience during summer" program, which aims to give employees' children the opportunity to gain work experience.
- **Scholarship Program**
  - "I Study with a Scholarship" is implemented at FOURLIS Group for employees' children in Greece, Cyprus, Bulgaria and Romania, who study in public Universities and whose families face difficulties in supporting the academic expenses.

- Provision of “Ilias Fourlis” scholarship to an excellent student admitted to a Higher or a Highest University Institution in Greece.
- **Lending library for FOURLIS GROUP employees:** they operate at the Group’s companies’ premises in Greece.
- **Conducting cultural tours for employees and their families:** Implemented in Attiki, Thessaloniki, Larissa and Ioannina, in collaboration with ELLINIKI ETAIRIA, Society for the Environment and Cultural Heritage.
- **Wedding & Birth Gift Cards for Employees:** The Group supports all employees in the most important moments of their daily lives by providing wedding and childbirth/adoption gift cards.

In addition, FOURLIS Group proceeded in 2023 with the implementation of a series of new benefits:

- **For foster care:** Extension of the gift card to foster parents, employees of the FOURLIS Group.
- **For parents of children with disabilities:** Provision of 5 additional days of annual paid leave as well as coverage of part of the expenses related to the purchase of necessary equipment.

In 2023, FOURLIS HOLDINGS S.A. was certified, for the 3<sup>rd</sup> consecutive time, with the internationally recognized standard INVESTORS IN PEOPLE (IiP), acquiring the Silver Certification. The “INVESTORS IN PEOPLE” certification, which will be valid for 3 years, is a tool that helps businesses and organizations improve their performance in achieving their business goals, through the management and development of their Human Resources. The goal is to recertify it in 2024.

## **Education**

### **[GRI 3-3]**

The employees’ need for training is continuous and ever increasing, as the competition and the current market demands are constantly generating new training and educational needs. For this reason, the training of each Group employee begins upon his/her recruitment, while ensuring the continuous training and education of employees is achieved through adherence to the training plan drawn up at the completion of the annual performance appraisal.

The first training program for every Group employee is an induction program, through which it is ensured that all the newly hired employees are informed about:

- The Group’s history, Principles and structure.
- The General Data Protection Regulation (GDPR).

- The Group's Human Rights Policy.
- The Group's Performance Appraisal system.
- The Digital Transformation.
- Health and safety work-related issues.

This program is implemented both in classroom and via e-learning. In addition, all newly hired employees are informed by the internal communication tool (F2F) regarding the Policy and Procedure for the Prevention, Detection and Management of Conflicts of Interest and for the Code of Conduct and receive the Internal Labor Regulations of each company.

In 2023, e-learning trainings on issues such as Human Rights, Diversity & Inclusion, Compliance & Conflict Management System as well as Risk Management were implemented. These trainings are mandatory for all.

All FOURLIS Group employees are members of the Training Academy of the Group "FOURLIS Learning Academy", which has been operating since 2011 and participate in programs according to their role requirements and their needs for personal development.

FOURLIS Learning Academy consists of 4 programs in total:

1. GREEN PROGRAM
2. SILVER PROGRAM
3. GOLD PROGRAM
4. PLATINUM PROGRAM

The training courses, which are annually updated, are developed in four pillars:

- Leadership
- Business Operations
- Health and Safety
- Sales-Products

Apart from the training programs for skills development purposes that are addressed to each employee according to their position level and are included in FOURLIS Learning Academy, the "Open Seminars" program is implemented. These seminars aim at skills acquisition by employees in subjects that do not cover knowledge related to their current job position but are essential for their future development. To ensure the training programs' effectiveness for each employee, the following parameters are assessed:

- The company's goal that should be achieved through each training.
- The employee's job position specifications.
- The employee's skills level.

#### Performance appraisal and development review

##### **[GRI 404-3]**

The Group applies a single Performance Appraisal and Development Review process for all its employees, to ensure that the employees' appraisal process is and will remain transparent. In this way it ensures a fair working environment and creates an operational succession plan for executives at high responsibility positions.

The Performance Appraisal and Development process which includes the assessment of the agreed measurable objectives, the assessment of employees' skills and behavior, as well as a questionnaire for their professional ambitions is conducted once a year for all employees in all Group's companies. Also, on the Appraisal Review all actions related to the employees' Development Plan are recorded. The overall result of this procedure ensures even more the meritocratic capture of the employees' dynamics, in relation to their growth and development plan.

Furthermore, the Group continues to implement a 360° Evaluation Procedure for its Executives (Managers and Supervisors), in cooperation with an independent consulting company, that took place for the Company in 2023. The 360° Evaluation is a tool that offers the opportunity to those collaborating at any job level (supervisors, subordinates, colleagues), to openly express their opinion, providing constructive comments on the behavior and the management style of the employees under evaluation. Through this process, the 360° Evaluation is a self-improvement tool that contributes to understanding the needs, identifying the strengths and the areas for improvement and thus, empowering collaboration.

#### **Health and Safety**

##### **[GRI 3-3]**

#### Occupational Health and Safety Management System

##### **[GRI 403-1]**

Given that the creation of a safe and healthy working environment is a basic principle for the Group, which is also promoted through its Values, the Group not only follows the provisions of the labor legislation of the countries where it operates, but also assesses the potential risks it may face and takes the necessary measures to achieve the prevention of any accidents. At FOURLIS Group, an important priority is to ensure compliance with the Health and Safety Policy. Responsible for the implementation of the policy is the Group's Human Resources Division and specifically, the Health and Safety Department.

FOURLIS Group has developed and implements an Occupational Health and Safety management system, which complies with all legal requirements, as well as the requirements of the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The system applies to all the activities, stores and facilities of the Group, as well as all employees, suppliers and partners working in or visiting its facilities. The Group Health and Safety Director is responsible for the system implementation.

Below there is a detailed description of the System framework.

**[GRI 2-24, GRI 403-2]**

FOURLIS Group carries out all the actions required by law on risk management. In particular, and as required by the legislation, intensive audits are carried out by safety technicians in all Group's companies' facilities. Safety technicians perform their duties according to the degree of risk posed by each facility.

To manage health and safety risks, a documented Occupational Risk Assessment is carried out, which includes a record of the required labels and measurements, the use of the required Personal Protective Equipment (PPE), the required safety equipment, as well as the required health and safety trainings per position and working space. The Occupational Risk Assessment is immediately reviewed in cases such as the introduction of new machinery and equipment, changes of working processes or changes to working facilities.

In addition, Safety Technicians prepare a Risk Report, which includes photographs and justifications regarding possible risk sources and possible incidents, as well as the assessment of their risk degree. The report is communicated to the competent departments and to senior executives of FOURLIS Group. Following these procedures, the Group is in the position to follow up on any recommendations and to take corrective and necessary actions, depending on the degree of risk, within a specific timeframe.

The Group also has a Risk Management Team, under the responsibility of the Group Health and Safety Director. There are also trained employees to deal with emergencies in all Group's companies' facilities. Especially at IKEA stores, due to their size and the volume of customers/visitors, there is a control center, through which all the necessary checks are performed such as those of the ventilation, the elevators, firefighting, and fire safety etc.

According to the legislation, evacuation drills are carried out in all Group's facilities. In addition, Group employees are regularly trained in Health and Safety topics and can identify potential risks and report on them, based on the relevant procedure, to the Safety Technician, to the Safety Team and/or the Human Resources Division, to be documented and treated in accordance with the relevant procedures.

As per a specific procedure, employees are in the position to stop their work if there is a risk to their health and safety. Especially at IKEA stores there is a special three-digit telephone number connected to the control center, which employees can call in case of need, at any time. In all FOURLIS Group stores, in case of emergency, employees can use the panic button.

All incidents related to employee health and safety are investigated according to relevant Group procedures and are submitted to an electronic database that includes all the relevant reports. At IKEA and INTERSPORT, due to the size of the stores and the large number of employees and customers/visitors, as well as in the distribution center of TRADE LOGISTICS due to the nature of its activities, a process called "Safety knowledge test" has been developed, based on the results of which, improvement points are identified, and appropriate corrective actions are taken.

FOURLIS Group has developed and uses Safety Check Lists on a daily, weekly, monthly, semi-annual, annual basis for the control of all stores/facilities, managed by the Health and Safety Department as well as by the responsible Managers.

Also, every 2 years all IKEA stores undergo a detailed evaluation check (SOR-Safety Operation Review) by FOURLIS Group Health and Safety Director. The results of the evaluation are sent to store managers and to the company's Management.

Before a new sales area is delivered to the public, relevant checks are always performed in the Group's stores using predefined questionnaires (Check lists) with the purpose of identifying risks. Based on the results and findings of the above procedures, required corrective interventions are made immediately, for the facilities to be safe for all. In addition, in cases where work must be carried out at the Group's facilities, a relevant security plan is submitted and approved before the work begins.

#### Occupational health services

##### **[GRI 403-3]**

As required by law, the Group provides the services of an Occupational Physician. Visits by the Occupational Physician are conducted according to legislative requirements. Employees can visit the Occupational Physician within their working hours. Medical confidentiality is strictly observed.

The Occupational Physician makes recommendations to the Group's Human Resources Division for several health issues. The Occupational Physician also prepares an occupational health and safety report submitted to the Hellenic Labor Inspectorate.

In the large IKEA stores, as well as in the facilities of TRADE LOGISTICS and the Group's headquarters, there are doctor's offices and automatic external defibrillators.



#### Employee participation

##### **[GRI 403-4]**

At IKEA there is a Health and Safety Committee of employees, consisting of employees' representatives from all stores' departments. The Committee investigates on all stores' premises, to identify areas or actions that may present risks. During the investigation, the attendance of the Safety Technician or a similar competent individual may be requested. The results are documented in the form used by the Safety Technician and are presented to the Management, which is committed for any necessary action.

In all FOURLIS Group's facilities there are internal Fire Safety and First Aid teams, which consist of selected employees who have been trained in managing respective issues.

#### Employee training on health and safety topics

##### **[GRI 403-5]**

The Group invests in the continuous and regular training of all its employees, so that they can respond to emergencies that affect both their own safety and that of customers/visitors and partners at its facilities.

For this purpose, the following trainings are provided:

- Performing scheduled annual exercise on store evacuation with the participation of customers.
- Performing regular fire safety exercises.
- Training of Fire Safety and Firefighting Teams.
- Performing scheduled six-month store evacuation exercise, without the participation of customers.
- Training of First Aid Groups.
- Training of all new employees on health and safety issues in the workplace.
- Regular training on health and safety at work for employees of departments, where necessary, due to the nature of their work, such as those employed in restaurants, warehouses, the team of decorators, maintenance, carpentry.

#### Promotion of employee health and well-being

##### **[GRI 403-6]**

##### **EF ZIN (WELL-BEING) program**

The EF ZIN (Well-being) program was launched by the Sustainable Development and

Social Responsibility Division in 2010, with the main objective to inform employees on health and well-being issues and to encourage them to adopt a healthier lifestyle. In the context of "EF ZIN" program, actions regarding healthy diet, health and prevention, exercise, etc., are organized every year. Some of the most important EF ZIN actions that took place in 2023, are presented below.

- **Mediterranean diet:** The "Mediterranean Diet-live better, live longer" program continued for the Group's employees in Greece, Cyprus and Bulgaria. The program includes weekly indicative menus with recommended recipes, based on the Mediterranean diet, as well regular updates on other relevant topics.
- **Free sessions with dietitians/nutritionists:** The program of free sessions with dietitians/nutritionists for employees in Greece, Cyprus and Bulgaria continued.
- **Counselling support line:** The operation of the Counselling/Psychological Support Line for Group employees in Greece and in Cyprus continued. The Line has been operating since March 2020. This service, in the field of mental health, is offered free of charge to the Group's employees, in collaboration with specialized counsellors/psychologists. Both employees and their relatives (spouses, adult children) can call the Line anonymously, to talk to the counsellors/psychologists and to receive, with absolute confidentiality, immediate consulting support and guidance on issues that concern them and affect their personal, family and professional life. The line operates 24/7/365.
- **One-on-one online sessions with psychologists:** The service of individual online sessions with psychologists for employees in Greece and Cyprus which was launched in 2022, continued.
- **Sports tournaments:** The Group's employees in Attica participated in the Hellenic Company Sports Games 2023 hosted by the Hellenic Organization for Company Sports & Health (HOCSH) and competed in individual and team sports.
- **Online workout program:** The online workout Pilates program continued for the Group's employees in Greece. The program is implemented twice a week, in collaboration with experienced trainers.
- **Health/Prevention:** On Cancer Prevention Day and World Heart Day, FOURLIS Group in collaboration with IASO Thessalia continued to carry out mammography checks and cardiological examinations for Group employees. In 2023, the examinations were carried out at the IKEA Ioannina and IKEA Larissa stores.

Prevention and mitigation of health and safety impacts on partners/suppliers at work**[GRI 403-7]**

FOURLIS Group aims to prevent and mitigate any impacts on the health and safety of its partners/suppliers

arising from potential risks. Alongside, it ensures training of the partners and suppliers, who work in the Group's facilities, on the Group's policies and practices in health and safety matters, while it also provides the required equipment. The Group places particular emphasis on identifying and managing the risks that concern both employees and partners/suppliers, through the processes analyzed in the previous sections. Potential risks identified in these processes which may concern its employees and partners/suppliers include, inter alia:

- obstruction/interference of movement
- fire or other emergencies,
- slipperiness,
- ergonomics-related risks,
- risks related to electricity voltage,
- risks of falling.

For each identified risk, the prescribed procedures are followed based on the respective legislation, relevant specifications, and standards while detailed staff guidelines have been developed.

In addition, the FOURLIS Group's Supplier Code of Conduct, which is an integral part of the contracts with its suppliers and with which the Group expects them to comply, includes terms for Health and Safety and specifically for occupational safety, safe facilities and the existence of emergency response systems.

**Social Matters****Corporate policies and due diligence****Ensuring the health, safety and accessibility of customers and visitors****[GRI 3-3]****Facilities/Stores**

Placing particular emphasis on prevention, FOURLIS Group complies with current legislation and applies a Health and Safety Policy (included in the Internal Labor Regulations of its companies) for all Group's subsidiaries, across the countries of

operation.

The Policy includes a wide range of relevant procedures, measures and initiatives, regarding the safe stay of visitors, customers, partners and employees in the Group's facilities. Any variations of the relevant procedures, by country or region, depend on the size of the facilities as well as on the existing national legislation of the Group companies' country of activity. In this context, some of the practices applied at FOURLIS Group are the following:

- Cooperation with an external service provider on accident protection and prevention.
- Written occupational risk assessment, according to existing methodology and legislation.
- Measures taken for reducing "emergency pick" incidents, in order to prevent accidents at the IKEA stores.
- Infirmaries equipped with medical beds and automatic external defibrillators in all the IKEA stores, as well as in the TRADE LOGISTICS S.A. distribution centre and at FOURLIS Headquarters.
- Provision of wheelchairs at IKEA stores' entrance, as well as of accessible lavatories and parking spaces, aiming to provide safe accommodation and transportation for people with disabilities.

In order to ensure the adherence to the Health and Safety Policy, regular audits are carried out by safety technicians in all the facilities of FOURLIS Group. All health and safety incidents occurring within the Group's facilities and stores are reported. At the same time, in the context of the policy, a Safety Report is compiled for each store as well as a consolidated one for all of them. The report includes information not only on the number and type of incidents, but also on the way they were addressed. Through these reports the Group can receive useful information regarding the effectiveness of its policies so as to proceed to the improvement of the applied practices, where needed.

## **Products**

Impacts on the health and safety of customers during product use may be caused by either defective design and inadequate operating instructions, product misuse or improper products assembly. The Group manages health and safety topic through the compliance of the products traded by its subsidiaries, in all countries of its activity, ensuring cooperation with suppliers and franchisors that meet European and national quality and safety laws and regulations for the products it sells (the above include food, available through restaurants in the IKEA stores).

- IKEA provides a multiannual product guarantee, which in some cases reaches 25 years, while a product withdrawal policy is followed and applied. At the same time, IKEA monitors product returns and if an increased number of returns of an item is observed (due to a defect), specific procedures, that have been defined worldwide by IKEA, are followed for the information of all interested parties. In 2023, 2 product recalls were carried out by IKEA, which concerned all 3 countries of operation. More information regarding any current recalls is available on the company's website [Product Recall | IKEA Greece](#). In addition, a Food Safety System, according to the international standard ISO 22000, is implemented in all IKEA stores' restaurants in Greece and Cyprus. For the stores in Bulgaria the recertification process has begun and is expected to be completed in 2024.
- INTERSPORT's policy focuses on the inclusion of terms in their contracts with suppliers, which stipulate the compliance with all applicable regulations and laws, regarding the products that they source from them. In cases of defective products, INTERSPORT immediately proceed to their withdrawal and replacement and initiates all the necessary procedures in order to inform all the pertinent institutions, such as the Ministry of Development and Investments, consumers' associations and consumers in general, via a specific press release.

## **Compliance, product labelling and responsible communication**

### **Corporate policies and due diligence**

#### **IKEA**

IKEA products have special labeling and signs informing consumers on details related to product manufacturing and origin, their environmentally friendly characteristics, dimensions, products life cycle, whether a product must be used only by adults, etc.

Moreover, in compliance with the relevant legislation of the European Union and more specifically with the Regulation for energy labeling (EU) 2017/1369, the new energy labels are available on specific appliances sold, as well as to all lamps. More information is available on the website [New energy label | IKEA Greece](#).

#### **INTERSPORT**

The Commercial Division of INTERSPORT, which is also responsible for product compliance of INTERSPORT stores, ensures that market provisions are followed, as well

as the European Union CE labeling. The products have specific labeling and signs in order to provide information and advice to consumers regarding their use, as well as information about their manufacturing, etc.

### **Responsible Communication at IKEA**

For the advertising and promotion of the Group's IKEA products, in all countries of operation, the communication code applied by IKEA worldwide is followed, as well as all conduct, marketing and communication codes and the market regulations that there is an obligation to comply with, while also taking into consideration local needs. Regarding the promotion of the IKEA products, the relevant policy is adapted to local consumer needs and specificities. For this reason, the setup of the IKEA stores varies according to their location, in order to meet local community's standards and local culture. The company mainly uses electronic media, with a steady increase in the use of new forms of communication, such as digital media and social networks, while the Communication Division and the Marketing Department are responsible for the company's marketing policy.

### **INTERSPORT**

INTERSPORT's marketing and communication strategy is defined by its vision, to bring sports to the people. INTERSPORT's marketing policies focus on 2 areas: corporate communication and product promotion. The product communication and promotion methods include various media such as TV and radio, online advertising, while all codes of conduct, marketing and communication, as well as the market regulations that the companies are obliged to adhere to in all countries of operation, are being followed.

### **Data Privacy**

#### **Corporate policies and due diligence**

#### **[GRI 3-3, ATHEX ESG Metric C-G6]**

FOURLIS Group adheres not only to the European Legislation, but also to the local legislations of the countries where it operates, regarding personal data protection of the natural persons who transact with the Group, maintaining a relevant policy. Respecting privacy is a core element of both the Code of Conduct and policies embedded in FOURLIS Group and its subsidiaries' operations.

FOURLIS Group values the trust of all people involved in transactions with the Group and has designed and implements (to all its subsidiaries), a personal data and sensitive personal data protection policy for all natural persons (visitors, partners, customers,

suppliers and current, ex and applicant employees). It protects, with due diligence, the personal information it collects for business needs, after legal consent, and it makes sure to safeguard the rights of natural persons, in accordance with the existing legislation and the general Data Protection Regulation (GDPR), in all the countries where its companies operate. All Group employees, in all countries where it operates, have been trained in GDPR issues either through live seminars or through e-learning. GDPR training is also part of the induction program for new employees. Compliance with the relevant legislation and data security is examined at Group's Companies Board of Directors level.

### **Active/Responsible social contribution and organization of voluntary actions for employees**

#### **Corporate policies and due diligence**

FOURLIS Group daily operates for the implementation of its joint commitment and vision, which is the creation of the conditions for a better life for all.

In this context, FOURLIS Group seeks to be in constant contact with the citizens but also with the wider society in the countries where it operates through established communication and engagement channels, with the aim to be informed about their needs and to understand them.

As a next step, needs are evaluated and prioritized, while programs and actions are planned and implemented, in order to satisfy not only the current and most important needs of each local community, but also those which are more in line with the Group's Sustainable Development and Social Responsibility strategy (support of vulnerable social groups and especially children), the number of beneficiaries and the nature of its activities.

In addition, in cases where there are special circumstances (e.g., pandemic, natural disasters), the Group either updates its programs or incorporates actions aimed at addressing these emergencies, for the relief of society and citizens.

The Group's Sustainable Development and Social Responsibility Division is in constant and close communication and cooperation with executives from all Group's companies, in order to jointly plan, coordinate and implement these actions.

In 2023, Social Responsibility programs and actions took place in all countries where the Group operates.

## Results of the above policies and non-financial performance indicators

### Employment

#### [GRI 2-7]

On 31/12/2023, FOURLIS Group had 3,930 employees.

Total number of employees by location and gender / FOURLIS Group															
Year	2023					2022					2021				
Countries	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Greece	1,401	1,132	-	-	<b>2,533</b>	1,420	1,159	-	-	<b>2,579</b>	1,348	1,168	-	-	<b>2,516</b>
Cyprus	172	196	-	-	<b>368</b>	181	188	-	-	<b>369</b>	166	188	-	-	<b>354</b>
Romania	261	182	-	-	<b>443</b>	251	210	-	-	<b>461</b>	245	205	-	-	<b>450</b>
Bulgaria	345	241	-	-	<b>586</b>	321	225	-	-	<b>546</b>	323	207	-	-	<b>530</b>
Turkey	-	-	-	-	-	62	99	-	-	<b>161</b>	62	98	-	-	<b>160</b>
<b>Total</b>	<b>2,179</b>	<b>1,751</b>	-	-	<b>3,930</b>	<b>2,235</b>	<b>1,881</b>	-	-	<b>4,116</b>	<b>2,144</b>	<b>1,866</b>	-	-	<b>4,010</b>

*Note: The note of employees is defined as the number of individuals (calculated using the headcount methodology) as at 31/12/23, 31/12/22 and 31/12/21 respectively. As "employees" are defined those directly employed by the Group. Additionally, there are no fluctuations in the number of the Group employees, such as seasonal fluctuations. The Group does not have activity in Turkey in 2023.*



Year	2023					2022					2021				
GREECE	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Number of permanent employees	1,303	1,056	-	-	<b>2,359</b>	1,350	1,084	-	-	<b>2,434</b>	1,218	1,026	-	-	<b>2,244</b>
Number of temporary employees	98	76	-	-	<b>174</b>	70	75	-	-	<b>145</b>	130	142	-	-	<b>272</b>
Number of non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-	-	0	-	-	<b>0</b>
<b>Total</b>	<b>1,401</b>	<b>1,132</b>	-	-	<b>2,533</b>	<b>1,420</b>	<b>1,159</b>	-	-	<b>2,579</b>	<b>1,348</b>	<b>1,168</b>	-	-	<b>2,516</b>
Number of full-time employees	651	760	-	-	<b>1,411</b>	644	751	-	-	<b>1,395</b>	544	759	-	-	<b>1,303</b>
Number of part-time employees	750	372	-	-	<b>1,122</b>	776	408	-	-	<b>1,184</b>	804	409	-	-	<b>1,213</b>
<b>Total</b>	<b>1,401</b>	<b>1,132</b>	-	-	<b>2,533</b>	<b>1,420</b>	<b>1,159</b>	-	-	<b>2,579</b>	<b>1,348</b>	<b>1,168</b>	-	-	<b>2,516</b>

Year	2023					2022					2021				
CYPRUS	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Number of permanent employees	172	195	-	-	<b>367</b>	181	187	-	-	<b>368</b>	165	187	-	-	<b>352</b>
Number of temporary employees	0	1	-	-	<b>1</b>	-	1	-	-	<b>1</b>	1	1	-	-	<b>2</b>
Number of non-guaranteed hours employees	0	0	-	-	<b>0</b>	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>172</b>	<b>196</b>	-	-	<b>368</b>	<b>181</b>	<b>188</b>	-	-	<b>369</b>	<b>166</b>	<b>188</b>	-	-	<b>354</b>
Number of full-time employees	90	110	-	-	<b>200</b>	90	114	-	-	<b>204</b>	79	109	-	-	<b>188</b>
Number of part-time employees	82	86	-	-	<b>168</b>	91	74	-	-	<b>165</b>	87	79	-	-	<b>166</b>
<b>Total</b>	<b>172</b>	<b>196</b>	-	-	<b>368</b>	<b>181</b>	<b>188</b>	-	-	<b>369</b>	<b>166</b>	<b>188</b>	-	-	<b>354</b>

Year	2023					2022					2021				
ROMANIA	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Number of permanent employees	212	148	-	-	<b>360</b>	221	174	-	-	<b>395</b>	207	165	-	-	<b>372</b>
Number of temporary employees	49	34	-	-	<b>83</b>	30	36	-	-	<b>66</b>	38	40	-	-	<b>78</b>
Number of non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>261</b>	<b>182</b>	-	-	<b>443</b>	<b>251</b>	<b>210</b>	-	-	<b>461</b>	<b>245</b>	<b>205</b>	-	-	<b>450</b>
Number of full-time employees	197	154	-	-	<b>351</b>	201	181	-	-	<b>382</b>	184	180	-	-	<b>364</b>
Number of part-time employees	64	28	-	-	<b>92</b>	50	29	-	-	<b>79</b>	61	25	-	-	<b>86</b>
<b>Total</b>	<b>261</b>	<b>182</b>	-	-	<b>443</b>	<b>251</b>	<b>210</b>	-	-	<b>461</b>	<b>245</b>	<b>205</b>	-	-	<b>450</b>

Year	2023					2022					2021				
BULGARIA	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total	Women	Men	Other	Not disclosed	Total
Number of permanent employees	340	240	-	-	<b>580</b>	316	225	-	-	<b>541</b>	316	200	-	-	<b>516</b>
Number of temporary employees	5	1	-	-	<b>6</b>	5	0	-	-	<b>5</b>	7	7	-	-	<b>14</b>
Number of non-guaranteed hours employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>345</b>	<b>241</b>	<b>-</b>	<b>-</b>	<b>586</b>	<b>321</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>546</b>	<b>323</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>530</b>
Number of full-time employees	273	166	-	-	<b>439</b>	262	163	-	-	<b>425</b>	255	159	-	-	<b>414</b>
Number of part-time employees	72	75	-	-	<b>147</b>	59	62	-	-	<b>121</b>	68	48	-	-	<b>116</b>
<b>Total</b>	<b>345</b>	<b>241</b>	<b>-</b>	<b>-</b>	<b>586</b>	<b>321</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>546</b>	<b>323</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>530</b>

**[ATHEX ESG Metric C-S4]**

Employee turnover rate*	2023	2022	2021
Involuntary turnover rate	1.27%	2.07%	2.10%
Voluntary turnover rate**	12.28%	32.40%	34.82%

*\*The 2023 turnover rates differ from previous years, as in previous years turnover calculation included in the numerator the total number of employees, and not only full-time employees, and in the denominator the employees (headcount) on 31.12 instead of the average number of employees, as defined by the ATHEX ESG Reporting Guide.*

*\*\*Due to the nature of the business activities (IKEA/INTERSPORT) the voluntary turnover rate varies among the years.*

**[GRI 2-30, ATHEX ESG Metric C-S7]**

FOURLIS Group applies the current legislation on employment contracts for 100% of its employees in all countries of operation.

**[GRI 401-2]**

	LIFE INSURANCE			HEALTHCARE			DISABILITY AND INABILITY COVERAGE			RETIREMENT PROVISION BENEFITS*			STOCK OPTIONS PLAN		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Greece	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Cyprus	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Romania	√	√	√	√	√	√	√	√	√	*	*	*	√	√	√
Bulgaria	√	√	√	√	√	√	√	√	√	*	*	*	√	√	√

*\*No retirement benefits are offered in Romania and Bulgaria as this is not a common practice in these countries.*

### **Other actions for the people of FOURLIS Group**

- **Institutions for employees' recognition of contribution and reward:**
  - **Years in Service Award:** In 2023, the long-term contribution of a total of 94 employees and namely 71 employees in Greece, 5 in Cyprus, 11 in Romania, 7 in Bulgaria was recognized.
  - **We Say BRAVO:** In 2023, a total of 35 employees were awarded, of which 22 in Greece, 4 in Cyprus, 6 in Bulgaria and 3 in Romania.
  - **Awarding Honor Students:** In 2023, a total of 133 students were awarded, namely 74 students in Greece, 6 in Cyprus, 36 in Bulgaria and 17 in Romania.
- **Group Employees' Children Acquiring Work Experience During Summer:** In 2023, a total of 41 children were employed, namely 31 students in Greece, 4 in Cyprus, 5 in Bulgaria and 1 in Romania.
- **Scholarship Program:** In 2023, the Group provided 5 scholarships in Greece, 1 in Cyprus, 2 in Bulgaria and 1 in Romania, worth € 3,000 each. Also, 1 child received the "Ilias Fourlis" Scholarship worth € 5,000.
- **Cultural tours for employees and their families:** In 2023, a total of 135 people participated in Attica, Thessaloniki, Larissa and Ioannina, in collaboration with the Hellenic Society for the Environment and Culture.

## Education

[GRI 404-1]

In class learning	Average hours of training by gender				Average hours of training by employee category		
	Women	Men	Other	Not disclosed	Employee	Supervisor	Manager
2023	10	11.4	-	-	8.2	23	15.9
2022*	7.9	10.9	-	-	8.3	15.6	5.2
2021	2.8	2.9	-	-	2.8	3.2	2.9

e-learning	Average hours of training by gender				Average hours of training by employee category		
	Women	Men	Other	Not disclosed	Employee	Supervisor	Manager
2023	2.6	2.4	-	-	2.6	2.5	1.6
2022*	2.6	2.8	-	-	2.7	2.5	2.5
2021	1.5	1.6	-	-	1.6	2.3	1.3

*\*In 2022, there is an increase in the average training due to the improvement of the conditions created from COVID-19 and the return of employees to the training programs.*

**[GRI 404-2]**

THEMATIC AREAS	2023	2022	2021
Corporate Culture (e.g., Induction Training)	✓	✓	✓
Health & Safety	✓	✓	✓
Selling Techniques/Customer Service	✓	✓	✓
IT/Systems Training	✓	✓	✓
Product Training	✓	✓	✓
Specialized training on topics relating to the functions of the Group's Divisions (e.g., payroll, interior design, supply chain & logistics, marketing, food & beverages, personal & technical skills)	✓	✓	✓
Foreign languages	-	-	✓
Developmental tools for all Group employees	✓	✓	✓
Annual Performance Appraisal and Development Review/Managing People Potential	✓	✓	✓
Managerial Skills for newly appointed Managers & Supervisors (Your Role and profile as a Manager, Giving and receiving constructive feedback, Interviewing Skills etc.)	✓	✓	✓



Managerial Skills for Senior Managers (Managing people, Managing High performing Teams, etc.)	✓	✓	✓
Managerial Skills Trainings for Executive Managers/Directors (Managing Excellence & Self Leadership, Crisis Management, Change Management, etc.)	✓	✓	✓
E-learning programs for all Group employees in all companies and Countries (FOURLIS Group Induction Training, GDPR Awareness & Training, Digital Transformation, FOURLIS Group's New Performance Appraisal)	✓	✓	✓
Optional soft skills webinars for all employees (personality matters, apologizing, accountability, etc.)	✓	✓	✓

**[GRI 404-3]**

All employees (100%) received regular performance and development review in 2023.

**Health and Safety**

**[GRI 403-8]**

The Group Health and Safety System covers 100% of its direct employees, but also those who work in its facilities (e.g., cleaning staff) and are not direct employees. The System is not certified according to ISO 45001, thus, it is not externally assured by an external independent party, however an internal audit is carried out by the Group's Internal Audit Department.

**[GRI 403-9, GRI 403-10]**

In 2023 there were no fatalities as a result of work-related injuries, high-consequence and/or recordable work-related injuries in all Group's companies. Also, there were no fatalities as a result of work-related ill health, nor recordable work-related ill health cases.

As a result of the Group's overall management of Occupational Health and Safety topics, in the latest biennial Employee Insight Survey conducted in 2021, the area with the highest satisfaction rate was safety.

As part of the EF ZIN program, in 2023:

- 66 free sessions with dieticians-nutritionists were implemented.
- 334 calls were made by 135 people to the Counseling Support Line.
- 168 online sessions with psychologists were implemented.
- 31 employees participated in the National Workplace Sports Games.

- 34 employees participated in the online fitness classes.
- 70 cardiological and mammogram diagnostics were performed on Group employees in Ioannina and 65 on Group employees in Larissa.

### **Ensuring the health, safety and accessibility of customers and visitors**

#### **[GRI 416-2, ATHEX ESG Metric SS-S1]**

##### **Facilities/Stores**

- For 2023, there were no fatalities and/or high-consequence accidents of customers, visitors and partners at the Group's companies' stores and facilities.
- For 2023, 11 audits were carried out by the Internal Audit Department in Health and Safety topics, in FOURLIS GROUP stores. The audit did not reveal any high-risk findings.

##### **Products**

- There were no cases of non-compliance with the legislation and/or voluntary Health and Safety codes for FOURLIS Group's products.
- 1 audit was carried out by the Internal Audit Department at an IKEA store restaurant for health and safety issues and specifically in the category Food Hygiene and Safety. The audit did not reveal any high-risk findings.

In addition:

- There were no incidents of non-compliance regarding the provision of information and labelling of products and services.
- There were no incidents of non-compliance with regulations and voluntary codes regarding marketing communications, including advertising, promotion and sponsorships.

##### **Data Privacy**

#### **[GRI 418-1]**

- Unrestricted implementation of policies and procedures in relation to personal data protection, continued.

- 3 audits were carried out by the Internal Audit Department, from which no high-risk findings in personal data matters were found (some of the audits did not exclusively concern GDPR issues).
- There have been no substantiated complaints and reports about breaches of customer privacy, nor incidents of identified leaks, theft or loss of customer data and, by extension, no violation of the provisions of the General Data Protection Regulation (GDPR) and Law 4624/2019 has been detected by the Competent Authority.

**Active/responsible social contribution and organization of voluntary actions for employees**

- **Supporting society:** Over € 550,000 was given to actions to support society through Social Responsibility programs implemented in Greece, Cyprus and Bulgaria.
- **Emergency response:** Support for those affected by the floods in Thessaly by offering IKEA household equipment, in cooperation with the Municipality of Palamas, to families permanently residing in Vlochos, Karditsa. IKEA also proceeded to the full refurbishment of 2 damaged kindergartens of the Municipality of Palamas as well as to discounts for the purchase of products related to homes or businesses damaged by floods in the wider area of Thessaly. Discounts on the purchase of household equipment were also given by IKEA for homes and businesses affected by fires in 2023.
- **Company volunteering:** Completion of 11 company volunteering actions to support society and protect the environment, in areas where the Group's companies operate in Greece, Cyprus and Bulgaria.

## 5. Respect for human rights

### Corporate policies and due diligence

**[GRI 2-23, GRI 2-24, ATHEX ESG Metric C-S6]**

The Group approaches the issues of respect and protection of Human Rights in a systematic way. The Group implements a Human Rights Policy, as a means of declaring compliance with applicable laws and international standards and guidelines, making it clear that it respects Human Rights and shows no tolerance for their violation. For FOURLIS Group, the protection of Human Rights is part of its culture and a strong priority, both at Management and employee level.

The Policy is required to be applied by all employees, regardless of their hierarchical level, in all FOURLIS Group companies, in all countries of its activity. At the same time, all suppliers/partners of the Group and third parties working with them on behalf of the FOURLIS Group, are expected to adopt the Policy principles.

Adherence to the Human Rights Policy is monitored through regular internal audit and compliance review, including the continuous assessment of potential risks from non-compliance in all Group organizational units. The Policy is reviewed and revised, whenever necessary, by the Sustainable Development and Social Responsibility Division, depending on national and international developments.



In addition, FOURLIS Group has a Policy of Equal Opportunities and Diversity and a Suitability Policy for BoD members, for which more information is available in the Corporate Governance Statement ([www.fourlis.gr](http://www.fourlis.gr)).

To safeguard human rights, the Group also adopts:

- Code of Conduct/Code of Conduct Line-Whistleblowing System
- Supplier Code of Conduct
- Policy for Fighting Discrimination, Violence and Harassment at the Workplace
- Charter of Operations
- Open Resourcing Policy
- Health and Safety Policy
- The UN Global Compact Principles:
  - freedom of association.
  - elimination of child and forced labor.
  - elimination of discrimination in the workplace and the supply chain.

Since 2021, FOURLIS Group signs the Diversity Charter in Greece, further strengthening its commitment to combat discrimination and promote equal rights in the workplace. In 2022, the Group's companies IKEA and INTERSPORT also signed the Diversity Charter in Bulgaria, while in 2023, INTERSPORT Romania signed the Diversity Charter in Greece. In 2023, FOURLIS Group focused even more on Diversity & Inclusion issues, implementing the following women empowerment actions:

- 1<sup>st</sup> cycle of a 6-month MENTORING program, in which 22 female employees of the Group in Greece participated. The program was implemented in collaboration with Women On Top.
- In the context of Women's Day, FOURLIS Group invited all employees to participate in the celebration of this special day by leaving a comment, in a relevant post in an internal communication tool, about the reason why they admire and respect a special woman in their life. Participants were given a total of 100 books on the empowerment of girls and women.
- Implementation of the #I Am Remarkable workshop for employee empowerment. The workshop was implemented for the employees of the Group in Greece, Cyprus, Bulgaria and Romania.
- The FOURLIS Group received an honorable distinction with a Bronze award at the PR Awards 2023 for the internal communication program implemented on the occasion of Women's Day 2022 entitled "We dedicate March to the women of the Group".

In 2024, the Group will continue to focus on Diversity & Inclusion issues in the axes: INCLUSIVE LEADERSHIP, GENDER EQUALITY and PEOPLE WITH DISABILITIES, with specific actions.

### Results of the above policies and non-financial performance indicators

#### [GRI 401-1]

2023		# EMPLOYEE TURNOVER	# EMPLOYEE NUMBER	% EMPLOYEE TURNOVER RATE	# NEW EMPLOYEE HIRES	# EMPLOYEE NUMBER	% NEW EMPLOYEE HIRES RATE
Age Group	>30	987	1,323	<b>74.6</b>	1,244	1,323	94.0
	30-50	392	1,891	<b>20.7</b>	400	1,891	21.2
	50>	62	716	<b>8.7</b>	87	716	12.2
	<b>Total</b>	<b>1,441</b>	<b>3,930</b>	<b>36.7</b>	<b>1,731</b>	<b>3,930</b>	<b>44.0</b>
Gender	Women	694	2,179	<b>31.8</b>	842	2,179	38.6
	Men	747	1,751	<b>42.7</b>	889	1,751	50.8
	Other	-	-	-	-	-	-
	Not disclosed	-	-	-	-	-	-
<b>Group Total</b>		<b>1,441</b>	<b>3,930</b>	<b>36.7</b>	<b>1,731</b>	<b>3,930</b>	<b>44.0</b>
Country	Greece	759	2,533	<b>30.0</b>	959	2,533	<b>37.9</b>
	Cyprus	207	368	<b>56.3</b>	217	368	<b>59.0</b>
	Romania	209	443	<b>47.2</b>	227	443	<b>51.2</b>
	Bulgaria	266	586	<b>45.4</b>	328	586	<b>56.0</b>
	<b>Total</b>	<b>1,441</b>	<b>3,930</b>	<b>36.7</b>	<b>1,731</b>	<b>3,930</b>	<b>44.0</b>

2022		# EMPLOYEE TURNOVER	# EMPLOYEE NUMBER	% EMPLOYEE TURNOVER RATE	# NEW EMPLOYEE HIRES	# EMPLOYEE NUMBER	% NEW EMPLOYEE HIRES RATE
Age Group	>30	867	1,472	58.9	1,214	1,472	82.5
	30-50	462	1,993	23.2	490	1,993	24.6
	50>	91	651	14.0	40	651	6.1
	<b>Total</b>	<b>1,420</b>	<b>4,116</b>	<b>34.5</b>	<b>1,744</b>	<b>4,116</b>	<b>42.4</b>
Gender	Women	681	2,235	30.5	845	2,235	37.8
	Men	739	1,881	39.3	899	1,881	47.8
	Other	-	-	-	-	-	-
	Not disclosed	-	-	-	-	-	-
<b>Group Total</b>		<b>1,420</b>	<b>4,116</b>	<b>34.5</b>	<b>1,744</b>	<b>4,116</b>	<b>42.4</b>
Country	Greece	682	2,579	26.4	909	2,579	35.2
	Cyprus	238	369	64.5	253	369	68.6

	Romania	225	461	48.8	268	461	58.1
	Bulgaria	275	546	50.4	313	546	57.3
	Turkey	0	161	0.0	1	161	0.6
	<b>Total</b>	<b>1,420</b>	<b>4,116</b>	<b>34.5</b>	<b>1,744</b>	<b>4,116</b>	<b>42.4</b>

2021		# EMPLOYEE TURNOVER	# EMPLOYEE NUMBER	% EMPLOYEE TURNOVER RATE	# NEW EMPLOYEE HIRES	# EMPLOYEE NUMBER	% NEW EMPLOYEE HIRES RATE
Age Group	>30	950	1,376	69.0	1,235	1,376	89.8
	30-50	459	2,041	22.5	303	2,041	14.8
	50>	71	593	12.0	37	593	6.2
	<b>Total</b>	<b>1,480</b>	<b>4,010</b>	<b>36.9</b>	<b>1,575</b>	<b>4,010</b>	<b>39.3</b>
Gender	Women	709	2,144	33.1	743	2,144	34.7
	Men	771	1,866	41.3	832	1,866	44.6
	Other	-	-	-	-	-	-
	Not disclosed	-	-	-	-	-	-
<b>Group Total</b>		<b>1,480</b>	<b>4,010</b>	<b>36.9</b>	<b>1,575</b>	<b>4,010</b>	<b>39.3</b>
Country	Greece	559	2,516	22.2	701	2,516	27.9
	Cyprus	238	354	67.2	216	354	61.0
	Romania	232	450	51.6	276	450	61.3
	Bulgaria	304	530	57.4	395	530	55.7
	Turkey	147	160	91.9	87	160	54.4
	<b>Total</b>	<b>1,480</b>	<b>4,010</b>	<b>36.9</b>	<b>1,575</b>	<b>4,010</b>	<b>39.3</b>

**[ATHEX ESG Metrics C-S2, C-S3, C-G1]**

FOURLIS Group	2023	2022	2021
Percentage of women in the entire FOURLIS Group	55%	54%	53%
Percentage of women in positions of manager/supervisor at FOURLIS Group	43%	43%	39%
Percentage of women in the Board of Directors of FOURLIS Group	44%	44%	25%

**[GRI 405-2, ATHEX ESG Metric A-S3]**

Ratio of basic salary of women to men (Greece)	2023	2022
Managers	107%	115%
Supervisors	92%	98%
Coworkers	101%	102%

*The nominal yearly pay of the employee as well as a bonus amount are included in the calculation*



*difference (achieved at 100%).*

- *Other cash benefits are not provided and have not been included in the calculation.*
- *The calculation includes all Group employees in Greece regardless of their type of employment (e.g., full-time or part-time) as the salary policy is common.*
- *The FTEs (full time equivalent) methodology has been used for the calculation.*
- *For the calculation of the disclosure, the average annual remuneration for female full-time employees (incl. bonus) is divided by the average annual remuneration for male employees.*
- *"Coworkers" are the employees of FOURLIS Group in Greece.*

#### **[GRI 406-1]**

During 1/1/2023 – 31/12/2023 through the Code of Conduct Line/Whistleblowing System, there were 4 reports regarding harassment and/or human rights violations at FOURLIS Group.

From these, 2 were investigated in depth and the required corrective actions were taken concerning the parties involved. For the remaining 2 incidents, one report was anonymous while for the second one the employee did not confirm the original report and therefore the issues were considered as closed.

## **6. Anti-corruption and bribery matters**

### **Corporate policies and due diligence**

#### **[GRI 3-3]**

In a constantly changing regulatory and business context (international, European, national), ensuring sustainable corporate governance and the continuous promotion of business ethics and regulatory compliance are a critical pillar of the Group's operation, as they concern the entire range of its activities.

### **Management and Committees**

#### **[GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-20, ATHEX ESG Metrics C-G1, C-G2]**

The organizational chart below indicates the relationship and interaction structure of the Board of Directors members with the Committees, as well as the core Departments of the parent company FOURLIS HOLDINGS S.A.

<b>BoD</b>	
V. Fourlis	Executive Chairman
D. Fourlis	Executive Vice Chairman
D. Valachis	CEO, Executive member
L. Fourlis	Executive member
S. Stefanou	Non Executive Vice Chairman
	Non Executive member
N. Lavidas	Non Executive member
M. Georgalou	Non Executive member
S. Kambouridou	Non Executive member

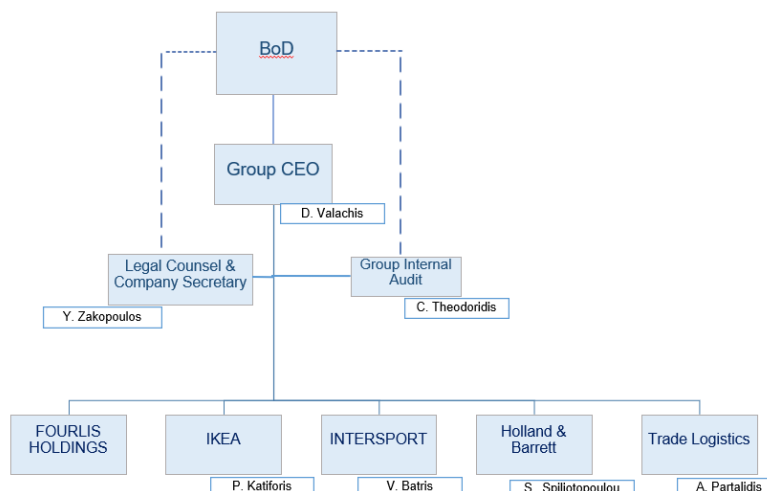
<b>Audit Committee</b>	
S. Stefanou	
M. Georgalou	
S. Kambouridou	

<b>Nomination &amp; Remuneration Committee</b>	
S. Stefanou	Non Executive Vice Chairman
N. Lavidas	Non Executive member
	Non Executive member

<b>Group Compliance, Risk &amp; Information Security Officer</b>	
Maria Theodoulidou	



## Board of Directors (BoD)

**[GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-18]**

The Board of Directors (BoD), its independent members, as well as the members of the Audit Committee, have been elected by the Annual Regular General Meeting of Shareholders held on 16/6/2023. Pursuant to the Articles of Association, the tenant of the Board of Directors and the Audit Committee is five years.

The Articles of Association of the Company provide for the Board of Directors to be composed of 7 to 9 members. The Company has elected its Board with the maximum, permitted by its Articles of Association, number of Directors to ensure the diversity of gender, age, knowledge, qualification and experience serving the objectives of the Company, as well as the balance between executive and non-executive members. On 31/12/2023 the Board of Directors consisted of 9 members, 5 (56%) of them were independent. The BoD includes 4 women (44% of the total) and 5 men and consists of 4 executive and 5 non-executive members (of which 5 are independent). 8 BoD members belong to the age group over 50 years and 1 to the 30-50 years age group.

The Chairman and executive member of the BoD is Mr. Vasilios Fourlis. Mrs. Dafni Fourli has been appointed as a Vice President and an executive member of the Board of Directors, replacing the Chairman in his executive duties.

Evaluations of the BoD are carried out at collective and individual level which include an assessment of the supervision of the management of effects on economy, environment and people (Sustainable Development). The collective evaluation is repeated on an annual basis and the results are presented to the BoD by the Committee for the Nomination and Remuneration. Every 3 years an external evaluation will take place regarding the effectiveness of the BoD.

More information on the composition, structure and qualifications of the BoD members, as well as their participation in other BoDs, as well as on issues related to conflict of interest regarding the operation of

the BoD, is available on the website Corporate Governance Statement 2022 and Policy and Procedure for the Prevention, Detection and Management of Conflicts of Interest.

## **Board of Directors Committees**

### **[GRI 2-9]**

At the same time, the Group has set up the following committees and units to support both the Board of Directors and the Internal Control System, more detailed information on which is also available at [www.fourlis.gr](http://www.fourlis.gr).

- Audit Committee.
- Nominations and Remuneration Committee.
- Internal Audit Department.
- Regulatory Compliance Unit.
- Risk Management Unit.
- Information security Unit.

More information is available in section 10 of the 2023 Management Report.

## **Regulations, Codes, Policies and Procedures**

### **[GRI 2-6, GRI 2-9, GRI 2-10, GRI 2-15, GRI 2-17, GRI 2-19, GRI 2-20, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, ATHEX ESG Metrics C-G5, C-S8]**

With the aim of combating corruption and bribery and fraud, the Group has established and implements the following codes, regulations, policies and procedures, which also cover its subsidiary companies and for which more detailed information is available, for all its stakeholders, at [www.fourlis.gr](http://www.fourlis.gr):

- Corporate Governance Code.
- Code of Conduct including the Code of Conduct Line-Whistleblowing System.
- Suppliers' Code of Conduct.
- Policy and Procedure for the Prevention, Detection and Management of Conflicts of Interest.
- Eligibility Policy.
- Remuneration Policy and Report.
- Equal Opportunities and Diversity Policy.
- Operation Charter.
- Operating Regulation of the Board of Directors.

- Policy to prevent and combat money laundering and terrorist financing.
- Partner due diligence process.
- Compliance process regarding related party transactions.
- Internal control system evaluation process.
- Procedure for managing incidents of fraud, corruption or bribery and informing Senior Management, the Internal Audit Department and the Regulatory Compliance Department.

The above has been approved by the Group's Board of Directors and consider the precautionary principle and the relevant information is available at [www.fourlis.gr](http://www.fourlis.gr), so that it can be accessed by everyone. More information on the above policies, procedures, regulations is available in section 15 of the 2023 Management Report.

### **Results of the above policies and non-financial performance indicators**

**[GRI 2-16, GRI 2-27, GRI 205-3, GRI 206-1, ATHEX ESG Metric A-G2]**

While implementing the process of informing the Senior Management on combating incidents of violation of business ethics related to fraud or corruption, during the period 1/1-31/12/2023, 8 incidents of fraud of small scope and non-material financial scale were detected by the internal security safeguards, in subsidiary companies. These incidents were assessed as not significant, and the necessary measures were immediately taken by the Group. 1 incident was also identified, for which legal proceedings have been initiated.

In 2023, no critical concerns were communicated by stakeholders to the BoD, while there was no incident of non-compliance with laws and regulations, resulting in monetary or other type of loss for the Group. There were no legal actions, pending or completed, regarding anti-competitive behavior and violations of anti-trust law, in which FOURLIS Group companies have been identified as participants.

## 7. Supply chain matters

### Corporate policies and due diligence

#### [GRI 2-6, GRI 2-23, GRI 2-24, ATHEX ESG Metric C-S8]

The Group's business continuity is critical for the continuous delivery of high-quality services and products. The Group aims to maximize client satisfaction and ensures the development of mechanisms, aimed at identifying and responding to situations that may adversely affect the business continuity of its critical operations.

FOURLIS Group ensures the continuous improvement of its relations with suppliers through the communication of the terms of cooperation and the basic framework of principles and values that should govern the cooperation between them. The cooperation proposals and offers submitted by partners/suppliers are evaluated based on approved (qualitative and quantitative) criteria to ensure that the selected partners/suppliers have the necessary know-how as well as the ability to perform the assigned services, always with integrity, quality and reliability. The Group follows the following Policies and Codes, regarding its partners/suppliers:

#### Supplier Code of Conduct

The aim is to act as a set of guidelines that will define the basic standards of ethical behavior, values and principles of Sustainable Development, which the Group expects to be adopted by its suppliers/partners, in their transactions with it. In particular, the Supplier Code of Conduct aims to provide guidelines on the business conduct of the Group's Suppliers. In this context, all Group suppliers are required to acknowledge and adhere to the Supplier Code of Conduct.

The instructions regarding the business conduct of the Group's Suppliers are summarized below in 4 pillars.

<b>Labor practices</b>	<ul style="list-style-type: none"> <li>• Prohibition of forced labor and child labor.</li> <li>• Working hours and fees for work provided.</li> <li>• Avoidance of violence, harassment and discrimination.</li> </ul>
<b>Health and safety</b>	<ul style="list-style-type: none"> <li>• Occupational safety – Facilities safety &amp; security- Existence of emergency response systems.</li> <li>• Avoidance of drugs use.</li> </ul>

<p><b>Legislative and regulatory compliance</b></p>	<ul style="list-style-type: none"> <li>• Bribery, Corruption, Fraud.</li> <li>• Conflict of interests.</li> <li>• Avoidance of unfair competition.</li> <li>• Protection of information and personal data.</li> <li>• Protection of facilities and intellectual property.</li> <li>• Products and services.</li> <li>• Environmental protection and protection of the interests of interested parties.</li> </ul>
<p><b>Compliance with the Supplier Code of Conduct provisions</b></p>	

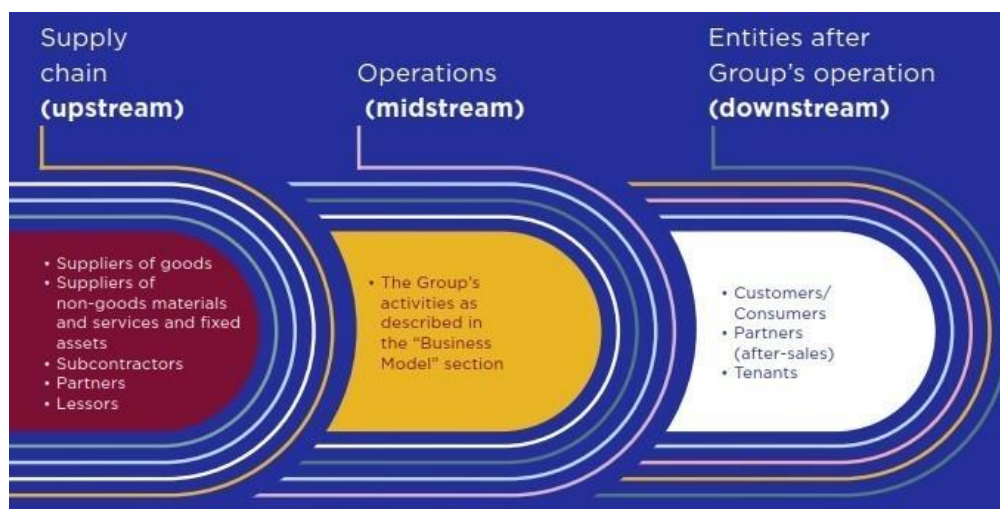
More information is available on the [FOURLIS Group Supplier Code of Conduct](#) website.

#### Due Diligence Policy on suppliers

As part of the operations of the Regulatory Compliance Unit and having assessed the complexity and nature of its activities, the Group has adopted a Due Diligence Policy on suppliers. The policy describes the due diligence process implementation carried out by the Group's Regulatory Compliance Unit for the suppliers' acceptance.

The main provider of supply chain services for the Group is TRADE LOGISTICS. The main categories of suppliers that the Group cooperates with are commodity suppliers and non-commercial goods suppliers.

## FOURLIS Group Supply Chain



### Results of the above policies and non-financial performance indicators

In 2023, FOURLIS Group cooperated with a total of more than 447 commodity suppliers. The information regarding non-commercial goods suppliers is not available at the time of publication of this Report.

Percentage of suppliers by country	2023	2022	2021
<b>Greece</b>			
Domestic	61.83%	54.97%	51.93%
International	38.17%	45.03%	48.07%
<b>Cyprus</b>			
Domestic	72.09%	72.09%	72.09%
International	27.91%	27.91%	27.91%
<b>Bulgaria</b>			
Domestic	71.79%	70.59%	76.09%
International	28.21%	29.41%	23.91%
<b>Romania</b>			
Domestic	70.37%	70.37%	75.00%
International	29.63%	29.63%	25.00%

## **8. Taxonomy Report**

### **[ATHEX ESG Metric A-S1]**

#### **EU Taxonomy of the European Council**

The EU Taxonomy Regulation (2020/852/EU) is one of the tools established due to the European Green Deal, which aims at the transformation of the European Union, into a modern, efficient, competitive and climate-neutral economy by 2050, in a fair manner.

The Regulation establishes the technical screening criteria for determining whether an eligible economic activity qualifies as environmentally sustainable (taxonomy aligned). Consequently, the Regulation sets a common classification system with regards to the economic activities that have a significant positive impact on the climate, the environment and the society.

An economic activity is eligible according to EU Taxonomy if it is described in one of the Delegated Acts 2021/2139, 2022/1214, 2023/2485 and 2023/2486, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

For an economic activity to qualify as environmentally sustainable i.e., Taxonomy-aligned, the activity is required to meet all the following requirements:

- Contribute substantially to one, or more, of the six (6) environmental objectives by complying with the technical screening criteria as set by the Commission;
- Do not significantly harm any of the other five (5) environmental objectives;
- Comply with the minimum social safeguards.

The six environmental objectives set by EU Taxonomy Regulation are the following:

- Climate change mitigation (CCM)
- Climate change adaptation (CCA)
- Sustainable use and protection of water and marine resources (WTR)
- Transition to a circular economy (CE)
- Pollution prevention and control (PPC)
- Protection and restoration of biodiversity and ecosystems (BIO)

Currently, there are available technical screening criteria for all six environmental objectives, the climate change mitigation and climate change adaptation through the Delegated Acts 2021/2139, 2022/1214 and 2023/2485 and the additional four environmental objectives through the Delegated Act (EU) 2023/2486.

#### **Disclosure requirements of EU Taxonomy Regulation**

According to Article 8, paragraph 1, of EU Taxonomy Regulation (2020/852/EU), any undertaking that



is subject to an obligation to publish non-financial information (according to article 19a and 29a of Directive 2013/34/EU), shall include in its non-financial statement or consolidated non-financial statement information on how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable.

Specifically, for disclosures that are published during 2024, concerning the financial year 2023, the non-financial undertakings should disclose the following key performance indicators:

- the proportion of their Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx), derived from products or services associated with Taxonomy-eligible and Taxonomy-non eligible economic activities for all 6 environmental objectives.
- the proportion of their Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx), derived from products or services associated with Taxonomy-eligible aligned, Taxonomy-eligible non-aligned and Taxonomy-non eligible economic activities for climate change mitigation and climate change adaptation environmental objectives<sup>3</sup>.

### **EU Taxonomy Reporting**

The methodology for the determination of the key performance indicators of FOURLIS Group, was the following:

- Identification of the Taxonomy-eligible economic activities.
- Assessment to determine alignment of the Taxonomy-eligible economic activities based on the below:
  - Substantial contribution to the climate change mitigation and climate change adaptation environmental objectives.
  - Do No Significant Harm (DNSH) assessment.
- Compliance with the minimum social safeguards, at Group level.
- Calculation of the key performance indicators

The methodology was based on the EU Taxonomy Regulation (2020/852), its Delegated Acts as well as any additional guidance released:

- The Climate Delegated Acts 2021/2139, 2022/1214, 2023/2485 and 2023/2486: These Delegated Acts include the eligible economic activities as well as establish the technical screening criteria (TSC) in relation to substantial contribution and DNSH, for all six environmental objectives.
- The Disclosure Delegated Act 2021/2178, as amended by the Delegated act 2023/2486: This Delegated Acts specify the content and presentation of information to be reported,

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<sup>3</sup> New economic activities which are included in Delegated Act 2021/2485 and are related to climate change mitigation and climate change adaptation environmental objectives, are excluded from the reporting requirements as presented in this paragraph and for those activities the proportion of the KPIs will be included in 2025 for FY2024.

concerning environmentally sustainable economic activities.

- Final Report on Minimum Safeguards: This Report, published by the Platform on Sustainable Finance, includes guidance on the application of the minimum social safeguards.

### Identification of the Taxonomy-eligible economic activities

The assessment of eligibility, was based on the description of the activities of FOURLIS Group and the NACE codes related to its activities, included all revenue-generating activities of the Group and in terms of Capital Expenditure (CapEx) or Operating Expenditure (OpEx), was focused mainly on expenses directly related to activities of the Group that generate revenue (even non eligible activities) and not to activities related to the operation of the Group (e.g. employees' vehicle leasing activity). The eligible economic activities were identified in relation to the six environmental objectives.

FOURLIS Group is one of the largest retail groups of consumer goods, which operates in Greece, Cyprus, Bulgaria and Romania, in the following fields of business activity:

- Home Furniture and Household Goods retail sale: through IKEA stores in Greece, Cyprus and Bulgaria.
- Sporting Goods retail sale: through INTERSPORT stores in Greece, Cyprus, Bulgaria and Romania.
- Retail sale of Health and Wellness products: In 2022, FOURLIS Group announced its entry into the rapidly growing Health and Wellness products sector, through a strategic partnership with Holland & Barrett, the largest retailer in Great Britain and one of the largest in Europe, in the Health & Wellness sector.
- In the context of gaining benefits from synergies between the Group's subsidiaries, TRADE LOGISTICS S.A., one of the Group's subsidiaries, provides storage and distribution services in both sectors, for all countries.
- Investments in real estate through its subsidiary company TRADE ESTATES REIC, which is one of the largest real estate investing companies in Greece and the only one with a specialized investing objective. The company aims at the acquisition and development of retail parks and logistics centers of next generation, following the strongest trend in new retail developments globally, providing consumers with easy, safe and direct access to markets and services.

The economic activities of FOURLIS Group for the financial year 2023, which were identified as eligible are the following:

Economic Activity	Code	NACE-code	Description
<b>Electricity generation using solar photovoltaic</b>	CCM 4.1 CCA 4.1	D35.11 and F42.22	Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology. FOURLIS Group generates electricity using

<b>technology</b>			<p>solar photovoltaic technology (for selling or net metering) in the following assets:</p> <ul style="list-style-type: none"> <li>• The Logistics Center of Trade Logistics in Schimatari, Greece (selling).</li> <li>• The Logistics Center of Trade Logistics in Schimatari, Greece, which is under construction and is about to be completed by Feb 2024 (net-metering).</li> <li>• The Retail Park of Trade Estates in Piraeus, Greece which is in the designing phase and the construction is about to start in the first semester of 2024.</li> </ul> <p>This is a revenue generating activity. Within FY2023, revenue generated from the operating assets, while for the assets which are under construction, only CapEx/OpEx expenses have been recorded.</p>
<b>Transmission and distribution of electricity</b>	CCM 4.9 (E) CCA 4.9	D35.12 and D35.13	<p>Construction and operation of electric vehicle (EV) charging stations.</p> <p>FOURLIS Group operates electric vehicle (EV) charging stations for its customers in the following assets:</p> <ul style="list-style-type: none"> <li>• The IKEA stores of Housemarket in Airport, the IKEA store in Thessaloniki and the IKEA store in Sofia, Bulgaria.</li> <li>• The Retail Parks of Trade Estates in Ioannina and Pireos Str. In Athens.</li> </ul> <p>This is a revenue generating activity.</p>
<b>Installation, maintenance and repair of energy efficiency equipment</b>	CCM 7.3 (E) CCA 7.3	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	<p>Individual renovation measures consisting of installation, maintenance or repair of energy efficiency equipment.</p> <p>FOURLIS Group upgraded lighting installation with energy efficient lighting (LED) in the following assets:</p> <ul style="list-style-type: none"> <li>• The Intersport store in Pafos, Cyprus.</li> <li>• Trade Logistics in Schimatari, Greece.</li> </ul> <p>This is not a revenue generating activity. The Group has purchased output from Taxonomy-eligible economy activity (CapEx c).</p>
<b>Installation, maintenance and repair of</b>	CCM 7.5 (E) CCA 7.5	F42, F43, M71, and C16, C17, C22,	<p>Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy</p>

<b>instruments and devices for measuring, regulation and controlling energy performance of buildings</b>		C23, C25, C27, C28	<p>performance of buildings.</p> <p>FOURLIS Group installed smart energy meters in the following asset:</p> <ul style="list-style-type: none"> <li>The Retail Park of Trade Estates in Pireos Str. in Athens.</li> </ul> <p>This is not a revenue generating activity.</p> <p>The Group had maintenance costs related to the Taxonomy-eligible economy activity (OpEx).</p>
<b>Installation, maintenance and repair of renewable energy technologies</b>	CCM 7.6 (E) CCA 7.6	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	<p>Installation, maintenance and repair of renewable energy technologies, on-site.</p> <p>FOURLIS Group installed photovoltaics for building's self-consumption in the following asset:</p> <ul style="list-style-type: none"> <li>HM Housemarket LTD in Cyprus (own consumption).</li> </ul> <p>This is not a revenue generating activity. The Group has purchased output from Taxonomy-eligible economy activity (OpEx).</p>
<b>Acquisition and ownership of buildings</b>	CCM 7.7 CCA 7.7	L68	<p>Buying real estate and exercising ownership of that real estate.</p> <p>FOURLIS Group, through its subsidiary Trade Estates, owns and exercises ownership of the following assets:</p> <ul style="list-style-type: none"> <li>The Florida 1 Retail Park, and the Retail Park of Trade Estates in Thessaloniki, Greece.</li> <li>The Retail Park of Trade Estates in Ioannina, Larissa, Piraeus and Chalandri, Greece.</li> <li>The Retail Complex of Trade Estates in Rentis, Greece.</li> <li>The Smart Park of Trade Estates in Spata, Greece.</li> <li>The Retail Park of Trade Estates in Nicosia, Cyprus.</li> <li>The Retail Park of Trade Estates in Sofia, Bulgaria.</li> <li>The Logistics Center of Trade Estates in Schimatari, Oinofyta and Elefsina, Greece.</li> <li>The 2 Retail Parks Trade Estates in Patra and Heraklion, Greece, where both are under construction during 2023.</li> </ul> <p>This is a revenue generating activity. Within</p>

			FY2023, revenue generated from the operating assets, while for the assets which are under construction, only CapEx c/OpEx expenses have been recorded.
<b>Construction of new buildings</b>	CCM 3.1	F41.1, F41.2, F43	<p>The development of construction projects for residential and non-residential buildings by combining financial, technical and physical means with a view to sell the building upon delivery or at a later date, as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.</p> <p>FOURLIS Group, through its subsidiary Trade Estates, is constructing the following new buildings:</p> <ul style="list-style-type: none"> <li>• The Retail Park of Trade Estates in Patra, Greece.</li> <li>• The Retail Park of Trade Estates in Heraklion, Greece.</li> </ul> <p>This is not a revenue generating activity. The Group has purchased output from Taxonomy-eligible economy activity (category CapEx c/OpEx).</p>

(E): Enabling Activity

(T): Transitional Activity

### Alignment Assessment

FOURLIS Group proceeded with the assessment of the alignment of its eligible economic activities and assets, in accordance with the technical screening criteria concerning substantial contribution to the environmental objectives of climate change mitigation and adaptation, the non-significant harm to the remaining five environmental objectives, as well as compliance with the minimum social safeguards. The scope of this assessment was the determination of the level for alignment of the Group's eligible economic activities with the technical screening criteria and the requirements of Taxonomy Regulation, as well as the identification of potential gaps, in order the Group to structure a specific action plan to achieve alignment, with the Taxonomy Regulation, of its eligible economic activities, in the near future.

#### Substantial contribution

An assessment of each asset of the eligible economic activities was carried out against the respective

Technical Screening Criteria for substantial contribution related to climate change mitigation and climate change adaptation environmental objectives to which the activities were eligible to make a Substantial Contribution. An identification whether it is an enabling or a transitional economic activity was also carried out.

## Climate Change Mitigation

- **4.1 Electricity generation using solar photovoltaic technology**  
The activity is by default aligned with the Substantial Contribution criteria since they are generating electricity using solar PV technology.
- **4.9 Transmission and distribution of electricity**  
The activity is by default aligned with the Substantial Contribution criteria since the activity is the construction and operation of electric vehicle (EV) charging stations.
- **7.3 Installation, maintenance and repair of energy efficiency equipment**  
The activity is by default aligned with the Substantial Contribution criteria since the activity was the installation and replacement of energy efficient light sources.
- **7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings**  
The activity is by default aligned with the Substantial Contribution criteria since the activity was the installation of smart meters for electricity.
- **7.6 Installation, maintenance and repair of renewable energy technologies**  
The activity is by default aligned with the Substantial Contribution criteria since the activity was the installation of solar photovoltaics systems.
- **7.7 Acquisition and ownership of buildings**  
The activity has been assessed against the Substantial Contribution criteria related to its assets' energy efficiency and the energy performance monitoring and assessment. The activity has been considered not aligned.

## Climate Change Adaptation

All activities (**4.1, 4.9, 7.3, 7.5, 7.6** and **7.7**) which were also eligible for climate change adaptation environmental objective have been checked against the substantial contribution technical screening criteria of the environmental objective of adaptation to climate change (CCA), which require that an assessment of the physical climate risks has been conducted and adaptation solutions have been implemented. The alignment assessment has determined the final list of the eligible activities in CCA environmental objective, as reflected in the tables of key performance indicators (Turnover, CapEx, OpEx) since none of the identified activities was also enabling. For the enabling activities, their eligibility is based on the description of the activity, irrespective of whether the activity meets the TSC. For the activities which are not enabling, their eligibility is not solely based on their description, but they should also meet the TSC criteria related to their substantial contribution to CCA environmental objective which require a physical climate risk assessment and an adaptation plan for the identified physical risks. No relevant assessment has been conducted for the relevant assets and therefore, they have been

considered as not aligned and, finally as non-eligible in relation to CCA environmental objective.

#### Do No Significant Harm (DNSH)

Since, as mentioned in the previous step, activities are not eligible for the CCA environmental objective, an assessment of each asset of each eligible economic activity was also carried out, against the DNSH technical screening criteria, only for the CCM environmental objective.

Across all activities, a common Do No Significant Harm criterion for CCM, relates to whether the impact of the physical climate risks associated with each activity has been assessed. According to the available data, no physical climate risks assessment has been performed for any the company's assets.

Regarding activity **7.3**, an additional criterion concerns the avoidance of the use of specific substances in the equipment, for pollution prevention. Based on the equipment declaration of conformity documents, the equipment complies with EN standards, however it has not been possible to be assessed whether it complies with all the required directives of Appendix C and has therefore been considered as non-aligned.

The remaining criteria of activity **4.1** and **4.9**, could not be checked.

For the remaining activities (**7.5**, **7.6** and **7.7**), there were no additional Do No Significant Harm criteria.

#### Minimum Social Safeguards

FOURLIS Group was assessed against the requirements of the minimum social safeguards as set out in Article 18 of the EU Taxonomy Regulation (2020/852/EU). The minimum social safeguards are a set of defined UN, EU and other international human rights and code of ethics guidelines, as follows:

- The OECD Guidelines for Multinational Enterprises.
- The UN Guiding Principles on Business and Human Rights.
- The principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labor Organization on Fundamental Principles and Rights at Work.
- The International Bill of Human Rights.

According to the Final Report on Minimum Safeguards of the Platform on Sustainable Finance, the minimum social safeguards cover the following areas:

- Human rights, including labor rights.
- Corruption/Bribery.
- Taxation.
- Fair Competition.

#### **Human Rights**

FOURLIS Group has adopted a Human Rights Policy, for all countries of activity, indicating the priority to ensure fair treatment of its customers, people, shareholders and society. The Group's Code of Conduct safeguards the fundamental principles of Human Rights. For more information refer to "5.

Respect of Human Rights” of this report.

The Group's main objective is to conduct a Human Rights Due Diligence throughout the value chain.

### **Corruption/Bribery**

Anti-corruption is an integral part of the Group’s Code of Conduct where strong clauses emphasize the strict application of the law and contribute in maintaining a high level of professional behavior, while reflecting the zero-tolerance approach to any form of corruption and bribery practices. For more information refer to “6. Fight against corruption and bribery related issues” of this report.

### **Taxation**

In relation to tax matters, FOURLIS Group guarantees adherence to accounting and tax regulations, legal requirements and other regulatory considerations for its own operations and all its subsidiary companies. The issuing of an "Annual Tax Certificate" also ensures compliance with tax laws. Moreover, the Group identifies and evaluates tax-related risks as part of its risk management procedure.

### **Fair Competition**

It is the Group’s policy to operate with vigor and awareness of the law, to exercise an independent commercial judgment in the conduct of its operations and to comply faithfully with the laws governing the practices of trade and competition. The Group fully complies with the national and European Law regarding Competition and ensures its operations are consistent with the respective laws and regulations.

## **Accounting policy for the determination of key performance indicators (KPIs)**

### **Turnover (turnover KPI)**

The proportion of turnover referred to in Article 8(2), point (a), of the Regulation (EU) 2020/852 is calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008<sup>4</sup>.

The KPI referred to in the first subparagraph excludes from its numerator the part of the net turnover derived from products and services associated with economic activities that have been adapted to climate change in line with Article 11(1), point (a) of Regulation (EU) 2020/852 and in accordance with

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<sup>4</sup> Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).



Annex II to Delegated Regulation (EU) 2021/2139, unless those activities:

(a) qualify as enabling activities in accordance with Article 11(1), point (b) of Regulation (EU) 2020/852;  
or

(b) are themselves Taxonomy-eligible and aligned.

To avoid double counting in the allocation in the numerator of turnover across economic activities, the figures used have eliminated intergroup transactions.

### **Capital expenditure (CapEx)**

The proportion of CapEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.2.1 and 1.1.2.2 of Annex I of the delegated Regulation (EU) 2021/2178 as amended.

### **Denominator**

The denominator covers additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible and intangible assets resulting from business combinations.

For non-financial undertakings applying international financial reporting standards (IFRS) as adopted by Regulation (EC) No 1126/2008, CapEx shall cover costs that are accounted based on:

- (a) IAS 16 Property, Plant and Equipment, paragraphs 73, (e), point (i) and point (iii);
- (b) IAS 38 Intangible Assets, paragraph 118, (e), point (i);
- (c) IAS 40 Investment Property, paragraphs 76, points (a) and (b) (for the fair value model);
- (d) IAS 40 Investment Property, paragraph 79(d), points (i) and (ii) (for the cost model);
- (e) IFRS 16 Leases, paragraph 53, point (h).

### **Numerator**

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

- a) related to assets or processes that are associated with Taxonomy-aligned economic activities;
- b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan') under the conditions specified in the second subparagraph of this point;
- c) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably

activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

The numerator contains the part of CapEx referred to in the first paragraph of this point that contributes substantially to any of the environmental objectives. The numerator provides for a breakdown for the part of CapEx allocated to substantial contribution to each environmental objective.

To avoid double counting in the allocation in the numerator of CapEx across economic activities, the figures have eliminated intergroup transactions.

### **Operating expenditure (OpEx)**

The proportion of OpEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator as specified in points 1.1.3.1 and 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU, as amended.

#### **Denominator**

The denominator covers direct non-capitalized costs that relate to building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

#### **Numerator**

The numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

- a. related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalized costs that represent research and development;
- b. related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as individual building renovation measures as identified in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) or Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

Where the operational expenditure is not material for the business model of non-financial undertakings, those undertakings shall:

- a. be exempted from the calculation of the numerator of the OpEx KPI in accordance with point 1.1.3.2 of the Annex I of the delegated Regulation 2021/2178 EU and disclose that numerator as being equal to zero;

- b. disclose the total value of the OpEx denominator calculated above;
- c. explain the absence of materiality of operational expenditure in their business model.

The numerator includes the part of OpEx referred to in the first paragraph of this point that contributes substantially to any of the environmental objectives. The numerator provides for a breakdown for the part of the OpEx allocated to substantial contribution to each environmental objective.

To avoid double counting in the allocation in the numerator of OpEx across economic activities, the figures have eliminated intergroup transactions.

### Key Performance Indicators 2023

In the following tables the percentages of turnover, CapEx and OpEx of Taxonomy aligned, Taxonomy-non-aligned and Taxonomy-non eligible economic activities for the financial year 2023, are presented, according to the results of the alignment assessment of the economic activities of FOURLIS Group.

In summary, the proportion of the 3 key performance indicators for financial year 2023, are illustrated in the table below.

<b>FY 2023</b>	<b>TOTAL (MEUR)</b>	<b>TAXONOMY- ELIGIBLE NON- ALIGNED ECONOMIC ACTIVITIES %</b>	<b>TAXONOMY- ALIGNED ECONOMIC ACTIVITIES %</b>	<b>TAXONOMY-NON- ELIGIBLE ECONOMIC ACTIVITIES %</b>
<b>TURNOVER</b>	535.10	4.5%	0.0%	95.5%
<b>CAPITAL EXPENDITURE (CAPEX)</b>	141.46	9.2%	0.0%	90.8%
<b>OPERATING EXPENDITURE (OPEX)</b>	5.08	38.9%	0.0%	61.1%

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')										
Economic activities	Code	Turnover	Proportion of total Turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Turnover for 2022	Category (Enabling activity)	Category (Transitional activity)	
		€m	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y,N,N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																				
A.1 Taxonomy-aligned activities																				
Total Turnover from taxonomy-aligned activities (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%			
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E		
Of which Transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T	
A.2 Taxonomy-non-aligned activities																				
Electricity generation using solar photovoltaic technology	CCM 4.1	0.36	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0%		
Transmission and distribution of electricity	CCM 4.9	0.05	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0%		
Installation, maintenance and repair of	CCM 7.5	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0%		

<b>B. Taxonomy-Non-Eligible Activities</b>		
<b>Total Turnover from Taxonomy-non-eligible activities (B)</b>	<b>510 .76</b>	<b>95. 5%</b>
<b>Total Turnover (A+B)</b>	<b>535 .10</b>	<b>100 .0 %</b>

Y- Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective

N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

EL – Taxonomy-eligible activity for the relevant objective

N/EL- Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-aligned per objective
CCM	0%	4.5%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')									
Economic activities	Code	Cap Ex	Proportion of total CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx for 2022	Category (Enabling activity)	Category (Transitional activity)
		€m	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	Y,N,N/E L	%	E
A. Taxonomy-Eligible Activities																			
A.1 Taxonomy-aligned activities																			
Total CapEx from taxonomy-aligned activities (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which Transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy-non-aligned activities																			
Electricity generation using solar photovoltaic technology	CCM 4.1	0.50	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Transmission and distribution of electricity	CCM 4.9	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.05	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of instruments and devices for measuring,	CCM 7.5	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		

regulation and controlling energy performance of buildings												
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.00	0.0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		0%
Acquisition and ownership of buildings	CCM 7.7	12.43	8.8 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		49%
Construction of new buildings	CE 3.1	0.00	0.0 %	M/EL	N/EL	N/EL	EL	N/EL	N/EL	N/EL		0%
<b>Total CapEx from taxonomy-not aligned activities (A.2)</b>		<b>12.98</b>	<b>9.2 %</b>	<b>9.2 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>		<b>50%</b>
<b>Total Taxonomy-eligible CapEx (A.1 + A.2)</b>		<b>12.98</b>	<b>9.2 %</b>	<b>9.2 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>		<b>50%</b>
<b>B. Taxonomy-Non-Eligible Activities</b>												
<b>Total CapEx from Taxonomy-non-eligible activities (B)</b>		<b>128.48</b>	<b>90.8%</b>									
<b>Total CapEx (A+B)</b>		<b>141.46</b>	<b>100.0%</b>									

Y- Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective  
N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective  
EL – Taxonomy-eligible activity for the relevant objective  
N/EL- Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	Proportion of CapEx /Total CapEx	
	Taxonomy-eligible per objective	Taxonomy-eligible per objective
CCM	0%	9.2%
CCA	0%	0%
WTR	0%	0%
CE <sup>5</sup>	0%	8.8%
PPC	0%	0%
BIO	0%	0%

<sup>5</sup> CapEx relating to buildings under construction of activity CCM 7.7 are also eligible for activity CE 3.1

Financial Year	2023			Substantial contribution criteria						DNSH criteria ('Does No Significant Harm')													
Economic activities	Code	Op Ex	Proportion of total OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx for 2022	Category (Enabling activity)	Category (Transitional activity)				
		€m	Y,N,N /EL	Y,N,N /EL	Y,N,N /EL	Y,N,N /EL	Y,N,N /EL	Y,N,N /EL	Y,N,N /EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T				
A. Taxonomy-Eligible Activities																							
A.1 Taxonomy-aligned activities																							
Total OpEx from taxonomy-aligned activities (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%						
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E					
Of which Transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T				
A.2 Taxonomy-non-aligned activities																							
Electricity generation using solar photovoltaic technology	CCM 4.1	0.10	1.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%							
Transmission and distribution of electricity	CCM 4.9	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%							
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%							
Installation, maintenance and repair of instruments and devices for measuring.	CCM 7.5	0.00	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%							



regulation and controlling energy performance of buildings												
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL			0%
Acquisition and ownership of buildings	CCM 7.7	1.88	36.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL			3%
Construction of new buildings	CE 3.1	0.00	0.0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL			0%
<b>Total OpEx from taxonomy-not aligned activities (A.2)</b>		<b>1.98</b>	<b>38.9%</b>	<b>38.9%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			<b>4%</b>
<b>Total Taxonomy-eligible OpEx (A.1 + A.2)</b>		<b>1.98</b>	<b>38.9%</b>	<b>38.9%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>			<b>4%</b>
<b>B. Taxonomy-Non-Eligible Activities</b>												
<b>Total OpEx from Taxonomy-non-eligible activities (B)</b>		<b>3.10</b>	<b>61.1%</b>									
<b>Total OpEx (A+B)</b>		<b>5.08</b>	<b>100.0%</b>									

Y- Yes, Taxonomy- eligible and Taxonomy-aligned activity with the relevant environmental objective

N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective


EL – Taxonomy-eligible activity for the relevant objective

N/EL- Not eligible. Taxonomy-non-eligible activity for the relevant environmental objective

	<b>Proportion of OpEx /Total OpEx</b>	
	Taxonomy-aligned per objective	Taxonomy-aligned per objective
CCM	0%	38.9%
CCA	0%	0%
WTR	0%	0%
CE <sup>6</sup>	0%	5.3%
PPC	0%	0%
BIO	0%	0%

<sup>6</sup> OpEx relating to buildings under construction of activity CCM 7.7 are also eligible for activity CE 3.1

## GRI Content Index

<b>Statement of use</b>	FOURLIS Group has reported in accordance with the GRI Standards for the period 01.01.2023-31.12.2023 
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standards</b>	N/A

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.	EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	32-33 Brief description of the business model	A gray cell indicates something that does not apply. This only relates to the 'Omission' and 'GRI Sector Standard ref. no.' columns.				✓
	2-2 Entities included in the organization's sustainability reporting	30-31, 32-33 <ul style="list-style-type: none"> <li>Sustainable Development and Social Responsibility</li> <li>Brief description of the business model</li> <li>Sustainable Development Policy and Strategy</li> </ul>					✓
	2-3 Reporting period, frequency and contact point	30-31 <ul style="list-style-type: none"> <li>Sustainable Development and Social Responsibility</li> </ul> Mrs. Lyda Fourlis, Sustainable Development and Social Responsibility Director, Email: <a href="mailto:csr@fourlis.gr">csr@fourlis.gr</a> , Tel.: +30 210 6293000, Fax: +30 210 6293205.					✓

	2-4 Restatements of information	50-54 Climate Stability and Air Pollutants					✓
	2-5 External assurance	30-31 Sustainable Development and Social Responsibility					✓
	2-6 Activities, value chain and other business relationships	32-33, 91-92, 93-95 <ul style="list-style-type: none"> <li>Brief description of the business model</li> <li>Regulations, Codes, Policies and Procedures</li> <li>Supply chain matters</li> </ul>					✓
	2-7 Employees	72-76 Employee-related matters/ Results of the above policies and non- financial performance indicators					✓
	2-8 Workers who are not employees	-	All the requirements of the disclosure	Inform ation unavail able/ incomp lete	No data was available for this Statement. The Group will begin the relevant data gathering process, so that disclosure requirements will be available in a following Statement.		✓
	2-9 Governance structure and composition	89-92 <ul style="list-style-type: none"> <li>Management and Committees</li> <li>Board of Directors (BoD)</li> <li>Board of Directors</li> </ul>					✓

		Committees • Regulations, Codes, Policies and Procedures					
	2-10 Nomination and selection of the highest governance body	89-92 • Management and Committees • Board of Directors (BoD) • Regulations, Codes, Policies and Procedures					✓
	2-11 Chair of the highest governance body	89-91 • Management and Committees • Board of Directors (BoD)					✓
	2-12 Role of the highest governance body in overseeing the management of impacts	33 • Sustainable Development Policy and Strategy • Sustainable Development Oversight					✓
	2-13 Delegation of responsibility for managing impacts	33 • Sustainable Development Policy and Strategy • Sustainable Development Oversight					✓
	2-14 Role of the highest governance body in sustainability reporting	33, 34-36 • Sustainable Development Oversight • Materiality Analysis • Material Topics					✓
	2-15 Conflicts of interest	91-92 Regulations, Codes, Policies and Procedures					✓
	2-16 Communication	92 Anti-corruption					✓

	tion of critical concerns	and bribery matters/Results of the above policies and non-financial performance indicators					
	2-17 Collective knowledge of the highest governance body	91-92 Regulations, Codes, Policies and Procedures					✓
	2-18 Evaluation of the performance of the highest governance body	90-91 Board of Directors (BoD)					✓
	2-19 Remuneration policies	91-92 Regulations, Codes, Policies and Procedures					✓
	2-20 Process to determine remuneration	89-92 <ul style="list-style-type: none"> <li>Management and Committees</li> <li>Regulations, Codes, Policies and Procedures</li> </ul>					✓
	2-21 Annual total compensation ratio	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement. The Group will begin the relevant data gathering process, so that disclosure requirements will be available in a following Statement.		✓
	2-22 Statement on sustainable development strategy	31-32 Message from the Management					✓

	2-23 Policy commitments	36-39, 85-87, 91-92, 93-95 <ul style="list-style-type: none"> <li>• Memberships</li> <li>• Key non-financial risks</li> <li>• Respect for human rights/Corporate policies and due diligence</li> <li>• Regulations, Codes, Policies and Procedures</li> <li>• Supply chain matters/Corporate policies and due diligence</li> </ul>					✓
	2-24 Embedding policy commitments	38-39, 63-64, 85-87, 91-92, 93-95 <ul style="list-style-type: none"> <li>• Key non-financial risks</li> <li>• Occupational Health and Safety Management System</li> <li>• Respect for human rights/Corporate policies and due diligence</li> <li>• Regulations, Codes, Policies and Procedures</li> <li>• Supply chain matters/Corporate policies and due diligence</li> </ul>					✓
	2-25 Processes to remediate negative impacts	91-92 Regulations, Codes, Policies and Procedures					✓
	2-26 Mechanisms for seeking advice and raising concerns	91-92 Regulations, Codes, Policies and Procedures					✓

	2-27 Compliance with laws and regulations	92 Anti-corruption and bribery matters/ Results of the above policies and non-financial performance indicators					✓
	2-28 Memberships	36-38 Memberships					✓
	2-29 Approach to stakeholder engagement	34 Stakeholder Engagement					✓
	2-30 Collective bargaining agreements	77 Employee-related matters/Results of the above policies and non-financial performance indicators					✓

GRI STANDAR D/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTO R STAND ARD REF. NO.	EXTE RNAL ASSU RAN CE
			REQUIREME NT(S) OMITTED	REA SON	EXPLANATION		
Material Topics							
GRI 3: MATERI AL TOPICS 2021	3-1 Process to determine material topics	34-35 Materiality Analysis	A gray cell indicates something that does not apply. This only relates to the 'Omission' and 'GRI Sector Standard ref. no.' columns.				✓
	3-2 List of material topics	34-36 <ul style="list-style-type: none"><li>Materiality Analysis</li><li>Material Topics</li></ul>					✓
Employment							
GRI 3: Material Topics 2021	3-3 Management of material topics	34-36, 58-60 <ul style="list-style-type: none"><li>Materiality Analysis</li><li>Material Topics</li><li>Employee-related</li></ul>					✓

		matters/Corporate policies and due diligence					
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	87-88 Respect for human rights/Results of the above policies and non-financial performance indicators					✓
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	77 Employee-related matters /Results of the above policies and non-financial performance indicators					
	401-3 Parental leave	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement. The Group will begin the relevant data gathering process, so that disclosure requirements will be available in a following Statement .		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement. The Group will begin the relevant data gathering process, so that disclosure requirements will be available in a following Statement .		
	405-2 Ratio of basic salary and remuneration of women to men	88-89 Respect for human rights/Results of the above policies and non-financial performance indicators	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement . The Group will begin the relevant data gathering process, so that disclosure requirements will be available in a		



					following Statement		
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	89 Respect for human rights/Results of the above policies and non-financial performance indicators					
<b>Health and Safety</b>							
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-36, 62-67, 67-69 <ul style="list-style-type: none"> <li>Materiality Analysis</li> <li>Material Topics</li> <li>Health and Safety</li> </ul>					
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	62-63 Occupational Health and Safety Management System					
	403-2 Hazard identification, risk assessment, and incident investigation	63-64 Occupational Health and Safety Management System					
	403-3 Occupational health services	64 Occupational health services					
	403-4 Worker participation, consultation, and communication on occupational health and safety	65 Employee participation					
	403-5 Worker training on occupational health and safety	65 Employee training on health and safety topics					
	403-6 Promotion of worker health	65-66 Promotion of employee health and well-being					
	403-7 Prevention and mitigation of	67 Prevention and mitigation of health and safety impacts					

	occupational health and safety impacts directly linked by business relationships	on partners/suppliers at work					
	403-8 Workers covered by an occupational health and safety management system	82 Health and Safety	Requirement 'a' of the disclosure	Information unavailable/incomplete	Data on the number of workers who are not employees of the Group was not available. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement.		
	403-9 Work-related injuries	82-83 Health and Safety	Requirements 'a-iii, a-iv, a-v, b, c, d, e, f and g' of the disclosure	Information unavailable/incomplete	No data was available for this Statement . The Group will begin the relevant data collection process, so that these data will be disclosed in a following Statement .		
	403-10 Work-related ill health	82-83 Health and Safety	Requirements "b-i, ii, iii" of the disclosure	Information unavailable/incomplete	No data was available for this Statement. The Group will begin the relevant data collection process, so that these data will be disclosed in a following Statement		
<b>GRI 416: Customer Health and Safety 2016</b>	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	83 Ensuring the health, safety and accessibility of customers and visitors					
<b>Education</b>							
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-36, 60-61 <ul style="list-style-type: none"> <li>Materiality Analysis</li> <li>Material Topics</li> <li>Education</li> </ul>					
<b>GRI</b>	404-1 Average	79					

<b>404: Training and Education 2016</b>	hours of training per year per employee	Employee-related matters /Results of the above policies and non-financial performance indicators/Education					
	404-2 Programs for upgrading employee skills and transition assistance programs	80-81 Employee-related matters /Results of the above policies and non-financial performance indicators/Education					
	404-3 Percentage of employees receiving regular performance and career development reviews	62, 82 • Employee-related matters/Performance appraisal and development review • Employee-related matters /Results of the above policies and non-financial performance indicators/Education					
<b>Business Conduct</b>							
<b>GRI 3: MATERIAL TOPICS 2021</b>	3-3 Management of material topics	34-36, 89-92 • Materiality Analysis • Material Topics • Anti-corruption and bribery matters/Corporate policies and due diligence					✓
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement.		
	205-2	-	All the	Information	No data was		

	Communication and training about anti-corruption policies and procedures		requirements of the disclosure	material on unavailable/incomplete	available for this Statement. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement.		
	205-3 Confirmed incidents of corruption and actions taken	92 Anti-corruption and bribery matters/Results of the above policies and non-financial performance indicators					✓
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	92 Anti-corruption and bribery matters/Results of the above policies and non-financial performance indicators					
<b>Personal Data Protection</b>							
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-36, 70-71 <ul style="list-style-type: none"> <li>Materiality Analysis</li> <li>Material Topics</li> <li>Data privacy/Corporate policies and due diligence</li> </ul>					
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	83-84 Social Matters Results of the above policies and non-financial performance indicators/Data privacy					
<b>Climate stability and air pollutants</b>							
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-36, 40-44 <ul style="list-style-type: none"> <li>Materiality Analysis</li> <li>Material Topics</li> <li>Climate Stability and Air Pollutants</li> </ul>					✓

<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	50-54 Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators					✓
	302-2 Energy consumption outside of the organization	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement . The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement .		
	302-3 Energy intensity	50-54 Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators	Requirements 'c, d' of the disclosure	Information unavailable/incomplete	No data was available for this Statement , for Cyprus, Bulgaria and Romania. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement .		
	302-4 Reduction of	-	All the requirements	Information	The Group		

	energy consumption		of the disclosure	unavailable/incomplete	conducted for the first time, in 2022, energy recording and analysis and measured its carbon footprint, which will be the base year, so the requested information will be disclosed in a following Statement.		
	302-5 Reductions in energy requirements of products and services	-	All the requirements of the disclosure	Not applicable	Not relevant to FOURLIS Group activities.		
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	43-44, 54-55 <ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators</li> </ul>					
	305-2 Energy indirect (Scope 2) GHG emissions	43-44, 54-55 <ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators</li> </ul>					
	305-3 Other indirect	-	All the requirements	Information	No data was		

	(Scope 3) GHG emissions		of the disclosure	unavailable/incomplete	available for this Statement . The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement .		
	305-4 GHG emissions intensity	43-44, 54-55 <ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators</li> </ul>	Requirements 'c, d' of the disclosure	Information unavailable/incomplete	No data was available for this Statement , for Cyprus, Bulgaria and Romania. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement		
	305-5 Reduction of GHG emissions	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement . The Group will begin the relevant data collection process, so that disclosure requirements will be available in a		

					following Statement .		
	305-6 Emissions of ozone-depleting substances (ODS)	-	All the requirements of the disclosure	Not applicable	FOURLIS Group does not produce such emissions.		
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	All the requirements of the disclosure	Not applicable	FOURLIS Group does not produce such emissions.		
<b>Waste &amp; Resource intensity</b>							
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	34-36, 45-46 <ul style="list-style-type: none"> <li>Materiality Analysis</li> <li>Material Topics</li> <li>Waste and Resource Intensity</li> </ul>					
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	-	All the requirements of the disclosure	Information unavailable/incomplete	No data was available for this Statement . The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement .		
	301-2 Recycled input materials used	-	All the requirements of the disclosure	Not applicable	The disclosure is not directly related to the FOURLIS Group's activities.		



	301-3 Reclaimed products and their packaging materials	-	All the requirements of the disclosure	Not applicable	The disclosure is not directly related to the FOURLIS Group's activities.		
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	45-46 Waste and Resource Intensity					
	306-2 Management of significant waste-related impacts	45-46 Waste and Resource Intensity					
	306-3 Waste generated	-	All the requirements of the disclosure	Information unavailable/incomplete	Data incomplete. The Group will begin the relevant data collection process, so that disclosure requirements will be available in a following Statement.		
	306-4 Waste diverted from disposal	-	All the requirements of the disclosure	Information unavailable/incomplete			
	306-5 Waste directed to disposal	-	All the requirements of the disclosure	Information unavailable/incomplete			

Athens Stock Exchange ESG Reporting Guide 2022 Content Index

ESG Classification	ID	Metric Title	Section/Omission	External Assurance
Core Metrics				
Environment	C-E1	Scope 1 emissions	43-44, 54-55 <ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators</li> </ul>	

	C-E2	Scope 2 emissions	43-44, 54-55 <ul style="list-style-type: none"> <li>Greenhouse gas emissions</li> <li>Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators</li> </ul>	
	C-E3	Energy consumption and production	50-54 Climate Stability and Air Pollutants/Results of the above policies and non-financial performance indicators	✓
Society	C-S1	Stakeholder engagement	34 Stakeholder Engagement	
	C-S2	Female employees	88 Respect for human rights/Results of the above policies and non-financial performance indicators	
	C-S3	Female employees in management positions	88 Respect for human rights/Results of the above policies and non-financial performance indicators	
	C-S4	Employee turnover	77 Employee-related matters/Results of the above policies and non-financial performance indicators	✓
	C-S6	Human rights policy	85-87 Respect for human rights/Corporate policies and due diligence	
	C-S7	Collective bargaining agreements	77 Employee-related matters/Results of the above policies and non-financial performance indicators	
	C-S8	Supplier assessment	91-92, 93-95 <ul style="list-style-type: none"> <li>Regulations, Codes, Policies and Procedures</li> <li>Supply chain matters/Corporate policies and due diligence</li> </ul>	
Corporate Governance	C-G1	Board composition	88, 89-91 <ul style="list-style-type: none"> <li>Respect for human rights/Results of the above policies and non-financial performance indicators</li> <li>Management and Committees</li> </ul>	
	C-G2	Sustainability oversight	33, 89-91 <ul style="list-style-type: none"> <li>Sustainable Development Oversight</li> <li>Management and Committees</li> </ul>	

	C-G3	Materiality	34-36 • Materiality Analysis • Material Topics	
	C-G4	Sustainability policy	33 Sustainable Development Policy and Strategy	
	C-G5	Business ethics policy	91-92 Regulations, Codes, Policies and Procedures	
	C-G6	Data security policy	70-71 Data Privacy/Corporate policies and due diligence	
Advanced Metrics				
Society	A-S1	Sustainable economic activity	96-114 Taxonomy Report	
	A-S3	Gender pay gap	88-89 Respect for human rights/Results of the above policies and non-financial performance indicators	
Corporate Governance	A-G2	Business ethics violation	92 Anti-corruption and bribery matters/Results of the above policies and non-financial performance indicators	✓
Sector-Specific Metrics				
Society	SS-S1	Product quality and safety	83 Ensuring the health, safety and accessibility of customers and visitors	

## 11. Related parties' transactions

As Related parties of the Group are considered the Company, its subsidiaries, the affiliated companies and joint ventures, the Management and the first line managers and their connected individuals and legal entities (in accordance with IAS 24). The major transactions, which were eliminated for the purposes of consolidation of financial statements between Group companies, concern mainly the selling of goods between companies in the same segment and logistics services - supply, maintenance - repairs and management support services.

In the following table the receivables and payables of the Group and the Company together with their related parties on the 31<sup>st</sup> of December 2023 and on the 31<sup>st</sup> of December 2022 are analysed. All amounts are expressed in thousands of euros:

		<b>Group</b>		<b>Company</b>	
		<b>31/12/20</b>	<b>31/12/20</b>	<b>31/12/20</b>	<b>31/12/20</b>
		<b>23</b>	<b>22</b>	<b>23</b>	<b>22</b>
<b>Receivables from:</b>	HOUSE MARKET SA	0	0	0	6,000
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	13	28
	INTERSPORT (CYPRUS) LTD	0	0	4	4
	RENTIS SA	0	0	1	2
	GENCO TRADE SRL	0	0	19	115
	GENCO BULGARIA	0	0	5	6
	HOUSE MARKET BULGARIA EAD	0	0	102	38
	WYLDES	0	0	17	31
	INTERSPORT ATLETIK	0	0	0	33
	SNEAKERS MARKET	0	0	0	2
	TRADE LOGISTICS SA	0	0	39	32
	TRADE ESTATES AEEAΠ	0	0	16	22
	TRADE ESTATES CYPRUS LTD	0	0	3	3
	TRADE ESTATES BULGARIA EAD	0	0	5	5
	H.M. ESTATES CYPRUS LTD	0	0	3	3
	BERSENCO SA	0	0	11	15
	VOLIRENCO	0	0	11	0
	WELLNESS GR	0	0	4	2
	TRADE STATUS SA	184	123	181	123
	RECON	3,061	2,326	0	0
	<b>TOTAL</b>	<b>3,245</b>	<b>2,448</b>	<b>434</b>	<b>6,464</b>
<b>Payables to:</b>	HOUSE MARKET SA	0	0	42	6,369
	INTERSPORT SA	0	0	512	1,227
	TRADE ESTATES AEEAΠ	0	0	1	0
	WELLNESS GR	0	0	0	3
	TRADE STATUS SA	3	0	0	0
	SOFIA SOUTH RING MALL AED	3	5	0	0
	<b>TOTAL</b>	<b>6</b>	<b>5</b>	<b>555</b>	<b>7,599</b>

The transactions with subsidiaries and affiliated companies of the Group and the Company for the period 1/1 to 31/12/2023 and for the period 1/1 to 31/12/2022 are analyzed as follows:

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Revenue	42	55	4,833	4,764
Other income	22	23	2,064	1,837
Interest income	0	41	0	0
Dividends	0	0	9,147	38,056
<b>Total</b>	<b>64</b>	<b>119</b>	<b>16,044</b>	<b>44,657</b>

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Administrative expenses	6	1	6	10
Distribution expenses	209	192	0	0
<b>Total</b>	<b>215</b>	<b>193</b>	<b>6</b>	<b>10</b>

In the fiscal years 2023 and 2022 the following transactions were concluded between companies of the Group:

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Revenue	63,983	64,771	4,792	4,709
Cost of sales	(35,320)	(36,917)	0	0
Other income	3,543	3,420	2,042	1,821
Administrative expenses	(9,096)	(8,759)	(6)	(9)
Distribution expenses	(23,080)	(22,505)	0	0
Other operating expenses	(32)	(11)	0	0
Dividends	43,804	65,894	9,147	38,056
Interest income	2,053	566	0	0
Interest expense	(2,053)	(566)	0	0

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade receivables	61,965	68,121	253	6,341
Inventory	281	281	0	0
Creditors	61,965	68,121	555	7,599

In June 2023 the sale of properties in Larissa and Ioannina by the subsidiary HOUSE MARKET SA to the subsidiary TRADE ESTATES SA amounted to EUR 13.5 million.

## **12. Human Resources of the Group**

The total number of employees of the Group as at 31, December 2023 was 3,938 people (4,116 on 31/12/2022). Respectively, the human resources of the Company on 31/12/2023 are 117 people (116 on 31/12/2022).

## **13. Treasury shares**

The Ordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" on 16/6/2023 approved the purchase by the Company of its own (treasury) shares up to the number of 2,606,597 shares, including the shares previously purchased by the Company and still holding, thus up to a 5% share of the paid-up share capital, within 24 months from the date of approval, that is until 16/6/2025 with minimum acquisition limit at one euro (1.00) per share and maximum limit (acquisition ceiling) at eight euros (8.00) per share in accordance with the provisions of article 49 of law 4548/2018, and authorized the Board of Directors of the Company to specify within the aforementioned frames the exact time, number and price of the shares to be acquired/purchased.

Upon implementation of the aforementioned decisions of the G.A. dated 18/6/2021 and 16/6/2023, on 31/12/2023 the Company had purchased and continued to hold and possess 1,766,702 treasury shares (2022: 1,766,702), representing 3.3889% (2022: 3.3889%) of its total number of shares.

## **14. Explanatory report – information according to article 4 par. 7 of Law 3556/2007**

### **a. Structure of the Company's share capital**

The share capital on December 31, 2023 amounted to euro 52,131,944.00 divided into 52,131,944.00 shares with a nominal value of 1.00 euros each. The share capital on December 31, 2022 amounted to Euro 52,131,944.00 divided into 52,131,944.00 shares with a nominal value of 1,00 Euro each.

All shares are ordinary registered shares, held in intangible form, listed for trading on the Securities Market ("High Capitalization" category) of the Athens Stock Exchange. Each share provides the right to one vote except for the number of own (treasury) non-voting shares.

The liability of the shareholders is limited to the nominal value of the shares they hold.

### **b. Restrictions as to the transfer of the Company's shares**

The transfer of shares of the Company is made as prescribed by law and there are no restrictions as to their transfer by the Company's Articles of Association.

**c. Significant direct or indirect shareholdings as prescribed by articles 9 - 11 of Law 3556/2007**

On 31/12/2023, the following shareholders owned more than 5% of the voting shares of the Company:

- KEM FOURLI DAFNI: (17,21%)
- HOLD Alapkezelő Zrt. (5,06%)

**d. Preference shares providing special control rights**

The Company does not have any such preference shares.

**e. Restrictions to voting rights**

There are no restrictions to voting rights arising from the Company's Articles of Association.

**f. Shareholder agreements, known to the Company, resulting in restrictions to the transfer of shares or to the exercise of voting rights**

The Company is not aware of any Shareholder agreements resulting in restrictions to transfer of shares or to the exercise of voting rights as it is prescribed by the Company's Articles of Association.

**g. Rules for the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association which differ from those prescribed by Law 4548/2018.**

The rules for the appointment and replacement of members of the Board of Directors and the amendment of the Articles of Association, provided in the Articles of Association of the Company, do not differ from those prescribed by Law 4548/2018.

**h. Responsibility of the Board of Directors or of some members of the BoD for the issue of new shares or the purchase of own (treasury) shares in accordance with article 49 of Law 4548/2018**

A) According to Art 24 par 1 of Law 4548/ 2018 and the Art 4 par. 1 of the Articles of Association of the Company, during a 5-year period from the Shareholders' General Assembly resolution, the board of directors has the right, by its decision taken by a majority of 2/3 of all its members, to increase share capital through the issue of new shares for an amount that cannot exceed three times the paid-up share capital on the date that the board of directors was awarded the aforementioned right and this authority of the board of directors can be renewed from the general assembly by its resolution for a time period that will not exceed 5 years for each granted renewal. The resolutions of the general assembly for the granting or renewal of a power for increase of the share capital by the board of directors are subject to publicity. Share capital increases that are decided according to the aforementioned (extraordinary increases) constitute an amendment of the Articles of Association.

Moreover, in accordance with the provisions of article 25 par. 2 of Law 4548/2018 and article 4 par. 4 of the Company's Articles of Association, in case of a share capital increase, which is implemented by

resolution of the general assembly, taken with increased quorum and majority (ordinary increase), the general assembly can authorize the Board of Directors to decide on the determination of the underlying price of the new shares. The validity period of the authorization is specified at the relevant resolution of the general assembly and cannot exceed one (1) year. In that case, the payment deadline of the capital in compliance with article 20 of Law 4548/2018 begins with the decision-making of the Board of Directors, by which the underlying price of the shares is determined. The authorization is subject to publicity.

B) i. The Extraordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" as of 22.07.2021 decided, in accordance with the provisions of article 113 of Law 4548/2018, the implementation of the Stock Options Program-hereinafter "Program 1" - to senior executives of the Company and its affiliated companies within the meaning of article 32 of Law 4308/2014 as in force, and authorized the Board of Directors to regulate procedural issues and details. The beneficiaries of Program 1 were determined by the decision of the Board of Directors dated 22.11.2021 (relevant minutes of the Board of Directors with number 429 / 22.11.2021). During the program and in accordance with these terms, the Board of Directors shall issue to the beneficiaries who exercised their right certificates of the option for new shares and issue and deliver the shares to the above beneficiaries, increasing the share capital of the Company and certifying the capital increase. These share capital increases do not constitute amendments to the Articles of Association. The Board of Directors is obliged during the last month of the fiscal year, in which capital increases have occurred, as specified above, to adjust, by its decision, the article of the Articles of Association on the capital, so that the amount of the capital is predicted, as arisen after the above increases, in compliance with the publicity requirements of article 13 of Law 4548/2018. No stock options were exercised during the fiscal year 2023 in the context of the implementation of the above Program 1.

ii. The Ordinary General Assembly of shareholders of the Company "FOURLIS HOLDINGS SA" as of 16/6/2023, approved the implementation of a stock awards plan - hereinafter "Program 2" - to executives of the Company and its affiliated companies, in the forms a) of granting of stock options (article 113 of L.4548/2018), and b) of free granting of stocks (stock grants) (article 114 of L.4548/2018), and authorized the Board of Directors to regulate the procedural issues and further details. The said Program 2 constitutes a revision of the approved by the Ordinary General Assembly of shareholders dated 16/6/2017 Stock Awards and Grants Program offered to the executives of the Company and of its affiliated companies in the form of pre-emptive rights for the purchase of shares (Stock Options Program), which had been established by law, in accordance with the provisions of article 13 par.13 and of article 29 par.3 and 4 and of article 31 par.2 of the C.L. 2190/1920. It should be noted that from 1/1/2017 up to the date of revision of the said initial program established by law on 16/6/2017, no rights had been exercised within the framework of the program's application and implementation.

Program 2 is divided into two separate programs:

A) Program for the smooth succession of senior executives of the Company and of its affiliated



companies (hereinafter referred to as "Program A"):

Program A grants to the selected senior executive officers of the Company and of its affiliated subsidiary companies the right to purchase shares (stock options) at a fixed standard price and to be able to exercise this right within a fixed period of time in the future. The beneficiary exercising this option shall benefit, provided that, at the time of exercise of this option, the share's stock exchange price is higher than its purchase price. Program A will be implemented via one and only series of shares for the aggregate number of the granted options (at the maximum number of 850,000 options of one (1) share).

Beneficiaries shall be senior executive officers of the Company and of its affiliated companies, especially Chief Executive Officers of these companies with a fifteen year of previous work in the FOURLIS Group, selected by the decision of the Board of Directors dated 4/9/2023, in view of their forthcoming withdrawal, in reward and recognition of their long-term offer and contribution to the development of FOURLIS Group. The term of the Program A ends in the year 2029, meaning that the options that will be granted to the beneficiaries of Program A may be exercised until December 2029, in accordance with the more specific provisions in the terms of the Program. During Program A and according to its terms, the Board of Directors shall issue to the beneficiaries who exercised their option stock option certificates and shall issue and deliver the shares to the above beneficiaries, increasing the Company's share capital and officially confirming the capital's increase. These increases of the share capital shall not constitute amendments of the Articles of Association. The Board of Directors is required, within the last month of the annual fiscal year, in which the share capital's increases have taken place, to adjust, by its decision, the article on "share capital" in the Company's Articles of Association, so that the amount of the capital, as arisen after the above increases, shall be provided for, in compliance with the publicity requirements under article 13 of L.4548/2018.

B) Program to attract, retain and encourage senior executive officers of the Company and of its affiliated companies (hereinafter also referred to as "Program B"):

Program B provides three selected senior executives of the Company and of its affiliated subsidiaries with free ordinary registered shares with voting rights (stock grants) by capitalization of the Company's reserves, in accordance with the provisions of article 114 of L.4548/2018, as currently applicable, for the achievement of specific goals. Program B will be implemented in three (3) annual series, with the granting, at maximum, of 1,300,000 shares in total. Beneficiaries shall be the top senior executives of the Company and of its affiliated companies who will be selected at the reasonable discretion of the Board of Directors, after consideration of their contribution to the achievement of the strategic plans of FOURLIS Group for the period 2025-2027. The term of the Program shall be forty-eight (48) months, commencing in March 2024.

During the term of Program B and according to its terms, the Board of Directors shall proceed to increases of the share capital, with capitalization of reserves, and issuance of new shares, that will be delivered to the beneficiaries. These increases of the share capital do not constitute amendments of the Articles of Association. The Board of Directors shall be required during the last month of the corporate *Annual Financial Report for the period 1/1/2023 to 31/12/2023*

fiscal year within which increases of the share capital have taken place, to adjust, by its decision, the article on "share capital" in the Articles of Association, so that the amount of the capital, as arisen after the above increases, shall be provided for, in compliance with the publicity requirements under article 13 of L.4548/2018.

Up to 31/12/2023 options granted within the framework of implementation of the above Program 2 had not matured and subsequently have not been exercised within the fiscal year 2023.

Regarding the programs concerning the issuance of new shares for the period 1/1 - 31/12/2023, more information is provided above, in the Management Report of the Board of Directors in paragraph 6 "Stock options & Stock grants programs".

C) i. The Ordinary General Assembly of the shareholders of the Company "FOURLIS HOLDINGS SA" of 18/6/2021 approved the purchase by the company of its own shares, up to the number of 2,604,600 shares including the shares it had acquired previously and maintains (5% of the paid-up share capital) within 24 months of approval, i.e. until 18/6/2023, with a minimum acquisition limit of one euro (euro 1.00) per share and an upper acquisition limit of eight euros (euro 8.00) per share, in accordance with article 49 of Law 4548/2018 and , and authorized the Board of Directors to regulate, within the aforementioned frameworks, the exact time, number and price of the shares to be acquired.

ii. The Ordinary General Assembly of shareholders of the Company «FOURLIS HOLDINGS SA» dated 16/6/2023 approved the purchase from the company of its own (treasury) shares, up to the number of 2,606,597 shares including the shares previous acquired by the Company and still holding, thus up to a share of 5% of the paid up share capital, within 24 months from the approval, that is until 16/6/2025, with minimum amount of acquisition the amount of one (1,00) euro per share and maximum amount eight (8,00) euros per share in accordance with article 49 of L.4548/2018 and authorised the Board of Directors of the Company to specify, within the aforementioned frames, the exact time, number and price of the shares to be acquired.

Regarding the aforementioned resolutions as of 18/6/2021 and as of 16/6/2023 of the General Assembly, on 31/12/2023 the Company had purchased and continued to hold 1,766,702 own shares, which correspond to a percentage of 3.3889% of all its shares.

**i. Any significant agreement that the issuer has entered into, which comes into force, is amended or terminated in the event that there are changes in the issuer's control due to a public offer and the results of this agreement**

There are no significant agreements concluded by the Company, which come into force, are amended or terminated in the event that there are changes in the Company's control due to a public offer.

- j. Agreements that the issuer has entered into with members of the Board of Directors or its employees, which provide for indemnity in the event of resignation or redundancy without founded cause or termination of their term or their employment due to the public offer**

There are no agreements that the Company has concluded with members of the Board of Directors or its human resources, which provide for indemnity, especially in the event of resignation or redundancy.

## **15. Corporate Governance Statement for the period 1/1 - 31/12/2023**

According to L. 4548/2018 article 152, and L.4706/2020 article 18, the Board of Directors of the Company declares the following:

- a) Reference to the Corporate Governance Code to which the Company is subject or which it has voluntarily decided to apply, as well as to the website that the relevant text is available to the public and can be found.
- b) Reference to the corporate governance practices applied by the Company in addition to the law provisions, as well as reference to the place where these practices have been published.
- c) Description of the main characteristics of the Company's internal control and risk management systems in relation to the process of preparation of the financial statements.
- d) Information required under Article 10 (1) (c), (d), (f), (h) and (i) of Directive 2004/25 / EC of the European Parliament and of the Council, dated 21 April 2004 on takeover bids, provided that the Company is subject to this Directive.
- e) Information on the operation of the General Assembly Meeting of Shareholders and their basic authorities, as well as a description of the rights of shareholders and the form of exercising them.
- f) Composition and operation method of the Board of Directors and any other administrative, managerial or supervisory bodies or committees of the Company.
- g) If the Company deviates from the corporate governance code to which it is subject or which it applies, the corporate governance statement includes a description of the discrepancy with reference to the relevant parts of the corporate governance code and a justification for this discrepancy. If the company does not apply certain provisions of the corporate governance code to which it is subject or which it applies, the corporate governance statement shall include a reference to the non-compliant provision and an explanation of the reasons for non-compliance.
- h) Reference to the fit and proper policy.
- i) Reference to the acts of the Committees of article 10 of law 4706/2020.
- j) Detailed biographical notes of the members of the Board of Directors and senior executives.

- k) Information on the participation of the members of the Board of Directors in its meetings and in the meetings of the Committees of article 10 of law 4706/2020.
- l) Information on the number of shares held by each member of the Board of Directors and each chief executive officer of the Company.
- m) Confirmation of the fulfillment of the conditions of independence based on article 9 of law 4706/2020 of the independent non-executive members of the Board of Directors before the publication of the annual financial report 2023.
- n) Reports and independent non-executive Board members' report based on article 9 of law 4706/2020.

More specifically:

**15.1 Reference to the corporate governance code to which the Company is subject or which the Company has voluntarily decided to apply, as well as to the place where the relevant text is available to the public.**

In Greece, the corporate governance framework for Greek companies holding securities listed on a regulated market, consists, on the one hand of the adoption of mandatory legal rules and, on the other, of the application of corporate governance principles as well as the adoption of best practices and recommendations through self-regulation. Specifically, it includes Law 4706/2020 ("Law on Corporate Governance"), the decisions of the Hellenic Capital Market Commission issued under authorization provided by the Corporate Governance Law, certain provisions of law 4548/2018 on societies anonymes and principles, best practices and self-regulatory recommendations incorporated in the corporate governance code.

The Hellenic Code of Corporate Governance (hereinafter referred to as "the HCCG" or "the Code"), has been drafted by the Hellenic Corporate Governance Council (hereinafter: "the HCGC") and has already been updated (version of June 2021) within the periodical revision and harmonization with the requirements of the capital market legislation. The HCGC was founded in 2012 and is the result of a partnership between the Hellenic Stock Exchanges (HELEX) and the Association of Businesses and Industries (SEV).

The purpose of the HCGC is to monitor the implementation of the Hellenic Corporate Governance Code by Greek companies and in general to operate as a specialized body for the dissemination of corporate governance principles, increasing the credibility of the Greek market among international and domestic investors and improving the competitiveness of Greek companies and seeks to develop a culture of good governance in the Greek economy and society. The general action plan of the HCGC includes the formation of positions on the institutional framework, the submission of proposals, the participation in consultations and working groups, the organization of educational and information campaigns, the monitoring and evaluation of corporate governance practices and the implementation of corporate governance codes, providing assistance tools and rating the performance of Greek companies.

Addressed to the Greek societies anonymes (as defined by Law 4548/2018) with registered seat in Greece, especially those whose values have been admitted to trading on a regulated market (listed), according to article 17 of law 4706/2020 and article 4 of the Decision of the Hellenic Capital Market Commission (Decision 2/905/3.3.2021 of the Board of Directors of the Hellenic Capital Market Commission), the Hellenic Corporate Governance Code (HCCG - June 2021), which replaces the Hellenic Code of Corporate Governance for Listed Companies that was issued by the HCGC in 2013, is adapted to Greek law and business reality and has been drafted under the principle of "comply or explain" ("comply or explain"). The HCCG does not impose obligations but explains how to adopt good (best) practices with self-regulatory recommendations and facilitates the formulation of corporate governance policies and practices, which will meet the specific conditions of each company.

The main goal of the HCCG is to create an accessible and understandable reference guide, which sets in a codified way in a single text, high (higher than mandatory) requirements and corporate governance standards. In particular, the HCCG does not address issues that constitute mandatory legal provisions (laws and regulations), which are already very extensive. On the contrary, the Code establishes principles beyond the mandatory framework of Corporate Governance legislation and addresses those issues that are either a) not regulated by law, or b) regulated, but the current framework allows selection or derogation, or c) regulated to their minimum content. In these cases, the Code either complements the mandatory provisions, or introduces stricter principles, drawing on experience from European and international best practices, always guided by the characteristics of Greek business and the Greek stock market.

The Hellenic Code of Corporate Governance (June 2021) is entered into force from the entry into force of articles 1 to 24 of law 4706/2020, thus from 17/7/2021 (according to the transitional provision of article 92 § 3 of the above Law) and is uploaded on the website of the Hellenic Corporate Governance Council, at the address: <http://www.esed.org.gr>.

The Company with the decision of its Board of Directors dated 16/7/2021, has voluntarily decided to apply the Greek Corporate Governance Code (June 2021) which has been drafted by the HCCC which is a body of recognized reputation and accreditation based on a relevant decision of the Hellenic Capital Market Commission, in compliance with the obligation arising from the provision of article 17 of law 4706/2020.

The HCGC will review the content of the Code on a regular basis and will adapt it according to developments, both in specific practices and in the regulatory framework but also according to the needs of the Greek business world.

The Code consists of Parts and Sections. In more detail:

- Part A '- Board of Directors
  - First Section: Role and Responsibilities of the Board of Directors
  - Second Section: Size and Composition of the Board of Directors

- Third Section: Functioning of the Board of Directors
- Part B - Corporate Interest
  - Fourth Section: Obligation of acting in Good Faith & Diligence
  - Fifth Section: Sustainability
- Part C - Internal Control System
  - Sixth Section: Internal Control System
- Part D - Shareholders, Stakeholders
  - Seventh Section: General Assembly
  - Eighth Section: Shareholders' Participation
  - Ninth Section: Stakeholders
- Part E - Instructions for drafting a Corporate Governance Statement

By adopting best corporate governance practices, the Company seeks to increase the investors' confidence and broadens the horizons of attracting investment funds with the ultimate goal of ensuring further value to its shareholders, with transparency and safeguarding their interests.

**15.2 Reference to the corporate governance practices implemented by the Company beyond the requirements of the Law, as well as reference to the website, where these practices have been published by the Company.**

Indicatively, the following principles, best practices and self-regulatory recommendations implemented by the Company are mentioned and are incorporated in the Greek Code of Corporate Governance:

- The responsibilities of the Chairman are explicitly established by the Board of Directors in distinction from those of the Chief Executive Officer and are described in the Charter of Operation of the Company which is updated, issued and approved by the Board of Directors and its summary is uploaded on the Company's website (<http://www.fourlis.gr>).
- The Board of Directors is supported by a competent, qualified and experienced Corporate Secretary who attends its meetings. All members of the Board of Directors have access to the services of the Company Secretary, whose role is to provide practical support to the Chairman and the other members of the Board of Directors collectively and individually, based on the compliance of the Board of Directors with internal rules and relevant laws and regulations. The Company Secretary keeps the minutes of the meetings of the Board of Directors and its committees and ensures the efficient flow of information between the Board of Directors and its committees as well as between the Senior Management and the Board of Directors. The Corporate Secretary plans the introductory briefing program for the newly elected members of the Board of Directors immediately after their election and ensures that they are provided with ongoing information and training on issues related to the Company. Further, the Company Secretary ensures the effective organization of the General

Assembly's Meetings. The detailed CV of the Company Secretary is displayed in the section 15.10 of the Corporate Governance Statement.

- The company adopts and implements a policy for ESG issues and sustainable development (Sustainability Policy) which is uploaded on its website (<http://www.fourlis.gr>).
- The Company adopts and implements a Human Rights Policy with commitments: to apply the international basic principles for human rights as well as the national legislation in the countries where the Group operates, to ensure that all people are treated fairly, with dignity and respect, to ensure a working environment of equal opportunities, without discrimination and harassment for all employees of the Group, promotion of respect and protection of Human Rights, both in the internal environment of the Company and in its sphere of influence. The Human Rights Policy is posted on the Company's website (<http://www.fourlis.gr>).
- The Chairman of the Board of Directors is available for meetings with shareholders of the Company and discusses with them issues related to the governance of the Company. The Chairman ensures that the views of the shareholders are communicated to the Board of Directors. In this way, the exercise of shareholders' rights and the active dialogue with them (shareholder engagement) is facilitated. The mechanisms of communication with the shareholders are described in the Operating Regulations of the Company, a summary of which is uploaded on the Company's website (<http://www.fourlis.gr>).
- The Board of Directors and its Committees shall apply a procedure of periodic evaluation of the efficiency of their operation as mentioned in the Company's Charter of Operation, a summary of which is uploaded on its website (<http://www.fourlis.gr>).

### **15.3 Description of the main characteristics of internal control and risk management systems of the company in relation to the process of preparation and drafting of the financial statements**

The Company has developed and implements a process for issuing the financial statements (consolidated and separate) and the Financial Report. The Group's Companies record their transactions in their information systems and through automated procedures the consolidation application is updated. Crosschecking of data is performed and is reviewed (intra - group transactions, receivables and payables, etc.). Elimination and consolidation entries are recorded and the financial statements with the Information Tables included in the Financial Report are issued. After the completion of audit procedures, the Financial Report that includes the financial statements is submitted to the Board of Directors for approval. Prior to the approval of the Board of Directors, the Audit Committee has conducted a review of the Financial Report, in order to assess its completeness and consistency in relation to the information provided to it as well as the accounting principles applied by the Company and informs respectively the Board of Directors



The main characteristics of internal control and risk management systems applied by the Company in relation to the process of preparation of the financial statements and the Financial Report are the following:

- Adequate knowledge, skills and availability of personnel involved with clearly separated roles and areas of responsibility.
- Existence of recorded and updated procedures related to the issuance of financial statements and the appropriate time schedule.
- Regular updating of the accounting principles and policies, and their compliance control.
- Use of information systems for the issuance of financial statements and the preparation and drafting of financial reports related to the ERP of the Company, accessible with distinct roles and rights of use to all the consolidated companies of the Group.
- Existence of control activities associated with the security of the information systems used.
- Regular communication of the Independent Certified Auditors with the Management and the Audit Committee.
- Regular communication between the members of the Audit Committee, the Chief Financial Officer and the Head of the Internal Audit Unit.
- Confirmation by the Board of Directors of the at least yearly fulfillment of independence criteria of the independent members of the Board of Directors and in any case before publishing of the annual financial report.
- Regular meetings for validation and registration of the significant resolutions, acknowledgements, and estimations affecting the financial statements.
- Existence of risk management methodology and documentation for its implementation. Presentation of the results of risk management to the Board of Directors.
- Existence of a coherent and consolidated Chart of Accounts for all Group's companies and its centralized management.
- Upon recommendation of the Audit Committee, annual evaluation by the Board of Directors of the internal control and risk management systems applied for the issuance of the financial statements.

**15.4 Information data pursuant to sections c), d), f) g) and h) of Article 10 par.1 of the Directive 2004/25/EC of the European Parliament and the Council, as of the 21st of April 2004, regarding the Takeover Bids, provided that the Company is subject to the said Directive.**

During the year no Takeover Bids or public offer occurred.



**15.5 Information Data about the operation mode of the General Shareholders' Assembly, and its basic powers, as well as description of the rights of the shareholders and how these can be exercised.**

The convocation of the General Assembly of Shareholders of the Company is performed in accordance with the relevant provisions of Law 4548/2018, as in force.

Regarding the operation mode of the General Assembly of its Shareholders, the Company follows the practices mentioned below:

- Timely information provided to the Company's Shareholders within the deadlines prescribed by law, together with the publications required and provided by law regarding the convocation of the General Assembly.
- The Company publishes and uploads on its website the Invitation of the General Assembly, the ways of representation of the Shareholders, the deadlines and the mode of exercise of their rights as well as the voting results for each issue on the agenda.
- The Company publishes and uploads timely on its website an Explanatory Note regarding the agenda, the relevant proposals by Board of Directors, the required quorum and majority for the approval of the proposals. The Explanatory Note is also available in hard copy at the Company's Head Office and is distributed to the Shareholders upon entering the General Assembly, when this is held with physical presence of the shareholders.
- Ensuring that all shareholders are capable of participating in the process of General Assembly's Meetings either by expressing their views or by submitting their questions.

The Company takes all measures for the lawful performance of the General Assembly and ensures the Shareholders' rights according to the applicable laws. More analytically:

The General Assembly's Meeting of Shareholders of the Company is its supreme body and is entitled to decide on any case concerning the Company. The shareholders exercise their rights related to the management of the Company only by participating in the General Assembly's Meeting. Each share provides the right to one vote at the General Assembly's Meeting. In particular, the General Assembly is solely responsible for deciding on:

- Revival or dissolution of the Company, as well as amendments to the Articles of Association and the increases and reductions of the share capital, except for those explicitly assigned by law to the Board of Directors,
- Election of members of the Board of Directors and Auditors,
- Approval of the overall management according to article 108 of Law 4548/2018 and discharge of the Auditors,
- Approval of the annual and any consolidated financial statements,
- Distribution of annual profits,

- Approval of remuneration or advance payment of remuneration according to article 109 of Law 4548/2018,
- Approval of the remuneration policy,
- Merger, split, conversion, revival, extension of the term or dissolution of the Company,
- Appointment of liquidators and
- Any other issue provided by law.

The responsibilities of the General Assembly's Meeting are mentioned in the Articles of Association of the Company, codified in its current form, which is uploaded on its website: <http://www.fourlis.gr>. The last amendment of the Company's Articles of Association was made during the Extraordinary General Meeting as of 21/12/2020 for the purpose of adaptation and harmonization with the provisions of articles 120 and 125 of Law 4548/2018, in relation to the possibility of holding General Assembly's Meetings remotely in real time and to the possibility of participation of the shareholders in them.

The General Assembly meets at least once a year, within the first half from the end of each fiscal year. The Board of Directors may convene an extraordinary meeting of the General Assembly's Meeting of Shareholders, when it deems it expedient or necessary.

The General Assembly, with the exception of the recurring meetings and those assimilated to them, must be convened at least twenty (20) full days before its scheduled meeting. It is clarified that non-working days are also included. The day of the publication of the invitation of the General Assembly and the day of its meeting shall not be counted.

It is allowed to participate in the General Assembly's Meeting remotely by audiovisual or other electronic means, without the physical presence of the shareholder at the venue. It is also allowed to participate in the voting by distance, by electronic means or by mail correspondence, preceded the Assembly. By decision of the Board of Directors, the above possibilities are activated, divisively or cumulatively, regarding one or more General Assembly's Meetings or for a defined period of time, the relevant technical and procedural details are determined, and procedures are adopted to ensure the identity of the participating person and the casting vote, as well as the security of the electronic or other connection.

The General Meeting is in quorum and meets validly on the issues of the agenda when at least 20% of the paid-up Share Capital is represented in it. The decisions of the General Assembly are taken by an absolute majority of the votes, which are represented in this Assembly. Exceptionally, the General Meeting is in quorum and meets validly on the issues of the agenda, if at least half (1/2) of the paid-up capital are represented in it when it comes to decisions concerning: the change of the Company's nationality, the change of the company's business object, the increase of shareholders' liabilities, the regular capital increase unless imposed by law or made by capitalization of reserves, the reduction of capital unless made in accordance with paragraph 5 of article 21 of Law 4548/2018 or par. 6 of article 49 of Law 4548/2018, the change of the means of profit distribution, the merger, the split, conversion,

revival, extension of term or dissolution of the Company, the provision or renewal of power to the Board of Directors for capital increase according to par. 1 of article 24 of Law 4538/2018 as well as in any other case stipulated by the Law that the General Assembly decides with increased quorum and majority. The General Assembly's Meeting is temporarily chaired by the Chairman of the Board of Directors or his deputy when disabled. He can be appointed by the Board of Directors by a special decision for this purpose. The duties of company secretary are temporarily performed by the person appointed by the Chairman. After the list of shareholders entitled to vote is approved, the General Assembly's Meeting proceeds to the election of its final Chairman and a secretary who also acts as a teller. Decisions on these issues are taken by a majority of 2/3 of the votes represented in the General Assembly's Meeting. The discussions and decisions of the General Assembly are limited to the issues on the agenda. The agenda is prepared by the Board of Directors and includes the proposals of the Board of Directors to the General Assembly's Meeting, as well as any proposals of the auditors or shareholders representing 1/20 of the paid-up share capital. For the issues discussed and the relative decisions taken in the General Assembly's Meeting, minutes are kept, which are signed by the Chairman and its Secretary. The list of shareholders, who are present or represented at the General Assembly's Meeting is recorded at the beginning of the minutes.

Anyone who appears as a shareholder in the Company's book-entry intangible shares system is entitled to participate in the General Assembly's Meeting, which is kept electronically in the company "Hellenic Central Securities Depository Societe Anonyme" (ELKAT) at the beginning of the 5th day preceding the initial meeting (registration date). The above registration date is also valid in the case of postponed or recurring meeting, since the postponed or recurring meeting takes place no more than 30 days after the registration date according to article 124 of Law 4548/2018.

The shareholder status can be identified by any legal means and in any case based on information received by the Company directly by electronic connection of the Company with the ELKAT files. The right to participate and vote in the Company's Ordinary General Assembly has only whoever holds the status of shareholder on the above registration date. In case of non-compliance with the provisions of article 124 of Law 4548/2018, the shareholders participate in the Ordinary General Assembly only after its permission.

The exercise of these rights does not presuppose the pledge of the beneficiary's shares or the observance of another similar procedure, which limits the possibility of selling and transferring them during the period between the registration date and the date of the General Assembly's Meeting.

The shareholders entitled to participate in the General Assembly can vote either in person or through representatives. Each shareholder can appoint up to 3 representatives. The shareholder may appoint a representative for one or more General Assembly's Meetings for a certain period of time. The appointment and revocation or replacement of the shareholder's representative is made in writing at least 48 hours before the date of the Ordinary General Assembly's Meeting. The shareholder's representative is obliged to notify the Company, before the beginning of the General Assembly's Meeting, *Annual Financial Report for the period 1/1/2023 to 31/12/2023*

of any specific event that may be useful to the shareholders for the assessment of the risk that the representative will serve interests other than the shareholder's interests.

Other shareholders' rights are provided in par. 2, 3, 6 and 7 of article 41 of Law 4548/2018.

#### **15.6 Composition and functioning of the Board of Directors and any other administrative, management or supervisory bodies or committees of the Company.**

The Board of Directors, its independent members, and all members of the Audit Committee, have been elected by the Annual Ordinary General Assembly of shareholders held on 17/6/2022. Further, at this Annual Ordinary General Assembly's Meeting of shareholders as of 17/6/2022, the Audit Committee was redefined and a decision was made regarding its type, composition (number and qualities of members) and its term of office. The term of office of the members of the Board of Directors according to the Articles of Association of the Company and the members of the Audit Committee, is five years and is automatically extended until the first ordinary general assembly after the end of its term.

On 31/12/2023 the Board of Directors has been established in a body as follows:

Chairman of the BoD, Executive Member	Vassilis S. Fourlis
Vice - Chairman of the BoD, Executive Member	Dafni A. Fourlis
Director, Independent Vice Chairman, Independent Non-Executive Member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Stylianios M. Stefanou
CEO, Executive Member	Dimitrios Efstr. Valachis
Director, Executive Member, Sustainable Development and Corporate Social Responsibility Director	Lida S. Fourlis
Director, Independent Non - Executive Member, Member of Audit Committee	Maria S. Georgalou
Director, Independent Non - Executive Member, Member of Audit Committee	Stavroula A. Kampouridou
Director, Independent Non - Executive Member and Chairman of the Nomination and Remuneration Committee	Nikolaos P. Lavidas
Director, Independent Non - Executive Member and Member of the Nomination and Remuneration Committee	Konstantinos Petr.-El. Paikos

Detailed resumes of all members of the Board of Directors as well as of the Corporate Secretary Mr. Ioannis Zakopoulos, are presented in section 15.10 of the Corporate Governance Statement.

The Articles of Association of the Company provide for the Board of Directors to be composed of 7 to 9 members. The Company has elected its Board with the maximum permitted number of Directors to ensure the diversity of gender, age, knowledge, qualification and experience serving the objectives of the Company as well as the enhanced independence. On 31/12/2023 the Board of Directors consisted of 9 members, the 5 (56%) of which were independent.

### **Role and Responsibilities of the Board of Directors**

According to the Company's Articles of Association, the Board of Directors is responsible for its management and representation, the assets management and the general pursuit of its purpose. The BoD decides on all general issues concerning the Company, within the framework of the corporate purpose, with the exception of those which according to the Law and the Articles of Association are subject to the exclusive competence of the General Assembly.

The main responsibilities of the Board of Directors according to the Articles of Association include:

- Approving the overall long - term strategy and operational goals of the Company. The Board of Directors is responsible for defining the values and strategic orientation of the Company. At the same time, it remains responsible for the approval of the strategy and the business plan of the Company as well as for the continuous monitoring of their implementation. The Board of Directors also regularly reviews the opportunities and risks in relation to the defined strategy as well as the relevant measures taken to address them. The Board of Directors, seeking to receive all the necessary information from its executive members or from its executives, is informed about the market and any other developments that affect the Company.
- Ensuring that the values and strategic planning of the Company are in line with the corporate culture. The values and purpose of the Company are translated and applied in practice and influence the practices, policies and behaviors within the Company at all levels. The Board of Directors and the top management set the model of the characteristics and behaviors that shape the corporate culture and constitute an example of its implementation. At the same time, they use tools and techniques that aim at the integration of the desired culture in the systems and processes of the Company.
- Understanding the Company's risks and their nature and determining the extent of the Company's exposure to the risks it intends to undertake in the context of its long-term strategic goals.
- Preparing and approving the annual budget and business plan and deciding on major capital expenditures, acquisitions and divestitures which are under the final approval by the Company's General Assembly of Shareholders. The Board of Directors provides the appropriate approval, monitors the implementation of the strategic directions and objectives and ensures the existence of the necessary financial and human resources, as well as the existence of an Internal Control System (ICS).

- Establishment of a policy for the identification, avoidance and treatment of conflicts of interest between the interests of the Company and those of its members or persons to whom the Board of Directors has assigned some of its responsibilities, according to article 87 of law 4548 / 2018.
- Selecting and replacing, if necessary, the executive leadership of the company and overseeing succession planning.
- Definition and / or delimitation of the responsibilities of the Chief Executive Officer and the Deputy Chief Executive Officer, who exercises them if any.
- Monitoring the performance of senior executive managers of the Company, and determining their remuneration policy, aligning executive remuneration with the long-term interests of the company and its shareholders taking into consideration the proposals of the Nomination and Remuneration Committee.
- Preparation and approval of the remuneration policy of the members of the Board of Directors which is subject to the final approval of the Company's General Assembly of Shareholders, taking into account the proposals of the Nomination and Remuneration Committee.
- Preparation and approval of the annual remuneration report of the members of the Board of Directors which is submitted for information to the General Assembly of the Company's shareholders, taking into account the proposals of the Nomination and Remuneration Committee.
- Approval of crisis measures or risk situations as well as when it is required to take measures which are reasonably expected to significantly affect the Company.
- Ensuring the adequate and efficient operation of the Internal Audit System (IAS) that aims at the consistent implementation of the business strategy with the effective use of available resources, the identification and management of essential risks associated with the business and operation of the Company, the effective operation of the internal control unit, in ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements as well as the non-financial situation, in compliance with the regulatory and legal framework as well as the internal regulations governing the Company.
- Ensuring that the functions of the Internal Audit System (IAS) is independent of the business sectors they control and that it consists of the appropriate financial and human resources as well as the powers to operate them effectively.
- Definition and supervision of the implementation of the Corporate Governance System, monitoring and periodic evaluation at least every three (3) years of its implementation and effectiveness by taking the appropriate actions to address shortcomings. The Corporate Governance System includes an adequate and effective Internal Audit System (IAS), including risk management and regulatory compliance systems, adequate and effective procedures for the prevention, detection and suppression of conflicts of interest, effective and efficient communication with the shareholders to

facilitate the exercise of their rights and the active dialogue with them (shareholder engagement) and remuneration policy, which contributes to the business strategy, the long-term interests and the sustainability of the Company.

- Approval of the Fit the proper policy of the members of the Board of Directors and any amendment which is submitted for final approval to the General Assembly of the Company's shareholders.
- Appointment of a vice-Chairman among its non-executive members in cases that the Chairman is an executive member.
- Ensuring compliance with independence criteria and the designation of a member of the Board of Directors as an independent member. Review at least annually and in any case before the publication of the annual financial report, the fulfillment of the independence criteria. In case it is found that the criteria are not met for the independent non-executive member, taking of the appropriate member's replacement steps.
- Appointment of the members of the Nomination and Remuneration Committee and the Audit Committee in the event that the General Assembly of the Company's shareholders has decided to consist exclusively of non-executive members of the Board of Directors, who are independent in their majority.
- Vigilance regarding existing and potential conflicts of interest between the Company and its Management, members of the Board of Directors or major shareholders (including shareholders with direct or indirect authority to shape or influence the composition and conduct of the Board of Directors), as well as appropriate handling of such conflicts, and for this purpose the Board of Directors shall adopt a transaction supervision procedure with a view to transparency and the protection of corporate interests.
- Responsibility for making relevant decisions and monitoring the effectiveness of the Company's management system, including decision-making procedures and the assignment of powers and duties to other executives.
- Formulation, dissemination and application of the main values and principles of the Company that govern its relations with all stakeholders, whose interests are linked to those of the Company.
- Defining the sustainable development policy of the Company and monitoring its implementation.
- Approving the Company's Charter of Operation, the Corporate Governance Code embraced and applied by the Company, the Code of Conduct and their revisions.
- Approving the Charter of Operation of the Internal Audit Department, the Charter of Operation of the Audit Committee and the Charter of Operation of the Nomination and Remuneration Committee and their revisions.
- Examining the internal audit reports submitted every quarter to the Board of Directors through the Audit Committee including its recommendations.



- Approving equal opportunities and diversity policy, including gender balance between board members.
- Informing the shareholders, through the Company's website, about its candidate members no later than 20 days before the General Meeting regarding the justification of the proposal, the detailed CV and the determination of the eligibility criteria of the candidate members.
- Ensuring that the Company's Articles of Association, codified in its current form, are posted on the Company's website.
- Obligation to include in the corporate governance statement a reference to the fit and proper policy, to the work of its committees, to the CVs of the members of the Board of Directors and senior executives, to the participation of the members of the Board of Directors in its meetings and in the meetings of its committees and to information on the number of shares of the Company held by each member of the Board of Directors and each senior executive officer of the Company based on article 152 of Law 4548/2018.

#### **Role and Responsibilities of the Executive, Non-Executive and Independent Non Executive Members of the Board of Directors**

The Executive Members of the Board deal with the issues involved in the day-to-day Management of the Company and supervise the implementation of the Board's resolutions. The following are included in their duties:

- The implementation of the strategy determined by the Board of Directors.
- Regular consultation with non-executive members of the Board of Directors on the fit and proper of the strategy implemented.
- The written information either jointly or separately of the Board of Directors in existing situations of crises or risks as well as when it is required to take measures that are reasonably expected to significantly affect the Company, such as when decisions are to be made regarding business development and risks taken, which are expected to affect the financial situation of the Company. The information is provided without delay, submitting a relevant report with their assessments and proposals.

The executive members of the Board of Directors participate in a strictly limited number of other Boards of Directors (apart from those of the Group companies).

The non-executive members of the Board of Directors are charged with supervising the implementation of the Board's resolutions as well as with other issues or areas of activity of the Company that have been specifically assigned to them by resolution of the Board of Directors. In their duties the following are included:

- The monitoring and examination of the Company's strategy and its implementation as well as the achievement of its goals.



- Ensuring effective oversight of executive members, including monitoring and controlling their performance.
- Examining and expressing views on proposals submitted by executive members, based on existing information.

The non-executive members of the Board of Directors shall meet at least annually, or extraordinarily whenever deemed appropriate without the presence of executive members in order to discuss the performance of the latter. In these meetings the non-executive members do not act as a de facto body or committee of the Board of Directors.

The non-executive members may request, in accordance with the procedure included in the Charter of Operation of the Board of Directors, to contact the executives of the top management of the Company, through regular presentations by the heads of departments and services.

The non-executive members of the Board of Directors do not participate in the Boards of Directors of more than five (5) listed companies and in the case of the non-executive Chairman more than three (3).

A non-executive member of the Board of Directors is considered independent if at the time of his appointment and during his term does not directly or indirectly hold a percentage of voting rights greater than 0.5% of the Company's share capital and is exempt from financial, business, family or other dependent relationships, which can influence his decisions and his independent and objective judgment.

The independent non-executive members submit jointly or individually, reports to the regular or extraordinary General Assembly of the Company's shareholders, regardless of the reports submitted by the Board of Directors.

In the meetings of the Board of Directors that have as subject the preparation of the financial statements of the Company or are included in the agenda issues that their approval needs the General Assembly's decision with increased quorum and majority according to Law 4548/2018, the Board of Directors is in quorum when at least two (2) independent non-executive members are present.

### **The Role of the Chairman of the BoD**

The Chairman of the Board of Directors coordinates the operation of the Board of Directors and chairs it. He has the responsibility to convene the Board of Directors, to determine the issues on the agenda of its meetings and to ensure the good organization of its work and the efficient conduct of its meetings. He ensures the timely and correct information of the members of the Board of Directors, based on the fair and equal treatment of the interests of all shareholders, the maximization of the return on investments and the protection of the Company's property. He coordinates the implementation of the corporate governance system of the Company and its effective implementation. When the Chairman is absent or incapacitated, the Vice-Chairman shall deputize for the full extent of his executive powers.

Indicatively, the responsibilities and duties of the Chairman of the Board of Directors are as follows:

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- Prepares the annual program of meetings of the Board of Directors and distributes it in the first fortnight of each year to its members.
- Proposes to the Board of Directors the issues and the date of the General Assembly's Meetings.
- Determines the items on the agenda of the meetings of the Board of Directors.
- Sends to the members of the Board of Directors the material that will be discussed during its meeting, at least four (4) working days before the meeting.
- Coordinates the discussions between the members of the Board of Directors, formulates and puts to the vote the proposals on the issues of the agenda.
- Ensures the good organization of the work of the Board of Directors and the efficient conduct of its meetings.
- Ensures the timely and correct information of the members of the Board of Directors, based on the fair and equal treatment of the interests of all shareholders, the maximization of the return on investments and the protection of the Company's property.
- Attends the General Assembly of the Company's shareholders, takes an active part in its procedures and answers questions addressed to him by the shareholders. He provides that through the procedures of the General Assembly, sufficient time is available for the submission of questions by the shareholders.
- Ensures the effective communication of the Board of Directors with all shareholders and is available to meet the shareholders and discuss with them the governance issues of the Company.
- Ensures that the views of shareholders are communicated to the Board of Directors.
- Ensures that the General Assembly of Shareholders is utilized to facilitate their substantive and open dialogue with the Company.
- Proposes to the Board of Directors the distribution of a dividend, which after being approved by the Board of Directors, will be proposed to the General Assembly.
- Participates in corporate workshops / presentations (roadshows).
- Facilitates the effective participation of the non-executive members of the Board of Directors in its work and ensures constructive relations between its executive and non-executive members.
- Evaluates proposals of non-executive members of the Board of Directors for the appointment of specialized directors, when deemed necessary for the performance of their duties.
- Collaborates with the Chief Executive Officer, providing instructions in the context of the decisions of the Board of Directors, for the drafting of the Charter of Operation, the Code of Ethics and their revisions and suggests to the Board of Directors regarding their approval.

- Recommends to the Board of Directors the approval of the Charter of Operation of the Audit Committee, of the Nomination and Remuneration Committee, the Charter of Operation of the Internal Audit Department and the Charter of Operation of the Board of Directors.
- Receives the minutes of the meetings of the Audit Committee and is regularly informed by its Chairman about the progress and findings of the audit procedures.
- Approves the Annual Social Responsibility Report.
- Proposes, for approval by the Board of Directors, the organization chart of the Company and its amendments.
- Evaluates the risk management process implemented by the Company and the effectiveness of the Company's risk management plans.
- Supervises the responsibilities of the Company Secretary.
- Evaluates in collaboration with the Chief Executive Officer and the Managers, the significant investment opportunities presented for the Company and proposes to the Board of Directors the relevant action plans.
- Evaluates proposals of the Committees of the Board of Directors for the recruitment of external consultants, to the extent necessary.
- Evaluates the efficiency of the operation of the Committees of the Board of Directors.
- He is a member of the Executive Committee of the Group and participates in its meetings.
- Receives regular information from the Chief Executive Officer (especially in the intervening periods between the meetings of the Board of Directors) regarding the progress of the Company and the risks it faces and any opportunities that are presented. He evaluates the issues and depending on their seriousness, can convene the Board of Directors, in addition to the regular annual planning for decision making.
- Receives from the CEO the important procedures of the Company, for submission and approval by the Board of Directors.
- Presents to the Board of Directors the progress of the new projects / activities / collaborations for the development of the Group's operations.
- Approves the introductory information programs for new members of the Board of Directors proposed by the Company Secretary.
- Approves the publications that are posted on the Company's website and concern issues of corporate governance, administrative structure, ownership status and other information useful for investors.
- Approves the procedures related to corporate governance, which are submitted by the CEO.
- Prepares the Charter of Operation of the Board of Directors and suggests its approval.

- Presents to the Board of Directors the Annual Financial Statements and the Management Report of the Board of Directors that will be submitted for approval to the Ordinary General Assembly of the Company's shareholders. Submits for approval to the Board of Directors the Interim Financial Statements and the Semi-Annual Management Report of the Board of Directors.
- Commits and represents the Company in accordance with the current Representation Minutes
- 

#### **The Role of Vice Chairman of the Board of Directors**

The Vice Chairman of the Board of Directors replaces the Chairman of the Board of Directors in all his responsibilities when the latter is absent or disabled.

#### **The Role of Independent Vice Chairman or Senior Independent Member of the Board of Directors (Lead or Senior Independent Director)**

The Independent Vice Chairman supports the Chairman to act as a liaison between the Chairman and the members of the Board of Directors.

He is also in charge of the evaluation of the Chairman carried out by the members of the Board of Directors as well as in the meetings of the non-executive members of the Board of Directors.

He is obliged to be available and to attend the General Assembly's Meetings of the Company's shareholders in order to discuss corporate governance issues when and if they arise.

Monitors and ensures the smooth and efficient communication between the Committees of the Board of Directors and the Board of Directors. Coordinates the non-executive members of the Board of Directors, including the independent members, in the fulfillment of their obligations.

#### **The Role of the Chief Executive Officer**

The Chief Executive Officer is responsible for ensuring the smooth, orderly, lawful and efficient operation of the Company, in accordance with the strategic objectives, business plans and action plan, as determined by decisions of the Board of Directors and the General Meeting and the legal / regulatory framework. The CEO participates and reports to the Board of Directors of the Company and implements the strategic choices and important decisions of the Company.

The Chief Executive Officer and the senior management ensure that any information necessary for the performance of the duties of the members of the Board of Directors is available to them at any time.

The Chief Executive Officer is responsible for ensuring the smooth, orderly, lawful and efficient operation of the Company, in accordance with the strategic objectives, business plans and action plan, as determined by decisions of the Board of Directors and the General Assembly and the legal / regulatory framework. The CEO participates and reports to the Board of Directors of the Company and implements the strategic choices and important decisions of the Company.

Indicatively, the responsibilities of the CEO are the following:

- Has the responsibility for the administration and management of the Company within the provisions of its articles of association, the decisions of the General Assembly's meetings of its shareholders and its Board of Directors and in accordance with applicable law.
- Takes care of the protection of corporate property and the interests of shareholders and seeks to maximize the efficiency of business activities.
- Has the responsibility of drafting / revising the Charter of Operation, the Code of Corporate Governance and the Code of Conduct, in accordance with the instructions received from the Chairman of the Board in the context of the decisions of the Board of Directors.
- Has the responsibility of monitoring the implementation of the Board of Directors, the Charter of Operation, the Code of Corporate Governance and the Code of Conduct approved by the Board of Directors.
- Approves the procedures of the Company's Departments. Procedures related to corporate governance are submitted for approval to the Chairman of the Board of Directors.
- Formulates proposals for the revision of the Company's organization chart in order to better meet its needs and submits it for approval to the Chairman of the Board of Directors.
- Prepares in collaboration with the Company's Departments the material of the presentations concerning the significant risks faced by the Company and formulates proposals to the Chairman of the Board of Directors regarding their evaluation and treatment.
- Coordinates and controls the Departments and the human resources of the Company in order to improve their efficiency.
- Controls the action plans of the Directorates in order to achieve the business objectives of the Company and proposes any amendments to improve their performance.
- Approves the Action Plan of the Regulatory Compliance Unit.
- Evaluates the proposals submitted by the Directorates and determines the priorities taking into account the needs of the Company and the relevant decisions of the Management bodies.
- Has the supervision of budgetary and accounting figures in terms of expenses and expenses of the Company per Department and in its entirety, as well as the respective investments for which he evaluates their profitability.
- Regularly informs the Chairman of the Board of Directors (especially in the intervening periods between the meetings of the Board of Directors) in relation to the progress of the Company and its financial figures, the risks it faces and any opportunities that are presented.
- Takes care of securing the required resources (human, technical and financial) for the smooth, efficient and competitive operation of the Company.

- Cooperates with the legal advisors of the Company for the examination of the contracts and any other commitments undertaken by the Company.
- Cooperates with the legal advisors of the Company for the legal drafting of the Invitations of the General Assembly's meetings and their legal conduct and submits them to the Chairman of the Board of Directors, so that they are submitted for approval to the Board of Directors and receive the publicity provided by law.
- Presents to the Board of Directors the Annual Operating Plan (AOP) of the Group and its revision (STRAT PLAN), when required.
- In each regular meeting of the Board of Directors he presents the financial results in relation to the Annual Operating Plan (AOP) of the Group and justifies any deviations.
- He is a member of the Executive Committee of the Group and participates in its meetings.
- He is a member of the risk management team of the Group and is responsible for presenting to the Chairman of the Board of Directors the risk management methodology.
- Formulates the agenda of the meetings of the Executive Committee and sends it to the participants.
- Presents the financial results of the Group vs Prior Year and AOP at the meetings of the Executive Committee.
- Approves the targets of the Company's Managers.
- Evaluates the performance of the Company's Directors and submits suggestions to the Nomination and Remuneration Committee.
- Informs the Board of Directors, in collaboration with the Chairman, about the general course of the Company and other issues.
- Supervises the operation of subsidiaries in Greece and abroad.
- Collaborates with the Boards of Directors of the subsidiaries, receives reports on the progress of their work, the risks they face and any opportunities that are presented. Evaluates and presents the issues to the Chairman of the Board of Directors and to the Board of Directors of the Company.
- Studies scenarios and alternative proposals for the development of the Group in new activities in Greece and abroad. Elaborates, evaluates and presents the issues to the Chairman of the Board of Directors and to the Board of Directors of the Company for approval of the relevant investment plans.
- Supervises the progress of the work for the preparation of the Financial Statements and the Management Reports of the Board of Directors.
- Provides the members of the Board of Directors with any information they deem necessary for the performance of their duties at any time.

- Discusses with the certified auditors of the Company the most important findings from their audit.
- Signs the representation letters requested by the certified auditors.
- Organizes meetings with the Managers and executives of the Subsidiaries and coordinates their presentations regarding the examination of the course of business activities and their future perspective.
- Participates in corporate workshops / presentations (road shows).
- Represents the Company in employers' organizations, chambers, unions and associations and promotes the interests of its shareholders.
- Receives the minutes of the meetings of the Audit Committee and is regularly informed by its Chairman about the progress and findings of the audit procedures in the context of informing the members of the Board of Directors.
- Attends the General Meeting of the Company's shareholders, takes an active part in its procedures and answers questions addressed to him by the shareholders.
- Commits and represents the Company in accordance with the current Representation Minutes.

### **The Role of the Company Secretary**

The Board of Directors and its Committees are supported by a competent, qualified and experienced Company Secretary. The role of the Company Secretary is to provide practical support to the Chairman and the other members of the Board of Directors, collectively and individually, based on the compliance of the Board of Directors in accordance with the internal rules and the relevant laws and regulations. The responsibilities of the Company Secretary include but are not limited to the following:

- Checking the legality of the recommendations to the Board of Directors as defined in detail in the procedures and regulations of the Company and by the decisions of the Board of Directors.
- Legal elaboration of the agenda items for the meetings of the Board of Directors of the Company.
- Ensuring a good flow of information between the Board of Directors and its Committees as well as between the top Management and the Board of Directors.
- Ensuring the effective organization of shareholders' meetings and the generally good communication of the latter with the Board of Directors, based on the compliance of the Board of Directors with the legal and statutory requirements.
- Keeping records of members of the Board of Directors for the purpose of compliance with the laws (indicatively independence, participation conditions for the members of the Audit Committee and of the Nomination and Remuneration Committee, conflict of interest, updated detailed curriculum vitae, etc.)

- Assistance of the Audit Committee in its work with the assistance of the Director of Internal Audit where necessary, organizing the meetings of the Audit Committee (regular meetings are held every quarter), issuing the agenda and keeping the minutes of the Audit Committee meetings, coordinating the meetings with the external auditors but also with the Financial Director of Planning and Audit of the Group and preparing the necessary material for the presentation of the issues that will be discussed during the meetings of the Audit Committee.
- Establishment of an introductory information program for the members of the Board of Directors, immediately after the beginning of their term of office and continuous information and training on issues concerning the Company.

The appointment of the Company Secretary and his/her dismissal is a matter for the Board of Directors as a collective body. All members of the Board of Directors have access to the services provided by the Company Secretary.

### **Operation of the Board of Directors**

The operation of the Board of Directors is described in detail in the Charter of Operation of the Board of Directors of the Company. In this Charter is described at least how the BoD convenes and takes decisions and the procedures it follows, taking into account the relevant provisions in the Articles of Association and the statutory law provisions. It includes but it is not limited to the following:

- Election of the Board of Directors
- Members of the Board of Directors
- Determining the independence of candidates or incumbent members of the Board of Directors
- Term of office of the Board of Directors
- Composition of the Board of Directors in a body
- Responsibilities of the Board of Directors
- Duties and conduct of the members of the Board of Directors
- Committees of the Boards of Directors
- Prohibitions
- Meetings of the Board of Directors
- Quorum of the Board of Directors and decision making
- Support of the operation of the Board of Directors
- Minutes of Board meetings
- Fit and proper Policy for members of the Board of Directors
- Remuneration policy for members of the Board of Directors
- Introductory information program for the members of the Board of Directors



- Evaluation of the BoD and of its Committees
- Evaluation of the Corporate Governance System
- Evaluation of the Internal Control System

The Board of Directors arrange meetings with the necessary frequency, in order to perform its duties effectively. At the beginning of each calendar year, the Board of Directors adopts a meeting calendar and a 12-month action plan, which can be revised according to the developments and needs of the Company, so that its proper, complete and timely fulfilment of its duties and responsibilities, as well as the review of all decision-making issues is ensured.

The evaluation of the Board of Directors and its Committees is carried out annually using questionnaires completed by the members of the Board of Directors, which are processed by the Corporate Secretary and presented to the Board of Directors annually (usually at the November meeting).

After the assumption of the duties of the new members of the Board of Directors, a special induction program of the new members is implemented, which includes informative meetings, presentations and discussions with the key executives of the Board in order to understand the purpose and nature of the work of the company. In addition, the new members are informed about their obligations regarding the Code of Conduct, the Code of Corporate Governance, the Charter of Operation, the stock market legislation and in general the policies and procedures that govern the operation of the Company. The introductory briefing program also includes meetings with the Company's regular auditors.

Information about the participation of the members of the BoD in its meetings and in the meetings of the Committees of article 10 of L.4706/2020 are provided in the section 15.11.

The Board of Directors met thirteen (13) times during the year 2023. In the meetings of the Board of Directors that had as subject the preparation of the financial statements of the Company or the agenda of which included issues for the approval of which a decision-making by the General Assembly was provided with increased quorum and majority, according to Law 4548/2018, the Board of Directors was in quorum and at least two (2) independent non-executive members were present at its meeting.

The operation of the Board of Directors is supported by two Committees: the Audit Committee and the Nomination and Remuneration Committee. Secretary at both Committees is the Company's Secretary, Mr. Ioannis Zakopoulos; his resume is included in the section 15.10

### **Audit Committee**

On 31/12/2023, the Audit Committee has been established in a body as follows:

Independent Vice-Chairman, Independent Non-Executive Member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Stylianios M. Stefanou
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Director, Independent Non-Executive Member, Member of the Audit Committee	Maria S. Georgalou
Director, Independent Non-Executive Member, Member of the Audit Committee	Stavroula A. Kampouridou

The Audit Committee operates in accordance with article 44 of law 4449/2017 as amended by article 74 of law 4706/2012, articles 10, 15 and 16 of law 4706/2012 and EU Regulation No. 537/2014, the Hellenic Corporate Governance Code that the Company has voluntarily adopted (<https://www.esed.org.gr>) and the provisions of the Company's Charter of Operation. The Audit Committee has the following obligations:

a) Regarding the supervision of the regular audit:

- Is responsible for the selection process of the regular auditor and makes proposals to the Board of Directors regarding the appointment, reappointment and removal of the regular auditor, as well as for the remuneration and the terms of employment of the regular auditor under Article 44 "Audit Committee" of Law 4449/2017 and article 16 of the Regulation (EU) 537/2014 which will be approved by the General Assembly.
- Examines and monitors the independence of the regular auditor and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements in Greece.
- Examines and monitors the provision of additional services to the Company by the auditing company to which the regular auditor/s belongs for this purpose, has developed and implements a procedure for approving the provision of non-auditing services by the auditing company that performs the statutory audit of the individual and consolidated financial statements of the Group companies and supervises its implementation.
- Reviews the financial reports before their approval by the Board of Directors in order to assess their completeness and consistency in relation to the information provided as well as the accounting principles applied by the Company and informs accordingly the Board of Directors.
- Arranges meetings with the Management / competent executives during the preparation of the financial reports as well as the certified auditor during the planning and control stage, during its execution as well as during the preparation stage of the audit reports.
- It is informed about the procedure and the time-schedule for the preparation of the financial information by the Management and about the annual program of statutory audit by the certified auditor.
- Receives from the regular auditor a supplementary report pursuant to Article 11 of Regulation (EU) 537/2014 which includes the results of the statutory audit and any weaknesses in the internal control

system, in particular the weaknesses of the financial reporting procedures of the financial statements and informs the Chairman, the CEO and the Board of Directors of the company.

- Informs the BoD about the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what the EU's role was in the process.
- Monitors the performance of the external auditors taking into account any findings and conclusions of the competent authority in accordance with paragraph 6 of Article 26 of the Regulation (EU) No. 537/2014.

b) With regard to the financial information process and the system of internal control, regulatory compliance and risk management, the Audit Committee:

- Monitors the financial information process and submits recommendations or proposals to ensure its integrity and the reliability of the Company's financial statements.
- Supervises any official announcement regarding the financial performance of the Company (announcements, press releases), informs the Board of Directors about its findings and submits improvement proposals if it deems necessary.
- Inspects the Company's internal financial controls and monitors the effectiveness of the Company's internal control, regulatory compliance and risk management systems. To this end, the Audit Committee periodically reviews the company's internal control and risk management system to ensure that key risks are properly identified, addressed and disclosed. It informs the Board of Directors of its findings and submits proposals for improvement if it deems it necessary.
- Examines and evaluates in detail important issues such as:
  - Significant judgments, assumptions and estimations in the preparation of the financial statements;
  - The valuation of assets at fair value;
  - Assessing the recoverability of assets;
  - The adequacy of disclosures about the significant risks faced by the Company;
  - The significant transactions with related parties;
  - The significant unusual transactions;
  - Adherence to accounting principles and standards and any changes from the previous year.
- Examines conflicts of interest during the Company's transactions with related parties and submits relevant reports to the Board of Directors,
- Examines the existence and content of those procedures, according to which the Company's employees may, in confidence, express their concerns about possible illegalities and irregularities in matters of financial information or other issues related to the operation of the Company. The Audit Committee ensures that there are procedures for the effective and independent investigation of such issues, as well as for their appropriate treatment.

- Examines the regulatory compliance system that includes the establishment and implementation of appropriate and up-to-date procedures, in order to achieve in time, the full and continuous compliance of the Company with the applicable regulatory framework and to have at all times a complete picture of the degree of achievement of this purpose.
  - Examines the policy and procedure for conducting periodic evaluation of the internal control system by persons who have proven relevant professional experience and do not have dependency relationships according to article 14 of Law 4706/2020.
- c) Regarding the supervision of the Internal Audit Department, the Audit Committee:
- Ensures the efficient operation of the Internal Audit Department in accordance with standards for the professional implementation of internal audit.
  - Identifies and examines the operating regulations of the Company's Internal Audit Department.
  - Monitors and inspects the proper functioning of the Internal Audit Department and examines the quarterly audit reports of the Directorate.
  - Ensures the independence of internal control, proposing to the Board of Directors the appointment and dismissal of the head of the Internal Audit Department.
  - Has regular meetings with the head of the Internal Audit Department to discuss issues within his competence as well as problems that may arise from the internal audits.
  - The head of the Internal Audit Department reports administratively to the Chief Executive Officer and functionally to the Audit Committee.
  - The head of the Internal Audit Department submits to the Audit Committee an annual audit program and the requirements of the necessary resources as well as the consequences of limiting the resources or the audit work of the unit in general. The annual audit program is prepared based on the assessment of the Company's risks after taking into account the opinion of the Audit Committee. The annual audit program is approved by the Board of Directors.
  - Receives quarterly from the Head of Internal Audit a report on the progress of the work of the Internal Audit Department of the Company and presents it to the Board of Directors of the Company along with its observations and findings.
- d) Regarding sustainable development
- Includes in the report of activities submitted to the annual ordinary General Assembly, a description of the sustainable development policy followed by the Company.

The operation of the Audit Committee is described in detail in the Charter of Operation of the Audit Committee (Audit Committee Charter) approved by the Board of Directors of the Company and uploaded on the Company's website (<http://www.fourlis.gr>). The Audit Committee shall use any resources it deems appropriate to fulfill its purpose, including the services of external consultants.

Information on the participation of members in the meetings of the Audit Committee is given in section 15.11.

The discussions and decisions of the Audit Committee are recorded in minutes according to article 74 of L.4706 / 2020, which are approved via electronic mail by the present members, according to article 93 of L.4548 / 2018. The Secretary of the Board of Directors acts as Secretary of the Audit Committee.

For the year 2023, the Audit Committee has prepared an Annual Report of Proceedings to the ordinary General Meeting of Shareholders of the Company which is included in section 17 of the Management Report of the Board of Directors.

In the context of its role, the Audit Committee for the year ended on 31/12/2022, approved the receipt of non-audit services, in order to ensure the independence of the Certified Auditors. For the Group, the percentage of other fees (Non-audit services) in relation to the audit services amounted to 2% and for the Company to 6%.

#### **Nomination and Remuneration Committee**

The Committee for Nominations and Remunerations has been established in a Body as follows:

Independent Vice Chairman, Independent Non-Executive Member and Member of the Nomination and Remuneration Committee	Nikolaos P. Lavidas
Director, Independent Non-Executive Member, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Stylios M. Stefanou
Director, Independent Non-Executive Member and Member of the Nomination and Remuneration Committee	Nikolaos P. Lavidas

The Company's Committee for Nominations and Remunerations has been established in order to support the Board of Directors, in the fulfillment of its obligations to the shareholders, regarding the assurance that the nomination of candidates for the Board of Directors is done in a meritocratic and objective manner, so that the smooth succession of its members as well as the top executives with the aim of the long-term success of the Company is guaranteed. In the context of its role, the Nomination and Remuneration Committee identifies and proposes to the Board of Directors persons suitable for the acquisition of the status of a member of the Board of Directors, based on a procedure provided in its Charter of Operation. For the selection of the candidates, it takes into account the factors and criteria determined by the Company, in accordance with the Fit & Proper Policy that it adopts.

The Nomination and Remuneration Committee formulates proposals to the Board of Directors regarding the Remuneration Policy submitted for approval to the General Meeting (law 4548/2018, no. 112) and the remuneration of persons falling within the scope of the Remuneration Policy and executives of the Company, in particular the head of the internal control unit and examines the information included in the final draft of the annual remuneration report, providing its opinion to the Board of Directors before submitting the report to the General Assembly. The remuneration policies and practices adopted by the Company are characterized by fairness and responsibility and clearly link the performance of the Company with that of the individual.

In the context of its role, the Nomination and Remuneration Committee:

- Participates in the determination of the selection criteria and the procedures of nomination of the members of the Board of Directors.
- Submits proposals for the Diversity Policy including gender balance.
- Submits proposals to the Board of Directors for the nomination of its candidate members in the context of the approved Fit & Proper Policy.
- Carries out the process of determining and selecting candidate members for the Board of Directors within the approved Fit & Proper Policy.
- Submits proposals to the Board of Directors for the revision of the Fit & Proper Policy if required.
- Periodically evaluates the size and composition of the Board of Directors and submits proposals for consideration regarding its desired profile.
- Evaluates the existing balance of qualifications, knowledge, views, skills, experience related to corporate goals as well as between the genders and based on this evaluation, describes the role and skills required to fill vacancies.
- Informs the Board of Directors about the results of the implementation of the Fit & Proper Policy of the members of the Board of Directors and the taking of any measures in case of deviations.
- Examines the Annual Remuneration Report of the members of the Board of Directors.
- Submits proposals to the Board of Directors regarding the remuneration of the members of the Board of Directors within the approved Remuneration Policy.
- Submits proposals to the Board of Directors for the revision of the Remuneration Policy if required.
- Informs the Board of Directors about the results of the implementation of the Remuneration Policy of the members of the Board of Directors and the taking of any measures in case of deviations.

- Submits proposals to the Board of Directors regarding the remuneration of the Company's executives, in particular the head of the internal control unit.

Information on the participation of members in the meetings of the Nomination and Remuneration Committee is given in section 15.11.

The operation of the Nomination and Remuneration Committee of the Board of Directors is described in detail in the Charter of Operation of the Committee approved by the Board of Directors of the Company and uploaded on the Company's website (<http://www.fourlis.gr>). The Nomination and Remuneration Committee uses any resources it deems appropriate to fulfill its purpose, including services by external consultants.

### **Executive committee**

In addition to the above Committees of the Board of Directors, an Executive Committee has been established and operates in the Company with advisory and recommendatory character as well as executive, to the extent that it is assigned specific executive responsibilities by the Board of Directors. The Executive Committee includes the Executive Members of the Board of Directors, the Managing Directors of its important subsidiaries and the Managers of Human Resources, IT, Investment Relations and Corporate Communication, Finance (Audit and Control, Financial Information and Corporate Governance) and Fund Management (Treasury Management, Planning and Financial Risk Management).

### **Information on the number of shares held by the members of the Board of Directors and the executives of the Company.**

Information on the number of shares held by the members of the Board of Directors and the executives of the Company are stated in section 15.12.

### **Corporate Governance System**

The Company's Corporate Governance System includes:

- Anti-Discrimination Policy, Policy against violence and harassment at work
- Suppliers' Code of Conduct
- Human Rights Policy
- Diversity Policy
- Sustainability Policy
- Related Party Transfer Pricing Policy
- Policy and Procedure for the Prevention, Detection and Management of Conflict-of-Interest Cases
- Remuneration Policy
- Fit and Proper Policy for Members of the Board of Directors

- Code of Conduct
- Charter of Operation
- Risk Management System
- Internal Control System
- Regulatory Compliance System
- Supplier Acceptance due Diligence Policy
- Internal Audit Unit
- Investment Relations and Corporate Announcements Unit

In more details:

**Corporate Governance System (CGS)**

The CGS is defined as a group of Policies, Regulations and other rules governing the management and operation of the Company and generating from the provisions of articles 1 to 24 of L.4706/2020, and it includes at least the following:

- a)adequate and effective Internal Control System (ICS) including the risk management and regulatory compliance systems;
- b)adequate and effective procedures for the prevention, detection and repression of cases of conflict of interests;
- c)remuneration policy, which contributes in the business strategy, in the long-term interests and in the sustainability of the Company;
- d)adequate and effective communication mechanisms with the shareholders, so that the exercise of their rights shall be facilitated and the active dialogue with them as well.

**Periodic Evaluation of the Corporate Governance System (CGS)**

The evaluation of the CGS shall be performed periodically at least every three years. The first evaluation period concerns the period from 17/7/2021 until 31/12/2022 and shall be implemented in the period from May until August 2023.

**Extent of Evaluation**

The BoD (hereinafter «BoD»), shall supervise the implementation of the CGS, monitor and evaluate its application and effectiveness and shall proceed to the due acts for dealing with deficiencies.



In the above framework, the determination of the extent of evaluation of the CGS shall be made by the BoD, which shall be supported by the Financial Planning Department, Control and Corporate Governance of the Company.

In any case, prior to the commencement of the evaluation, with the assistance of the above Company's Department, the units and the subsidiaries that will be included in the extent of evaluation, shall be specified.

Areas, object and method of evaluation

Object of the evaluation shall constitute the estimation of the compliance degree of the CGS with the applicable institutional and supervisory requirements of corporate governance.

Upon evaluation of the adequacy and effectiveness of the CGS the regulations of the Company including the following units shall be examined:

<b>Areas of Evaluation</b>	<b>Objects of Evaluation</b>	<b>References to the applicable institutional and supervisory</b>	<b>Method of Evaluation</b>
1. ICS	<p>The ICS which shall be evaluated according to the provisions of the "Policy for periodic evaluation of the ICS" and more specifically in relation to its 5 basic constituent elements under the directions provided by the Capital Market Commission as well.</p> <ul style="list-style-type: none"> <li>• Control Environment</li> <li>• Risk Assessment</li> <li>• Control Activities</li> <li>• Information &amp; Communication</li> <li>• Monitoring.</li> </ul> <p>It should be noted that any findings, ascertainties, proposals for improvement as well as comments of the Management/ action plans/ time schedules included in the evaluation report of the ICS that has preceded the evaluation of the CGS in time (see par. 3.5.3) shall be evaluated and considered</p>	Decision of the Hellenic Capital Market Commission (HCMC) No.1/891/30.9.2020	External Evaluation and annual internal control of the Internal Audit Department
2. Conflict of Interests	The compliance with approved and updated procedures of conflict of interests and the guarantee that any cases of conflict of interests have been detected, investigated, and managed within a reasonable time limit.	Article 13 par.1b of L.4706/2020.	External Evaluation and reports of the Internal Audit Department

3. Communication Mechanisms with the Shareholders	<p>The adequacy and effectiveness of the communication mechanisms with the shareholders as documented by the following:</p> <ul style="list-style-type: none"> <li>• The information provided to the shareholders by the BoD as regards its nominated members;</li> <li>• The operation of the shareholders' service unit and of the unit for corporate announcements;</li> <li>• The certification of the Charter of Operations and of the procedure for the generation of financial information;</li> <li>• The compliance with the commitments for use of funds with regard to the increases of share capital through cash payments, or the issue of a</li> </ul>	Articles 13 par. 1c and 18, 19, 20 of L.4706/2020.	Internal Audit Department (supplementary internal control)
4. Remuneration Policy	The compliance with an approved and updated remunerations policy in accordance with the requirements of the institutional and supervisory framework as well as its application in the remunerations (ordinary and extraordinary) of the individuals whom the policy concerns.	Article 13 par.1d of L. 4706/2020. Further, relevant articles of L. 4548/2018	Reports of the Internal Audit Department
5. Fit-and-Proper Policy	The compliance with an approved and updated fit-and-proper policy and the application of fit-and-proper evaluation criteria.	Article 3 and 9 par. 1,2 of L. 4706/2020 Circular No. 60/18.09.2020 of the HCMC.	Internal Audit Department (supplementary internal control)
6. BoD	The composition, organization and operation of the BoD.	Articles 3, 4, 5, 6, 7, 8, 9 (par. 3, 4 and 5) of L. 4706/2020. Decision of the Hellenic Capital Market Commission (HCMC) No. 1/891/30.9.2020 – Control Environment- BoD	Internal Audit Department (supplementary internal control)
7. Committees of the BoD	The organization and operation of the Committees of the BoD.	Articles 10, 11 and 12 of L.4706/2020 Decision of the Hellenic Capital Market Commission (HCMC) No. 1/891/30.9.2020 – Control Environment- BoD	Internal Audit Department (supplementary internal control)

8. Charter of Operations	The compliance with an updated and responsibly approved rules of operation of the Company in compliance with the minimum content specified by the institutional and supervisory framework and of the Company's principal subsidiaries.	Article 14 of L. 4706/2020	Reports of the Internal Audit Department
9. Share Capital Increases by cash payments or issue of a bond loan. Changes in the use of funds	The compliance with the forecasts of Article 22 of the Law in cases of share capital increases by cash payments or in cases of issue of a bond loan by way of a public bid and publication of a newsletter.	Article 22 of L. 4706/2020	Reports of the Internal Audit Department
10. Disposal of company's assets	The compliance with the forecasts in cases of disposals, with one or more transactions on assets, falling under the provisions of Article 23 of the law.	Article 23 of L. 4706/2020	Reports of the Internal Audit Department
11. Corporate Governance Code	The adoption and application of a corporate governance code conducted by a highly reputed body.	Article 17 of L. 4706/2020 on the HCGC of the HCGC (June 2021)	Internal Audit Department (supplementary internal control)

#### Evaluation Framework

The evaluation of the adequacy of the CGS shall be made, on the basis of the International Professional Standards Framework on the Internal Control (Institute of Internal Auditors: The International Professional Practices Framework).

In case this evaluation shall be made by an external evaluator, then the evaluation of the adequacy of the CGS shall be made on the basis of the good international practices (see par.3.5.2).

#### Evaluation Procedure

##### 3.5.1 Assignment of Evaluation/ Criteria

The evaluation of the CGS shall be made internally by the Internal Audit Department (hereinafter referred to as "IAD") of the Company with the assistance of any other Departments required and under

the supervision of the Audit Committee. Every 6 years the evaluation may be performed by an external evaluator after an external assignment (outsourcing).

In case the evaluation shall be made internally by the IAD, the audit shall be performed on the basis of its internal policies/procedures.

In case that the audit is assigned to an external evaluator, it must be ensured that the latter has the following characteristics, as these are specified in the Decision of the Hellenic Capital Market Commission No. 1/891/30.09.2020:

The evaluator shall be a legal entity or a natural person or an association of individuals. The Evaluator should have the following characteristics:

#### Independence and Impartiality Issues

Upon selection of the evaluator of the CGS, issues of independence and impartiality shall be taken into account. The Evaluator and the members of the evaluation working group must be independent and must not have dependence relations, in accordance with article 9 par.1 of the Decision, as specified by par.2 of L.4706/2020, as well as must be impartial during exercise of their duties.

Impartiality shall mean the impartial and objective attitude and mentality, which shall allow the evaluator to execute his/her task as he/she himself /herself believes best and to not accept compromises as to the quality of his/her work. The impartiality requires that the evaluator's judgement shall not be influenced by third parties or by events.

In the context of guaranteeing the independence and the impartiality, the evaluation of the ICS may not be made by the same evaluator for a third (3d) continuous evaluation.

#### Proven relevant professional experience and training.

By the selection of the evaluator of the CGS issues related to his/her knowledge and professional experience should be considered. More specifically, the head of the working group for the evaluation of the CGS and in any case the signatory of the evaluation, must have the appropriate professional qualifications and certifications (corresponding to the professional standards claimed) as well as proven relevant experience (such as for example on works of evaluation of CGS and corporate governance structures).

The evaluator shall take all necessary steps so that during execution of the work the persons participating shall have appropriate knowledge and experience with regard to the duties assigned to them and he/she shall use appropriate quality assurance systems, adequate human and material resources and procedures, in order to guarantee the continuity, the normality and the quality of execution of the works.

In accordance with the "Evaluation Procedure of the ICS", the evaluation of the nominated providers in case that the evaluation is made by an external evaluator shall commence with the order of the Company's Board of Directors to the Chief Executive Officer in order to gather three (3) written and signed offers from impartial, independent, demonstrated certified and adequately experienced

evaluators fulfilling the criteria of L.4706/2020 and of the Decision No.1/891/30.9.2020 of the Hellenic Capital Market Commission.

The next step in the assignment procedure shall be the proposal of the Chief Executive Officer of the Company to the Audit Committee in relation to the most appropriate evaluator based on regulatory criteria aforementioned but also technical and financial criteria.

The Company's Audit Committee shall examine the proposal of the Chief Executive Officer and shall propose in its turn to the Company's Board of Directors, that is finally responsible for the selection of an evaluator and for the assignment of the CGS evaluation project.

### 3.5.2 Performing the Evaluation

The evaluation shall be made on the basis of good international practices and the approved Policy and Procedure for the evaluation of the CGS.

In case of evaluation by an external evaluator, it must be ensured that the evaluation is performed in accordance with the provisions of the relevant assignment contract.

The involved Company's units shall ensure the timely and full submission of the required material and the availability of their executives for the conducting of interviews and the provision of explanations (where required).

### 3.5.3 Report on the evaluation results.

The report on the evaluation results shall include both the summary of the results and the detailed presentation of them.

The summary shall include the conclusion of the evaluator regarding the adequacy and the effectiveness of the CGS. Further, it shall include the most significant findings of the evaluation, the risks, and the consequences arising from them as well as the response of the Company's management to them, also including the relevant action plans with clear and actual time schedules.

The detailed presentation shall include the entire findings of the evaluation with the relevant remarks.

The evaluation report expressly states the time of its drafting, the date of the evaluation report and the period covered. The evaluation report shall be submitted to the BoD with parallel notification of the Audit Committee. Further, the results of the report shall be included in the annual Corporate Governance Statement.

The first evaluation period concerns the period from 17/7/2021 until 31/12/2022, shall be performed from May until August 2023 and the report of the evaluation results was presented to the Board of Directors held in September 2023.

After the first evaluation period, the evaluation of the adequacy and effectiveness of the CGS shall follow the periodic evaluation of the ICS, as described in the "Procedure for the evaluation of the Internal

Control System (ICS)” and shall be completed within 6 months or within the same calendar year at the latest from the completion of the evaluation of the ICS.

#### 3.5.4 Monitoring of acts for dealing with the evaluation findings

The monitoring of implementation of acts for dealing with findings of the evaluation of the CGS shall constitute responsibility of the BoD, coordinated by its Chairman and the Financial Planning Department, Control and Corporate Governance. There shall be a parallel information provided to the Audit Committee for dealing with the evaluation findings, through the IAD which shall also monitor the implementation of correcting handlings.

#### Update/ approval of the Policy and Procedure for evaluation of the CGS

The Policy and Procedure shall be reviewed on a regular basis so that the extent to which an update of the Policy is required can be determined, considering the effectiveness of its application, as well as any changes in the institutional and supervisory framework.

The review, update and approval of the above Policy and Procedure shall fall under the responsibilities of the BoD. The Financial Planning Department, Control and Corporate Governance assisted by the IAD shall be responsible for the development and updating of the Policy and Procedure for the evaluation of the CGS.

#### **Policy on fighting discrimination, violence and harassment at the workplace**

The Company has established and implements the Policy on fighting discrimination, violence and harassment at the workplace. Aim of the Policy is the further support, at the Group’s working environment, of a climate of respect, in the context of which human dignity and the right of each individual to a working world without discrimination, violence and harassment is promoted and guaranteed. The Group states that it recognizes and respects the right of its entire human resources to a working environment without discrimination, violence and harassment, as well as that it does not bear any such behavior of any kind or form, by any person at all.

The effective implementation of the Policy constitutes the responsibility of the entire human resources of the Group.

Parallel to that, the Group has designed and implements a Human Rights Policy, which constitutes for the Group one more medium of compliance notice with the applicable laws in force and with the international standards and guidelines, making clear that the Group respects the Human Rights and does not show any tolerance to any form of their violation.

In the implementation scope of the Policy shall fall the members of the Board of Directors, the executive directors, and all human resources of the Group, irrespective of their contractual status, including the employees working under a work contract, a contract for the provision of independent services, on a

salaried assignment basis, the employees working through third service providers, as well as the individuals attending training programs, including the trainees and apprentices, volunteers, workers whose employment contract has expired, as well as individuals applying for a job, but also individuals having transactions or cooperating with the Group. Especially, the employees under a work contract, a contract for the provision of independent services, as well as individuals concluding transactions or cooperating with the Group are bound by the Policy, in accordance with the special provisions included in the contracts executed between these individuals and the Group.

All members of the Group's human resources confirm that they have become aware of the Policy's content. The Policy shall always be uploaded and freely accessible in the Group's communication media (such as for example: F2F, announcement boards, Group's and Companies' sites).

The forms of behavior prohibited by this Policy include the following behaviors, but shall not be limited to these:

- Unreasonable demands by senior officers (demands that are not associated with work obligations);
- Insult or circulation of insulting or obscene material;
- Suggestive remarks, mockery, obscene or sexual/racist jokes or comments or use of insulting language;
- Use of insulting language describing a person with disability or mocking a person with a disability;
- Comments for the external appearance or for somebody's character, that cause shame or embarrassment;
- Unwanted following, stalking, persecution and unwelcome verbal or physical/sexual attention;
- Sending of unwanted messages with sexually explicit content via SMS, e-mail, social media networks, by fax or post or making threatening phone calls.
- Insulting and persisting questions about age, family status of a person, his/her personal life, his/her sexual interests or orientation, as well as similar questions about gender or nationality of a person, also including his/her cultural identity and religion;
- Unwanted sexual gestures or pressing "proposals" for dates or threats;
- Suggestive remarks and hints that the sexual favors of a person may promote his/her career, or the rejection of making a sexual relationship may adversely affect his/her career;
- Wicked looks, rude gestures, touches, friendly and intimate pats on the back, or any kind of unwanted physical contact;
- Spreading of malicious comments or insult of a person, mainly due to discrimination on grounds of age, race, gender change, kind of marriage, civil partnership, pregnancy and maternity, gender, any kind of disability, the person's sexual preferences, religion or beliefs;

- Outbursts of anger against a person, exercise of a persisting or undue criticism, the exclusion from social events, work-team meetings, discussions and collective decisions or scheduling.

The forms of behavior that fall within the Policy, may be expressed during the execution of the work, either connected with it, or arising from it. These may take place:

- At the workplace, including public and private areas and areas where the employee executes its work, receives remuneration, takes his/her break, especially for rest or for lunch, areas of personal hygiene and care, restrooms or accommodation provided by the employer;
- During the transfers from and to work, the other transfers for professional purposes (travels, training), as well as during events and social activities associated with the work; and
- During communications, associated with the work, including those made via information and communication technology.

The Group explicitly states that it is committed to undertake all necessary measures for the dealing with and elimination of discrimination, violence and harassment at the work-field, aiming at guaranteeing a work environment, that respects, promotes and ensures the right of every person at a workplace without discrimination, violence, and harassment.

Taking into account the working conditions, the educational and social niveau of the Group's human resources, the experience until today in relation to such incidents, but also the practices implemented by the Group at an international and local level, as well as the values that govern it, the risks of discrimination, violence and harassment are deemed to be limited.

The Group clearly and unequivocally states its zero tolerance to any form of discrimination, violence, and harassment, expressed during work, either associated with it or arising from it.

### **Suppliers' Code of Conduct**

The Code has a unique goal to provide guidelines in relation to the business conduct of the Group's suppliers. If the contract already concluded between the Group and the Supplier contains stricter terms than those included in the Code, then the terms and provisions of the contract shall prevail.

The suppliers/partners are obliged to promote and care about the guarantee and protection of the human rights, the respect at the workplace, as well as the honest conduct and uprightness among the co-workers. They are obliged to adopt policies, procedures and practices that recognize, encourage, and appreciate diversity, different views and experiences, whereas at the same time support the honest and mutual communication always in a spirit of adaptability, conciliation and compromise.

Any form of forced labour constitutes a violation of human rights and the Group's suppliers should prohibit it. The provision of work must be characterized by freedom and be made according to the laws of the country where the suppliers run their business. Further, the Suppliers should strictly prohibit the employment of individuals who are under the lawful limit of adulthood, pursuant to the applicable laws.



The working hours, the licenses and the overtime of the Supplier's personnel should comply with the relevant national laws and a respect to the relevant workers' rights should exist. The employment terms should be fair and reasonable and in compliance with the forecasts of the applicable labour laws. The remuneration to the human resources of the Supplier should be paid in accordance with the terms and provisions of the applicable labour laws.

The equal and fair behavior and conduct to the workers should characterize the Group's Suppliers. They must show zero tolerance to any form of discrimination, verbal or other harassment, or violence in the workplace. They must comply with the applicable laws on the provision of equal opportunities of employment, also including those related to the prohibition of discrimination, harassment, and insulting treatment phenomena.

The application of hygiene and safety rules for human resources at the workplace is necessary for the protection of human life.

All Suppliers must not allow their human resources to consume alcohol or drugs during work. The abuse of alcohol, drugs and other psychotropic substances at the workplace may cause a severe problem to the health, safety, and work performance.

The guarantee of compliance with the national and international institutional and regulatory framework constitutes the obligation of the Group's Suppliers.

The Group's Suppliers must show zero tolerance to any form of bribery, corruption, and fraud. They are obliged to have established and apply policies and procedure on the preventive and repressive treatment of any such incident.

The Suppliers are obliged to make any effort so that circumstances that might be considered as resulting in conflict of interest between the companies and the Group are prevented.

The Group's Suppliers must comply with the rules regulating the trade's practices, the competition, and prohibit the creation of monopolies. They are obliged to abstain from any behavior that could be considered as unfair competition pursuant to the relevant laws.

Provided that the Suppliers, due to the nature of the service or the product provided to the Group, acquire access to confidential or secret Group's information, they are obliged to keep these information secret and confidential.

The Suppliers are obliged to respect and not allow any act that constitutes a breach of the Group's rights in relation to its facilities or regarding its intellectual property. In this respect they are obliged to ensure the implementation of the relevant laws.

The products or the services offered by the Suppliers to the Group must comply with the specifications and the safety requirements, specified by national laws.

The Suppliers are obliged to comply with the applicable laws on environmental protection and make any possible effort in order to reduce their environmental footprint, via proper management and processing of natural resources and mediation of greenhouse gas emissions, aiming at the limitation of the relevant

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effects on the environment and society in general and at the contribution to tackling the climate change phenomenon.

### **Human Rights Policy**

In FOURLIS Group we operate responsibly, we are constantly evolving and we proceed in all the countries where we operate with a commitment to our Values and driven by respect for our employees and all of our stakeholders, the support of society and the protection of the environment, aiming at sustainable development on an economic, social and environmental level.

Our Values are: Integrity, Mutual Respect, Efficiency.

Our Vision is: Passion for a better life!

Our Mission is: To create superior value for our customers, people, shareholders and society, by delivering goods and solutions for better living.

Respect for Human Rights is, for the companies of the FOURLIS Group, an issue of fundamental importance, as is also evident in the principles of our Group: Integrity, Mutual Respect, Efficiency.

We are committed to applying both basic international human rights principles and national legislation in the countries in which we operate.

We are committed to ensuring that all people are treated fairly, with dignity and respect.

We are committed to ensuring an equal opportunity, discrimination and a non-harassment work environment for all our employees.

We are committed to promoting the respect and protection of Human Rights, both within the Company's internal environment and in our sphere of influence with stakeholders.

For the FOURLIS Group, the protection of Human Rights is part of its culture and a strong priority, both at the level of Management and employees.

### **Diversity Policy**

Aiming at the promotion of an appropriate diversity at the Board of Directors and a multi-diverse group of members, the Company applies an Equal Opportunities and Diversity Policy by the appointment of the new members of the BoD. The current applicable Equal Opportunities and Diversity Policy is uploaded on the Company's website (<http://www.fourlis.gr>) and briefly includes the following:

The Company is committed to provide equal opportunities for all employees and qualified applicants for employment, at all levels of hierarchy, regardless of race, color, religion, national origin, gender, sexual orientation, age, disability, marital status, or any other characteristic protected by law. The Company expressly prohibits any discrimination or harassment based on these factors.

The Company ensures that all employment decisions, including but not limited to those involving recruitment, hiring, promotion, training, compensation, benefits, transfer, disciplinary offences, and dismissals, are free from unlawful discrimination.

The Group encourages a safe and healthy work environment, free from discrimination, harassment and retaliation. All employment-related decisions are based on an individual qualification, performance and conduct.

The Company will provide for appropriate adjustments for qualified employees with a disability pursuant to the law, face and manage cases of any disability of employees on a case-by-case basis.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board of Directors as an essential element in supporting attainment of its strategic objectives and its sustainable development. Based on this direction, the Company has a Fit and Proper Policy for the members of the Board of Directors in harmonization with the requirements of Law 4706/2020, the basic principles of which are presented in this Corporate Governance Statement.

Regarding the Senior Executive Officers but also the members of the remaining levels of the Company's hierarchy, certain minimum qualifications that these individuals should possess, include strong values and discipline, high ethical standards, and a commitment to full support to the structures and procedures of the Company. The Candidates should possess individual skills, experience and demonstrated abilities that help meet the Company's short-term planning and strategy.

The diversity at the Senior Executive Officers' level and among the members of the remaining Company's hierarchy levels is based on a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of previous employment.

All Board & Senior Executive Officers' appointments and the appointments of the members at all remaining levels of the Company's hierarchy should be based on meritocracy, and candidates should be considered based on objective criteria, taking always into account the benefits of the Company's diversity.

Below, data on the representation proportion of Board members and Senior Executives per gender and age are presented:

Representation percentages by gender and age of the Board of Directors and the management of FOURLIS HOLDINGS SA	<b>2023</b>
<b>Board of directors</b>	9
Men	56%
Women	44%
40-50 years old	22%

50- 60 years old	34%
>60 years old	44%
<b>Executive Officers (14-10)</b>	<b>8</b>
<b>Men</b>	<b>50%</b>
<b>Women</b>	<b>50%</b>
30- 40 years old	0%
40- 50 years old	12%
50- 60 years old	50%
>60 years old	38%
<b>Managers (9-6)</b>	<b>66</b>
<b>Men</b>	<b>52%</b>
<b>Women</b>	<b>48%</b>
<40 years old	42%
40 - 50 years old	29%
50- 60 years old	26%
>60 years old	3%

#### **SUSTAINABLE DEVELOPMENT POLICY:**

At FOURLIS Group we operate responsibly, and we constantly evolve, in all the countries of activity, while being committed to our Values and having as a priority the respect for all our people and stakeholders, the support of the society and the protection of the environment, aiming at sustainable development at a financial, social and environmental level.

#### **Our Values**

Integrity, Respect, Efficiency

#### **Our Mission**

To create superior value for our customers, people, shareholders and society, by delivering goods and solutions for better living.

#### **For Our People**

- We aim at creating and safeguarding employment positions, through the development of our activities in Greece and abroad.
- We respect, protect and promote the internationally recognized human rights through the policies we adopt and the initiatives we take.

- We offer a work environment of meritocracy and equal opportunities, with policies of fair recruitment, reward and personal development for all our employees, without any discrimination.
- We invest in the continuous training and development of our human resources, as well as in their systematic and meritocratic evaluation.
- We apply a Health and Safety Policy for all the Group's companies in all the countries of activity, providing a healthy and safe working environment.
- We offer health benefits to our employees and personalized support to those affected by natural disasters or in cases of serious health issues.
- We encourage and promote employees' volunteerism.

### **For the Society**

- We constantly get informed about the needs of the citizens and the societies in which the Group operates, through established communication and consultation channels.
- We evaluate and prioritize those needs and then we design and implement programs and actions as we target to meet the real and most important needs of each local community, taking into account the number of beneficiaries as well as the nature of our activities.
- We implement social actions which are in line with the social responsibility strategy of our Group (support of vulnerable social groups and especially children).
- We respond to emergencies (e.g. pandemic, natural disasters), beyond the standard social responsibility planning.

### **For the Market**

#### Economic Growth

- We aim at achieving positive financial results, at continuing strictly chosen investments and at exploiting new investment opportunities.
- We invest in technology and at upgrading our services, following the fast changes in consumer habits, but also in the nature of the retail sector, seeking to meet the growing expectations of consumers and to create a positive experience for the customer.
- We aim at the continuous improvement of the relations with our suppliers, through the communication of the terms of cooperation and the main framework of principles and values that should govern our cooperation.
- We offer quality and affordable products.

#### Corporate Governance

- We comply with the law and apply control activities to ensure compliance with the rules that concern the activity of all Group companies.
- We have developed and implement a Code of Conduct and related policies.
- We have adopted the Hellenic Corporate Governance Code for listed companies.
- We adopt a corporate structure and governance that allows a close relation with investors, aiming at creating superior value for shareholders.
- We assess and manage business risks aiming to safeguard the interests of all our stakeholders.
- We have committees, we take measures and follow policies and procedures to enhance transparency, to prevent and combat fraud, corruption and bribery and generally any conduct that is contrary to the Code of Conduct.

#### Health, Safety and Accessibility of Customers and Visitors

- We apply a Health and Safety Policy for all FOURLIS Group companies in all the countries of operation.
- We provide a healthy and safe environment for partners and visitors at our facilities.
- We provide for the safe accommodation and transportation of people with disabilities at our facilities.
- The products sold by FOURLIS Group companies meet the international quality and safety standards.

#### **For the Environment**

- We implement actions for the protection of the environment that are not limited to those dictated by the legislation.
- We focus on actions aiming at the reduction of our environmental impact, at responsible energy management and reduction of greenhouse gas emissions, at saving and recycling natural resources and at responsible water consumption.
- We offer products that contribute to a sustainable lifestyle.
- We raise awareness of employees and the public on environmental protection and the adoption of a sustainable lifestyle.

For all the above issues, we set individual sustainable development goals, which we evaluate on an annual basis in terms of their effectiveness and review them, when and where necessary, aiming at our continuous improvement.

#### **Moreover, at FOURLIS Group**

- Since 2008, FOURLIS Group has endorsed the United Nations Global Compact, thus we are committed to adopting, supporting and promoting its 10 Principles through our business.
- We perform a materiality analysis, in the context of continuously improving the Group's approach to sustainable development and social responsibility topics, in order to prioritize the Group's topics with

the most significant economic, social and environmental impacts, but also those that significantly influence its stakeholders.

- We link the Group's material issues to the Sustainable Development Goals (SDGs) of the UN, contributing to their achievement through responsible operation, our programs and the related results.
- We inform our stakeholders about the conducted work in the field of Sustainable Development, publishing an annual report in accordance with internationally accepted Sustainable Development standards.

The Management is committed to the implementation of the Sustainable Development Policy, at all levels, companies, and activity sectors of the Group.

#### **Policy of Transfer Pricing transactions with related parties**

The policy of conducting transactions between subsidiaries of the Company and related parties aims at the timely information of the desired transaction and approval obtaining before its implementation. The policy applies at any transaction value. In case of existing transactions, approval is required for substantial modification of contract terms in force (new customer, new transaction, term extension, credit terms amendment, pricing conditions amendment etc).

The Company follows the rules regarding the transparency, the independent financial management, the accuracy and the correctness of its transactions.

Related parties, in relation to the Company, are considered the persons defined as affiliated with it according to International Accounting Standard 24 as well as the legal entities controlled by them, in accordance with International Accounting Standard 27.

Transactions between the Company and its affiliates are made at a price or consideration which is proportional to what would have been paid if the transaction had taken place with another natural or legal person, under market conditions prevailing at the time of the transaction and in particular proportional to the price or consideration agreed by the Company, when trading with any third party, in accordance with the relevant provisions of the relevant legislation

Information on the above transactions is included in the Management Report of the Board of Directors and in the Notes on the Financial Statements.

#### **Policy and Procedures for the Prevention, Detection and Management of Conflict-of-Interest Cases**

The Company has and implements a Conflict-of-Interest Policy in accordance with article 14 of Law 4706/2020; any revision of this Policy should be approved by the Company's Board of Directors.

This Conflict-of-Interest Policy determines the circumstances constituting or possibly resulting in a conflict of interest, whereas further specifies the procedures that must be followed and the measures

that must be taken for the mitigation, the management and the resolution and settlement of each such conflict of interest that may arise. Through this Policy instructions to the Board of Directors, the Executive Committee, the management and all employees of the Company regarding the detection and the management of conflicts of interests are essentially provided.

The Company seeks to avoid conflicts of interest to ensure that it continues to operate in accordance with its purpose. In any case, it takes all necessary measures to prevent conflicts of interest and, if such conflicts arise, it acts immediately to manage and limit them by providing mitigation and resolution measures and applying the necessary controls, in accordance with the provisions of the above Policy.

Every member of the Board of Directors and every third person to whom responsibilities have been assigned by the Board of Directors, have an obligation of loyalty to the Company and must not pursue the same interests that are contrary to the interests of the Company. The members of the Board of Directors act with integrity and in favour of the Company's interests and safeguard the confidentiality of non-publicly available information. They must not compete with the Company and must avoid any position or activity that creates or appears to create a conflict between their personal interests and those of the Company, including holding positions in the Board of Directors or in the management of competing companies, without permission of the General Assembly of Shareholders of the Company. The members of the Board of Directors must contribute their experience and devote the necessary time and attention to their duties.

They should notify the Board of Directors, prior to their appointment, of their other professional commitments, including significant non-executive commitments to companies and non-profit institutions, and report to the Board of Directors changes to the above commitments as soon as they arise. In addition, they must timely and adequately notify the Regulatory Compliance Department of the Company and the other members of the Board of Directors of their own interests that may arise from any corporate transactions and / or activities of the Company that fall under their duties, as well as of any other conflict of interest that they may have with the interests of the Company or an affiliated Company.

Each member of the Board of Directors and of the Executive Committee of the Company is obliged to submit to the Regulatory Compliance Department a "Declaration of Conflicts of Interests" according to the terms of the above Policy at the time of appointment to the Company, as well as on an annual basis and to update it throughout the year, whenever required.

No member of the Board of Directors is allowed to vote on issues for which there is a conflict of interest between him (or an affiliated person) and the interest of the Company. In this case, the decisions are taken by the other members of the Board of Directors.

The Regulatory Compliance Department examines and evaluates all conflicts of interest notified to it in cooperation with the Legal Department or the Human Resources Department or any other Department required, and the decision is made on the measures to be taken for the appropriate resolution or conflict management, by properly informing the person involved. The Regulatory Compliance Department keeps



a record of all cases of conflicts of interest that have been communicated to it and the decisions that have been taken to address them, in addition to informing at least annually, the Company's Audit Committee of the above incidents and decisions taken during the year by submitting a relevant report.

### **Remuneration Policy**

The policy and principles of the Company regarding the form of executive and non-executive board members' remuneration as well as the calculation method of remuneration, including quantitative and qualitative criteria taken into consideration, are included in Remuneration Policy which has been approved by the Ordinary General Assembly dated 16/6/2023 and has been uploaded in the Company's website <http://www.fourlis.gr>. The Policy refers to the members of the Board of Directors (BoD) of the Company and was conducted according to the EU Directive on stock options of shareholders (Directive (EU) 2017/828 of the European Parliament and of the Council as of 17 May 2017) as it has been integrated in Greek laws with L. 4548/2018.

The Remuneration policy contributes to business strategy, long-term interests and viability of the Company and clarifies the manner of contribution. It sets out in detail not only the existing rights of the Board of Directors' members and the Company's liabilities towards them, but also the terms based on which the remuneration will be provided in the future. The policy applies for four (4) years, unless revised and/or amended earlier by resolution of the Company's General Assembly of Shareholders.

The Nomination and Remuneration Committee will review on an annual basis if the policy is still compatible with the Company's business strategy or if amendments need to be proposed to the Board of Directors. Every four (4) years or earlier if an amendment need arises following recommendation of the Committee, the Board of Directors will submit for approval any Policy changes they consider appropriate to the General Assembly of the Company's shareholders.

The Remuneration Policy takes into consideration the existing legislation, good corporate governance practices, the Hellenic Code of Corporate Governance, the Articles of Association, and the Charter of Operation of the Company. The Policy recognizes the existing rights and obligations of the members of the Board of Directors and defines the terms based on which the future remuneration may be provided to the existing or/and new members of the Board of Directors for as long as the policy is valid.

No member of the Board of Directors shall take decisions, nor shall they be responsible for their own remuneration. The Nomination and Remuneration Committee will ensure that no person will be present at the discussion regarding their remuneration.

In more detail:

The Company pays both the executive and the non-executive members of the Board of Directors taking into account the principle of fair and reasonable remuneration for the best and most appropriate individual for the relevant position considering at the same time the level of responsibility as well as the knowledge and the experience required in order to meet the expectations, ensuring at the same time

its short-term and long-term business plan, so that it can continue to create value for the customers, the shareholders, the employees and the economy of the countries in which it runs its business activities.

#### Remuneration Policy for the executive members of the Board of Directors

The Remuneration Policy for the executive members of the Board of Directors contributes into business strategy, long-term interests and sustainability of the Company:

- Providing a fair and proper level of a standard fixed remuneration which allows the executive members to focus on the creation of a sustainable long-term value.
- Balancing the short-term and the long-term remuneration in order to be ensured that short-term goals which will lead long-term to the creation of a value are targeted.
- Offering short-term variable remuneration with performance criteria which harmonize the interests of the executive member to the interests of the shareholders.
- Including long-term variable remuneration against titles with long-term performance criteria, which contribute to the creation of a value.

The Policy does not provide for variable remuneration for the non-executive members of the Board of Directors so that it can be guaranteed that there is no conflict of interests in decision-making of the non-executive members and in their option to doubt the decisions of the Board of Directors when these result in risk-taking by the Company.

The Remuneration Policy of Board Executive members, apart from the aforementioned, also takes into account other significant factors for the determination of the remunerations such as the knowledge and the experience required for the achievement of the objectives of the Business plan of the Company.

The Committee on Nominations and Remunerations and the Board of Directors are informed regularly about the structure of the remuneration and the policies followed inside the Company, as well as about the market trends in the specific issue (annual research on remuneration and benefits). These data are considered upon revision of the Policy.

Remuneration of the executive members of the BoD include a standard/fixed remuneration, participation in short-term program of variable remuneration MBO (Management by Objectives), participation in long-term program for the provision of incentives (Stock option rights, shares), retirement benefit, liability insurance for Directors and Officers and other benefits such as private health insurance, life insurance, company car / car benefit and fuel card.

#### Remuneration Policy of non-executive members of the Board of Directors

In the determination of the remuneration level of the non-executive members of the Board of Directors, the market practice is taken into account, regarding the companies of a similar size on the basis of the stock market value, revenues, profits, complexity, structure and international dimension.

The non-executive members of the Board of Directors receive the basic remuneration and are paid additional remuneration in consideration of their participation in committees. The non-executive

members of the Board of Directors do not have a participation right in any program for the provision of incentives.

To the non-executive members of the Board of Directors a remuneration is paid, which is standard and fixed and covers the time required for the exercise and execution of their duties. The said standard remunerations cover the attendance time in the meetings of the Board of Directors and in the meetings of the Committees of the Board of Directors including the time for preparation.

The maximum amount of the annual total basic remuneration is specified by the Board of Directors after proposal of the Committee on Nominations and Remunerations and is subject to approval by the Annual Ordinary General Assembly of shareholders.

There is no pre-determined level of annual remuneration or increase of remuneration nor a pre-specified maximum level of remuneration.

The Board of Directors shall be guided by the general status of remunerations and increases applied by the market for the non-executive members of the Board of Directors. In any case the non-executive member of the Board of Directors should not receive any significant remuneration or benefit from the Company or from any of its affiliated Companies, within the meaning of article 9 of Law 4706/2020 or participate in a stock options system for the purchase of shares or in any other system for the granting of remuneration or benefits linked to the performance apart from the remuneration for participation in the Board of Directors or in its Committees, as well as in the collection of fixed benefits under a pension scheme, including deferred benefits for past services provided to the Company.

The term of "significant benefit or remuneration" shall be specified based on the market-based levels of fees and remunerations. The following shall also be taken into account:

- the need to be ensured that the non-executive members of the Board of Directors have the appropriate skills, competences, diversity, knowledge and experience for positions on the Board of Directors;
- the time that should be available for the said role;
- any increases in the range, object or in the responsibilities of the role;
- any needs for the recruitment of a non-executive member of the Board of Directors with specific skills and experience. The remuneration shall be paid normally on a monthly basis in euros via a wire transfer to a bank account.

### **Fit and Proper Policy for the Members of the Board of Directors**

Information on the Fit and Proper Policy for the members of the Board of Directors of the Company is given in section 15.8.

## **Code of Conduct**

The Company has adopted high standards of professional ethics ensuring the commitment and cooperation of all its executives. Its Code of Conduct includes the following standards:

➤ **Relationship with third parties**

■ **Collaborators/ Suppliers**

The human resources of the Company treat the partners and suppliers with objectivity and respect.

The Company has adopted a Supplier Code of Conduct, as well as relevant policies and procedures, which characterize its daily practices.

The Company encourages the compliance of its existing and key suppliers / partners with the current Supplier Code of Conduct.

In addition, during the selection process of new suppliers / partners, the Company notifies them in writing of this Code, as well as of their obligation to comply with its provisions.

Each partner / supplier is aware that the Suppliers' Code of Conduct is uploaded on our website and agrees to comply with the principles of business ethics.

• **Media, Publications and Public Speeches**

Only natural persons authorized by the Board of Directors of the Company, can communicate with public bodies and the media and announce information about the activities and results of the Company and the Group.

A special and express approval must have been preceded also in case that a member of the human resources participates as a speaker representing the Company at any presentation, in order to obtain any necessary supporting material, and, if needed, relevant guidance prior to the publishing of any press release, in order to be confirmed that the text does not expose the Company's reputation at risk.

• **Social Media**

The Company encourages members of its human resources to participate in Social Media Networks, encouraging them to act with good judgment, common sense & be governed by ethical behavior.

In the context of ensuring the proper use of the accounts maintained by the Company on social media, access, and the right to manage these accounts is provided only to authorized human resources, which can make posts in the name and on behalf of the Company.

• **Shareholders & Investors**

The Company implements the appropriate procedures in order to ensure the immediate, accurate information of the shareholders, as well as their necessary support, regarding the exercise of their rights.

➤ **Relationship of employees with colleagues and with the Company in general**

- **Respect for colleagues**

All employees of the Company must promote respect in the workplace, as well as honest behavior and honesty among them.

They recognize, encourage and value diversity, different views and experiences, while supporting honest and reciprocal communication always in a spirit of adaptation, flexibility and compromise.

They develop relationships that are governed by understanding and trust, proving in practice mutual respect and respecting the hierarchy.

The Company seeks to improve issues related to employees and the workplace through structured dialogue in a way that is communicated and known to all employees. The Company participates in a social dialogue, based on trust and respect.

- **Health and Safety**

The rules of Health and Safety of human resources in the workplace are a requirement for the protection of human life.

The Company takes care of the health and safety of all human resources. Monitors and controls the relevant risks, while taking all necessary preventive measures against accidents and occupational diseases in the workplace. For this purpose, a health officer has been appointed within the Company.

- **Forced and child labor**

Any form of forced and child labor is a violation of human rights and the rights of children, therefore both of the aforementioned types of work are strictly prohibited within the Company.

In particular, the Company prohibits the use of any form of forced labor, including, indicatively but not limited to restrictive labor under imprisonment, particularly hard labor, slave labor, military labor and slave labor, and any form of human trafficking.

Furthermore, the Company strictly prohibits child labor, which is defined as the recruitment of any person below the minimum age permitted by law.

- **Respect for People - Equal opportunities policy**

A basic principle of operation of the Group is respect for people. The Group shows its respect for all employees by providing a positive, productive and safe work environment that accepts diversity and inclusion (diversity & inclusion).

The Company ensures that all its employees have equal rights and opportunities as well as obligations and duties. In addition, all employees are treated equally, they are provided with equal opportunities for growth and development, fair pay, and equal access to tools in order to do their job to the best of their ability and contribute to the development of the Company.

- **Harassment in the workplace**

Harassment means any behavior that may be offensive, aggressive, violate or disturb the sensitivity and dignity and / or isolate the employee.

Any form of harassment is expressly prohibited, and we do not accept harassment that offends the victim's personality and individual integrity and / or creates an environment of intimidation, hostility or humiliation for the victim (eg physical, sexual, psychological, verbal or other form of harassment).

The Company's commitment to the safety of individuals is also evidenced by the "zero tolerance" in all cases of discrimination, violence, sexual harassment, which endanger the safety of employees and the performance of the Group.

The Company ensures that all employees contribute to a fair and equal working environment, not tolerating and acting directly against all forms of harassment.

Communication of incidents of discrimination and harassment is necessary for the Company to maintain a respectable work environment.

- **Evaluation**

Our evaluation is done with respect, honesty and based on objective criteria. The aim is to make only bona fide criticism and to set goals related to the improvement of our personal performance and through it to the development of the Company.

- **Education**

The Company provides training opportunities to all its human resources depending on the specific requirements of the position we hold, but also on its needs. There is cooperation, in order to choose the training that suits the abilities and the program of each employee. All employees must show a willingness to participate in the training offered.

- **Crisis management / Cooperation of employees in case of control by authorities, as well as in case of court proceedings**

In any case of crisis, all those involved must assist and make every effort to reduce as much as possible the negative effects of a possible crisis.

➤ **Awareness of a Risk Management Culture (risk awareness)**

The corporate culture reflects the core values, attitudes and decisions of the Company and is a very important factor in shaping the perception of risk management.

According to the requirements of the legislation, the Group has a Risk Management System, with the main custodian being the Regulatory Compliance Department on the 2nd line. Specifically, the Company has:

- Risk management policy and procedures.
- Enterprise Risk Management (ERM) methodology based on the COSO framework.
- Risk register.

➤ **Regulatory Compliance Issues**

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- **Conflict of interest**

In accordance with the Company's Conflict of Interest Policy and Procedures, a case of a Conflict of Interest is any situation in which a person liable (member of the Board of Directors, member of the Executive Committee, Director, Chief, employee of the Group or any affiliated company) or one of their relatives (children, spouse, cohabiting partner, parents, siblings, in-laws, grandparents and grandchildren, children of spouse or cohabiting partner, dependents of that person or spouse /partner in a cohabitation agreement, personal business partners / affiliated companies - legal or natural persons) has, on its own account or on behalf of third parties, an interest, the achievement of which could hinder the achievement of the Group's corporate interest, to which the person in question owes a fiduciary obligation and / or could influence or appears to influence, directly or indirectly, the manner in which the person in question performs his or her professional duties to the detriment or benefit of the Company.

The existence of a Conflict of Interest is assessed and verified, taking into account the specific circumstances of each situation.

- **Publication of Financial and Non-Financial Information**

The Company is committed within the framework of the Internal Control System (ICS) that applies, that the financial and non-financial information it provides is accurate and complete, valid and timely, the information is accessible, sufficiently available to authorized or eligible recipients, the systems that support them are securely protected and provide the appropriate evidence for all recorded transactions.

The entire human resources of the Company are responsible for compliance with the above commitments of Financial and Non-Financial Information, as well as for the required cooperation with internal and external auditors to verify the information provided. The Audit Committee of the Company conducts a review of the Financial and Non-Financial Information in order to evaluate its completeness and consistency and informs accordingly the Board of Directors responsible for its approval.

- **Notification of Dependency Relations of members of the Board of Directors**

In accordance with the provisions of article 9 of L.4706 / 2020 on independent non-executive members of the Board of Directors, the Company applies a procedure for notifying any dependent relationships of their members of the Board of Directors and persons who have close ties with them.

The Board of Directors is responsible for taking the necessary measures to ensure the above compliance, as well as for the necessary actions in case it is found that the conditions of independence, defined by law, are not met. The review of the conditions takes place on a quarterly basis with the assistance of the Corporate Secretary of the Group and is included in the annual financial management report.

The Procedure for Notification of Dependencies of members of the Board of Directors is described in detail in the Charter of Operation.

- **Compliance of Persons Exercising Managerial Duties**

The listed companies of the Company have a specific procedure of compliance of the persons exercising managerial duties in full compliance with the provisions of article 19 of Regulation (EU) 596/2014 regarding the transactions carried out by the executives of the listed companies and the persons who have close ties with them.

The Compliance Procedure of the Persons exercising Managerial Duties is described in detail in the Company's Charter of Operation.

- **Corruption**

Corruption is generally considered to be the promise, offer, payment, search or acceptance of a reward, such as payment, donation or favor, for the purpose of illegally exerting influence over a business transaction.

In the Company, the maintenance of high ethical standards, in compliance with national and international laws, is a guiding principle and governs all activities and functions.

The Company emphasizes the strict application of the anti-corruption law, we consider the protection of the company and its reputation crucial, and the human resources seek to act in a way that is in line with the above assumptions.

- **Bribery**

Bribery consists of claiming, receiving, offering, promising or providing money or other non-due and unfair benefit from or to an employee of the Company or to a Public Servant in order to secure a commercial or personal advantage.

It is expressly forbidden to offer or promise or provide any monetary or other benefit to a Public Servant or other public body and / or third party, as well as to receive such benefit, in order to secure and maintain a commercial transaction, to secure a commercial advantage or privilege. The ban also applies to all persons acting on behalf of the Company.

- **Fraud**

Fraud is the act or omission of a person who, in order to obtain the same or a third unlawful property benefit, harms foreign property by convincing someone of an act, omission or tolerance by knowingly presenting false facts as true or unlawful concealment or unlawful concealment or concealment of true facts.

The Company does not tolerate any form of fraud as well as acts or omissions that could expose it to the risk of fraud.



➤ **Protection of information, personal data and assets of the Company**

• **Confidentiality, privileged information**

There is an obligation to maintain the confidentiality of this confidential or privileged information, whereas their management, processing, and disclosure should be done only to the competent authorities or persons who are specially authorized and in any case in strict compliance with the relevant requirements of legislation.

Any legal entity or person outside the Company who receives such information must sign a confidentiality agreement (in cases where this is legally possible).

• **Personal data**

The Company complies with all applicable provisions on the protection of personal and sensitive personal data and fully cooperates in any audits or investigations, carried out both internally by competent executives of the Company, as well as by the public authorities, and / or by private bodies that have undertaken this task.

The Company respects the privacy of individuals with whom it does business (visitors, customers, employees, candidates, and former employees) and already uses their personal data exclusively for legitimate business purposes.

• **Assets of the Company**

The Company's property, facilities and resources (human and material) are used only for the Company's activities and not for personal purposes.

➤ **Healthy competition**

It is the Company's policy to operate with vigor and awareness of the law, to exercise an independent commercial judgment in the conduct of its operations and to comply faithfully with the laws governing the practices of trade and competition.

Antitrust and competition laws are intended to promote the functioning of the free market. These laws protect against non-competitive behavior that harms consumers. They also ensure the existence of a balanced business arena, which allows companies to compete fairly in terms of price, quality and service.

➤ **Environmental protection**

The Company complies with all environmental laws and regulations aiming at sustainable development at the economic, social and environmental level. In this context, a Sustainable Development Policy has been adopted, regarding which the Management is committed to its implementation at all levels, i.e. at a Company level and at any of the Company's business segment level.

➤ **Code of Conduct Line - Whistleblowing Information System**

The Company is in compliance with the Directive 2019/1937 of the European Parliament and of the Council on the protection of persons who report violations of Union law.

With respect for the fundamental rights to freedom of expression and information, the protection of personal data, business freedom and good governance, consumer protection, public health and the environment, and in order to ensure a high level of protection for persons who report law infringements, the Company establishes the Code of Conduct Line - whistleblowing system. This is a system with internal reporting channels and monitoring procedures of reports about the following violations:

- o Product safety and compliance;
- o Environmental protection;
- o Food safety;
- o Public health protection;
- o Consumer protection;
- o Protection of privacy and personal data;
- o Rules and provisions of corporate tax legislation.

The Code of Conduct Line - whistleblowing system, in compliance with the criteria of impartiality and independence, appoints as the person responsible for receiving and managing the reports the Company's Regulatory Compliance Manager.

Relevant reports can be submitted through the following alternative channels:

- o By sending an e-mail (email) to the e-mail [codeofconduct@fourlis.com](mailto:codeofconduct@fourlis.com) or telephone reference to the Group's Code of Conduct line – 2106293010;
- o Upon request for a personal meeting (in person or by video conference) with the Company's Regulatory Compliance Manager, within a reasonable period of time from the date of the request. The request is submitted in writing or by phone to the Code of Conduct Line 2106293010.

### **Charter of Operation**

The Company has an updated Charter of Operation in accordance with article 14 of Law 4706/2020 which includes:

- The organizational structure, the objects of the units, the committees of the Board of Directors or other standing committees as well as the duties of their heads and their reference lines.
- The report of the main characteristics of the Internal Control System (ICS) which includes the internal audit unit, risk management and regulatory compliance.
- The process of recruiting top executives and evaluating their performance.
- The process of compliance of persons holding managerial duties and persons having close links with them, with the obligations of Article 19 of Regulation (EU) 596/2014.

- The process of notifying any dependent relationship of the independent non-executive members of the Board of Directors and the persons who have close ties with these persons.
- The process of compliance with the obligations arising from the law on transactions with related parties.
- The policies and procedures for the prevention and treatment of conflict-of-interest situations.
- The policies and procedures of compliance of the Company with the laws and regulations that regulate its organization and operation as well as its activities.
- The procedure available to the Company for the management of privileged information and the correct information of the public, in accordance with the provisions of Regulation (EU) 596/2014.
- The policy and procedure for conducting periodic evaluation of the Internal Control System (ICS), by persons who have relevant professional experience and do not have dependent relationships.
- The training policy of the members of the Board of Directors, the executives as well as the other executives of the Company, especially those involved in internal control, risk management, regulatory compliance and information systems.
- The sustainable development policy followed by the Company.

The Company's Charter of Operation and any amendments thereto are issued and approved by the Board of Directors. A summary of it is included in the Company's website.

### **Risk Management System**

The Risk management requires the determination of objective goals based on which the most important events that can affect the Company are identified, the relevant risks are assessed and the Company's response to them is decided.

The adequacy of the Risk Management System is based on:

- The nature and extent of the risks it faces,
- The extent and categories of risks that the Board of Directors deems as being within acceptable limits for the Company,
- The possibility of implementing the risks,
- The Company's ability to reduce the impact of the risks that are ultimately realized,
- The operating costs of specific control activities, in relation to the benefit of risk management.

Risk management is a process that:

- is carried out by the executives and other employees of the Company.
- is designed to identify potential events that may affect the Company.
- manages the risks in the context of taking risks determined by the Board of Directors, in order that reasonable certainty about the achievement of the Company's objectives is ensured.

The methodology used for risk management is divided into four phases:

- Defining objective goals: The objectives of the Company are defined at a strategic level, in collaboration with the Management. The Company faces various risks from external and internal sources. Setting clear objectives is a prerequisite for effectively identifying, evaluating and addressing risks / events. The objectives of the Company are in line with the view of the Management on taking risks.
- Risk identification: Risk identification is based on the accumulated knowledge and experience of the Management, employees and other bodies of the Company and is carried out through structured discussions. Each working group has a facilitator who leads the discussion about the risks that may affect the achievement of the Company's goals.
- Risk assessment: The probability of risk is assessed based on the following approaches depending on whether the risk is recurrent or not: a) for recurrent risks, the frequency of their occurrence during the year; b) for continuous risks or risks that are characterized by an incident, the probability of risk occurrence at a given period of time. To assess the impact of a risk, the impact it will have on the assets and resources of the Company and the Group is examined. The effects can be: a) financial (loss of revenue, decrease in profits, decrease in return on investment); b) commercial (loss of customers or contracts, decrease in customer satisfaction); c) human and social (injuries, degradation of the social climate, the requirements of civil liability); d) on the image and reputation of the Company, and are taken into account by all stakeholders (customers, suppliers, regulatory authorities, the general public).
- Risk response: After assessing the relevant risks, the Management determines how the Company shall react. During this process, the Company examines the relevant costs and benefits of the risk response options, taking into account the measurable direct and indirect costs associated with the risk response. Opportunity costs associated with using resources to respond to risk are also taken into account.

The Company uses its Risk Management Methodology (Enterprise Risk Management Methodology) which follows the COSO Framework.

### **Internal Control System**

The Internal Control System of the Company, includes all the policies, procedures, tasks, behaviors, and other elements that characterize it, which are implemented by the Board of Directors, the Management and its other employees and have as objectives:

- The consistent implementation of the business strategy with the effective use of available resources.
- The identification and management of essential risks associated with the business and operation of the Company.
- The efficient operation of the internal audit unit.

- Ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the financial situation of the Company and the preparation of reliable financial statements as well as of the non-financial situation;
- Compliance with the regulatory and legislative framework as well as the internal rules and regulations governing the Company.

The Company owns the following basic characteristics of the Internal Control System (ICS):

- Code of Conduct and procedures for monitoring its implementation.
- Approved organization chart in full development, for all levels of hierarchy and with distinction of functions into main and secondary, in which the area of responsibility per sector / department is clearly defined.
- Composition and operation of the Audit Committee.
- Organizational structure and operation of the Internal Audit Unit.
- Description of the strategic planning, its development process and its implementation.
- Long-term and short-term action planning per significant activity, with a corresponding report and highlighting of discrepancies on a periodic basis as well as their justification.
- Complete and up-to-date articles of association where the object and scope of business and operation, work and the main purposes of the Company are clearly identified and illustrated.
- Description of the duties and responsibilities of the divisions, departments and job descriptions.
- Recording of policies and procedures for important operations of the Company and identification of the control activities.
- Procedures for compliance with the current legal and regulatory framework (Regulatory Compliance).
- Risk assessment and management procedures.
- Procedures for completeness and reliability of financial information.
- Procedures for hiring, training, assigning responsibilities, targeting and evaluating the performance of executives.
- Procedures for the security, adequacy and reliability of information systems.
- Staff and asset security procedures.
- Description of reference lines and communication channels inside and outside the Company.
- Mechanism for monitoring and evaluating the efficiency and effectiveness of procedures.
- Procedure for periodic evaluation of the adequacy and effectiveness of the ICS by an independent evaluator, communication of results and preparation of a treatment plan for weaknesses.
- Policies for the environmental management system and other environmental, social and governance issues (ESG factors).

The business objectives, the internal organization and the environment in which the Company operates are constantly changing. As a result, the risks it faces are also changing. Therefore, an adequate and effective Internal Control System (ICS) requires periodic reassessment of the nature and extent of the risks to which it is exposed. In any case, the purpose is not the elimination (which is impossible), but the management of these risks in a framework desirable for the Company.

There are 5 key components of an Internal Control System (IAC):

- The control environment;
- The risk assessment;
- The control activities;
- Information and communication;
- The monitoring.

#### Control Environment

The control environment is the foundation of the Internal Control System (ICS) applied by the Company. It affects the way business strategies and goals are developed, the structure of corporate processes as well as the process of identification, evaluation and overall management of business risks. It also affects the design and operation of control activities, information & communication systems as well as the monitoring mechanisms of the Internal Control System (ICS).

The control environment is essentially the sum of many sub-elements that determine the overall organization and management and operation of the Company.

#### Risk Assessment

The adequacy and effectiveness of the Company's Internal Control System (ICS) is based on: a) the nature and extent of the risks it faces; b) the extent and categories of risks that the Board of Directors deems acceptable to undertake; c) the possibility of realization of the above risks; d) the Company's ability to reduce the impact of the risks that are ultimately implemented; and e) the operating costs of specific control activities, in relation to the benefit of risk management.

The risk assessment requires the determination of objective goals. Based on these, the important events that may affect them should be identified, the relevant risks assessed and the Company's response to them decided.

#### Control Activities

Control Activities are the policies, procedures, techniques and mechanisms that are put into operation to ensure that the decisions of the Board of Directors regarding the management of risks that threaten the achievement of the Company's objective goals are implemented. They concern the entire Company and are executed by the executives of all levels (Board of Directors, Management, other employees) and in all corporate operations.

The Control Activities consist of many categories of actions that vary in cost and degree of effectiveness, depending on the circumstances. They include approvals, authorizations, confirmations, operational performance reviews, assets' security. They are part of the day-to-day work of employees and are integrated into corporate policies and procedures, which should be reviewed periodically in order to be properly updated.

Each applicable control activity should be associated with the existence of a relevant risk, since otherwise its operation burdens the company with costs (direct or indirect), without providing benefits in terms of achieving its business goals. The cost-benefit ratio is taken into account when choosing between possible alternative control activities to cover a risk.

#### Information & Communication

An element of the Internal Control System (ICS) is the way in which the Company ensures the recognition, collection and communication of information, at such a time and in a way that allows its various executives to perform their responsibilities. This flow can be in all directions, inside (from top to bottom, from bottom to top, horizontally) and outside the Company.

#### Monitoring

The monitoring of the Internal Control System (ICS) of the Company lies in the continuous evaluation of the existence and operation of the components of the internal control framework. This is achieved through a combination of ongoing monitoring activities as well as individual evaluations. The identified deficiencies of the Internal Control System should be communicated to the highest levels of the Company, whereas the most important of them should be communicated to the top management and to the Board of Directors.

#### Periodic evaluation of the Internal Control System (ICS)

The periodic evaluation of the Internal Control System (ICS) is carried out in particular as regards the adequacy and effectiveness of financial information, on a separate and consolidated basis, as regards the risk management and the regulatory compliance, in accordance with recognized evaluation and internal control standards, as well as the implementation of the corporate governance provisions of the current legal framework. The evaluation of the Internal Control System is performed by an independent person who has proven relevant professional experience, according to the best international practices (indicative of the International Auditing Standards, the International Professional Standards Framework for Internal Audit and the Internal Control System Framework of the Committee (COSO).

#### **Regulatory Compliance System**

The main mission of regulatory compliance is the establishment and implementation of appropriate and up-to-date policies and procedures, in order to achieve timely the full and continuous compliance of the Company with the applicable regulatory framework and to have at all times a complete picture of the degree of achievement of this purpose. The complexity and nature of the Company's activities, including

the development and promotion of new products and business practices, have been assessed in order to establish the relevant policies and procedures.

The Company has a Regulatory Compliance Department with the main mission of ensuring the Company's compliance with the current institutional and supervisory framework, which governs its business activities and operation. For this reason, the Regulatory Compliance Department monitors and analyzes developments and changes in the institutional and supervisory framework and conducts impact / deviation analyses. Based on these analyses, the Regulatory Compliance Department formulates proposals and action plans / actions.

Specifically, the Company must comply with at least the following framework:

- Corporate legislation and Corporate Governance legislation (eg Law 4548/2018, Law 4706/2020, Law 4449/2017, Decision HCMC 1.891 / 2020, HCGC)
- Stock market institutional and supervisory framework (eg Law 4443/2016, Law 3556/2007, Decision HCMC 3/347/2005, Circular of the HCMC 33 / 3.7.2007, 25 / 17.07.2008 of the Board of Directors of the ASE (ATHEX), ASE (ATHEX) Regulation)
- Regulation (EU) No 596/2014 (MAR) and other provisions of the national and European regulatory framework regarding the misuse of privileged information and market manipulation
- European and national legislation on product specifications
- European and national legislation on personal data protection, information protection, confidentiality
- Other institutional and supervisory framework.

The institutional and supervisory framework to which the Company complies, and which is supervised by the Regulatory Compliance Department is analyzed in detail in the Charter of Operation.

### **Due Diligence Policy for Suppliers' Acceptance**

The Company deems it necessary for all external partners, who have been assigned services or tasks in the form of outsourcing, to observe a high level of integrity and legality, when operating on its behalf. For this purpose, the Company applies control of the legality and integrity of its external partners. This test is analyzed in three distinct stages.

#### **Pre-contractual stage**

Each external partner is required to provide the Company with specific documents and information prior to the signing of the cooperation agreement (eg legal documents for legal entities, identity documents for natural persons, financial statements). At this stage, every possible effort is made to evaluate the potential external partner and mainly an effort is made to identify, evaluate and manage potential risks and situations of conflict of interest. The documents and information collected are reviewed by the Regulatory Compliance Director, who, depending on the outcome of the audit, proposes to the



competent Director the approval of the cooperation and the preparation of the relevant contractual documents or the rejection of a possible cooperation.

#### Contractual stage

At this stage, the contractual texts are drafted based on the requirements imposed by the nature of each cooperation, the relevant institutional framework that may exist and the restrictions provided by the Company's internal policies. After the contractual texts are drafted and approved by the competent executives, the stage of their signing, execution and their implementation follows with the beginning of the provision of the prescribed services.

#### During the provision of services / post-contractual stage

All external collaborations are constantly controlled for possible risks during their execution. Depending on the duration of each collaboration, specific time points are provided at which the provision of services is evaluated and both the external partner is controlled again, so that it is found that nothing has changed from what was found in the pre-contractual evaluation stage and if information updates need to be made, as well as the level of services offered is controlled again, in order to be ascertained whether they correspond to what has been agreed and whether in the end the expected result arises.

If there is a need to terminate the cooperation for any reason, the provisions of the relevant contract regarding the subject of the complaint are examined and every possible effort is made so that the consequences of such a termination for all the contracting parties are the ones provided, without exposure of the Company to any risk. Furthermore, depending on the nature of the services related to the terminated contract and the needs of the Company, a new external partner is sought for the provision of these services.

The Company maintains a register of external partners, as well as a file of outsourcing contracts, which it has prepared and all the documents collected and evaluated for the existing partners, always complying with the provisions of the currently applicable legislation on the protection of information and personal data.

#### **Internal Audit Unit**

The Internal Audit Unit operates in accordance with articles 15 and 16 of law 4706/2020, the Hellenic Code of Corporate Governance voluntarily adopted by the Company (<http://www.helex.gr/el/esed>) and the provisions of the Charter of Operation of the Company. The operation of the Internal Audit Unit is described in detail in the Charter of Operation of the Internal Audit Unit (Audit Committee Charter) approved by the Board of Directors of the Company and uploaded in the Company's website (<http://www.fourlis.gr>).

The responsibilities of the Internal Audit Unit include monitoring, control and evaluation:

- of the application of the Company's Charter of Operation, in particular as to the adequacy and correctness of the financial and non-financial information provided, risk management, regulatory compliance and the corporate governance code adopted by the Company.
- of quality assurance mechanisms,
- of corporate governance mechanisms,
- of compliance with the commitments contained in newsletters and the Company's business plans regarding the use of funds raised from the regulated market.

The responsibility of the Internal Audit Unit includes the following:

- providing assurance that the risk recognition and risk management procedures applied by the Management are adequate;
- providing assurance on the effectiveness of the internal control system;
- providing assurance on the quality and reliability of the information provided by the Management to the Board of Directors regarding the internal control system.

The Internal Audit Unit is distinctly the 3rd line of defense of the Company and is independent from the other organizational units of the Company (IIA - The Three Lines Model).

The head of the Internal Audit Unit is appointed by the Board of Directors of the Company following a proposal of the Audit Committee, is a full-time employee, personally and functionally independent and objective upon performance of his duties and has the appropriate knowledge and relevant professional experience. He reports and accounts administratively to the Chief Executive Officer and operationally to the Audit Committee.

The Head of the Internal Audit Unit submits to the Audit Committee the annual audit program and the requirements of the necessary resources, as well as the adverse effects from the limitation of the resources or the audit work of the Internal Audit Unit in general. The annual audit program is prepared based on the assessment of the Company's risks after previously considering the opinion of the Audit Committee.

The head of the Internal Audit Unit attends the General Assembly's meetings of the shareholders.

For its areas of responsibility, the Internal Audit Unit prepares reports to the audited units with any findings, the risks arising from them and proposals for improvement, if any.

These reports after the integration of the relevant views by the audited units, the agreed actions if any or the acceptance of the risk of non-action by them, the limitations on the scope of its control if any, the final internal audit proposals and the results of the response of the audited units of the Company to its proposals, are submitted quarterly to the Audit Committee. Further, the Internal Audit Unit applies periodic follow-up of the degree of implementation of the agreed actions and informs the Audit Committee accordingly. In addition, the Internal Audit Unit submits reports to the Audit Committee at least every three (3) months, including its most important issues and proposals regarding the above

tasks, which the Audit Committee presents and submits together with its comments to the Board of directors. The Internal Audit Unit is responsible for the absolute safeguarding of the confidentiality of the data and the general confidentiality.

The Internal Audit Unit cooperates and coordinates its work with other organizational units of the Company that constitute the first and second line of defense and have similar security objectives (eg Regulatory Compliance Unit, Financial Planning and Control Department) for the purpose of efficient and effective coverage of all areas of control interest (operational, financial, compliance), without overlapping with each other.

The Internal Audit Unit, at the request of the Management, may provide consulting services on issues such as: evaluation of procedures, information systems so that they are in compliance with the Internal Control systems. The undertaking of consulting projects is approved by the Audit Committee and their type and duration should not interfere with the objectivity and independence of the Internal Auditors.

In case the subsidiaries operate separate Internal Audit Units, the Internal Audit Unit of the parent company ensures the uniform development and implementation of internal audit in the Group companies.

The head of the Internal Audit Unit provides in writing any information requested by the Hellenic Capital Market Commission, cooperates with it and facilitates in every possible way the task of monitoring, controlling and supervising exercised by it.

### **Shareholders Service & Corporate Announcements Unit**

The Unit for the provision of service to shareholders and for corporate announcements takes care for the:

- direct, accurate and equal information of the shareholders as well as their support, regarding the exercise of their rights based on the currently applicable legislation and the Company's Articles of Association;
- distribution of dividends and free shares, the issuance of new shares with cash payment, the exchange of shares, the period of exercise of the relevant pre-emptive rights (stock options) or the changes in the initial time limits, such as the extension of the deadline for the exercise of the rights;
- providing information on the regular or extraordinary general assembly meetings and the decisions taken by them;
- acquisition of treasury shares and their disposal and cancellation, as well as the programs of distribution of shares or free distribution of shares to members of the Board of Directors and to the employees of the Company;
- exchange of data and information with the Central Securities Depository and intermediaries, in the context of shareholders' identification;

- wider communication with shareholders;
- informing the shareholders in compliance with the provisions of the law for the provision of facilities and information by the Company;
- monitoring the exercise of shareholders' rights, in particular with regard to shareholder participation rates and the exercise of voting rights in general assembly meetings;
- informing the shareholders through the necessary announcements concerning regulated information (article 91 of L.4548 / 2018) and corporate events (article of 104 L.4548 / 2018);
- Compliance with the obligations provided in Article 17 of Regulation (EU) 596/2014 regarding the disclosure of preferential information and other applicable provisions.

### **Information Systems Security Unit**

The Information Systems Security Unit is responsible for preparing and implementing the information security strategy, along with information systems security management, cyber mitigation and defense, data loss prevention, security architecture, identity and access management, program management, and governance.

The Group's Information Systems Security Committee is kept informed of any matter related to Systems Security.

The FOURLIS Group has never experienced a breach of Information Systems security.

The Group has an Information Systems Security Policy. The purpose of the policy is to document the general rules established by the Group to implement its Information Security Strategy. These general rules set out in the Information Security Policy are further formalized in the individual policies for each specific topic that have also been established and are shown below

The Group's Information Systems Security Policy includes the following:

- Information Security Management Framework (ISF)
- Human Resources Security Policy
- Information Systems Acceptable Use Policy
- Information Classification Policy
- Access Control Policy
- Cryptography Policy
- Information Systems Physical & Environmental Security Policy
- Operations Security Policy (OSP)
- Backup Policy (Back up Policy)
- Network Security Policy
- Systems Acquisition & Development Policy

- Third Party Security Policy
- Information Security Incident Management Policy
- Business Continuity Risks
- Information Security Compliance Policy

**15.7 If the company deviates from the Corporate Governance Code to which it is subject or which it applies, the Corporate Governance Statement includes a description of that deviation with reference to the relevant parts of the Corporate Governance Code and provides explanation for the deviation. If the company does not comply with certain provisions of the Corporate Governance Code, to which the Company is subject or which it applies, the Corporate Governance Statement includes a reference to the provision that is not applied and an explanation for the reasons of the non-application.**

The Company complies with the Hellenic Corporate Governance Code with minor deviations that are presented and justified in the following table.

<b>Hellenic Code of Corporate Governance (June 2021)</b>	<b>Explanation/ Justification of deviations from special practices of the Hellenic Code of Corporate Governance</b>
The contracts of the executive members of the Board of Directors provide that the Board of Directors may claim the return of the whole or part of the bonus awarded, due to breach of contract terms or inaccurate financial statements of previous years or generally based on incorrect financial data used to determine the bonus (special practice 2.4.14, Remuneration of members of the Board of Directors).	The existing contracts of the executive members of the Board of Directors with the company do not include this term. For the contracts of executive members of the Board of Directors that will arise in the future and after the end of the term of the existing Board of Directors, there will be relevant compliance by the Company.

The Hellenic Corporate Governance Code is uploaded on the website of the Hellenic Corporate Governance Council, at the address: <http://www.esed.org.gr>.

### **15.8 Reference to the Fit & Proper Policy**

The Company has a Fit and Proper Policy for the members of the Board of Directors which is approved by its Board of Directors and is submitted for final approval to the General Assembly of Shareholders of the Company. The first version of the Fit and Proper Policy for the members of the Board of Directors based on the provisions of Law 4706/2020 was approved by the Ordinary General Assembly of Shareholders on 18/6/2021 and is uploaded on the Company's website (<http://www.fourlis.gr>). The basic concepts and principles of the Company's Fit and Proper Policy are the following:

- Fit and Proper Policy is the set of principles and criteria that are applied at least during the selection, replacement and renewal of the term of office of the members of the Board of Directors in the context of the evaluation of individual and collective suitability.
- Individual suitability is the degree to which a person is considered to have as a member of the Board of Directors sufficient knowledge, skills, experience, independence of judgment, moral guarantees, and a good reputation for performing his/her duties as a member of the Board of Directors of the Company, according to the suitability criteria set by the Company's Fit and Proper Policy.
- Collective Fit & Proper is the Fit & Proper of the members of the Board of Directors as a whole.
- The Fit & Proper Policy aims to ensure the qualitative recruitment, efficient operation and fulfillment of the role of the Board of Directors based on the overall strategy and medium-term business aspirations of the Company in order to promote the Company's interests.
- The Fit and Proper Policy is clear, adequately documented and governed by the principle of transparency and proportionality.
- The criteria for assessing individual suitability are general and apply to all members of the Board of Directors, regardless of their capacity as executive, non-executive or independent non-executive members.
- The composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its responsibilities. This includes the requirement that the Board of Directors has an adequate understanding of the areas for which the members are collectively responsible and has the necessary skills to exercise the actual management and supervision of the Company, regarding, among other things:
  - Its business activity and the main risks associated with it;
  - Strategic planning;
  - The financial reports;
  - Compliance with the legislative and regulatory framework;
  - Understanding corporate governance issues;
  - The ability to identify and manage risks;
  - The impact of technology on its activities;
  - Adequate representation by gender.
- The Fit and Proper Policy explicitly provides for adequate representation by gender of at least 25% of all members of the Board of Directors and in case of a fraction, this percentage is rounded to the previous whole.
- The Fit and Proper Policy refers to the Equal Opportunities and Diversity Policy of the Company to ensure that it has been taken into account upon the appointment of new members of the Board of Directors.

- The Monitoring the implementation of the Fit and Proper Policy constitutes responsibility of the Board of Directors. The implementation of the Fit & Proper Policy is assisted by the Internal Audit Unit, the Regulatory Compliance Unit, the Nominations and Remuneration Committee and the Company Secretary where required. The results of the Assessment Policy are recorded as well as the actions to be taken to address any deficiencies identified at both individual and collective level.
- The documentation regarding the approval of the Fit & Proper Policy and any amendments thereto are kept in an electronic file.

### **15.9 Reference to the proceedings of the Committees of article 10 of law 4706/2020**

During the year 2023, the members of the Audit Committee held a total of five (5) meetings, during which they discussed the following issues:

- Meeting as of 16/3/2023
  - Issue 1: Approval of the Minutes of the previous meeting of the A.C.
  - Issue 2: External Audit A. Additional Report to the Audit Committee of the Company based on article 11 of EU Regulation no. 537/2014 for the financial year 2022. B. Approval of the receipt of non-audit services by the auditing company that performs the statutory audit of the Financial Statements.
  - Issue 3: Financial information procedure (case b of par. 3 of article 44 of Law 4449/2017 and Law 4706/2020). A. Annual Financial Report 1/1 - 31/12/2022 of the Company: Evaluation of the drafting process and overview in terms of completeness and application of accounting principles. B. Approval of the presentation of the Chairman of the Audit Committee to the Board of Directors of the Company as of 21/3/2022 in accordance with article 44 of Law 4449/2017 as amended by articles 10, 15 and 16 of Law 4706/2012 and the relevant decision of the HCMC No. Prot. 1508 dated 17/7/2020. 1. Regular Audit supervision. 2. Financial Information Process. 3. Internal control system (ICS), regulatory compliance, risk management and Internal Audit Department. 4. Report of the Acts of the Audit Committee for the year 2022.
  - Issue 4: Procedures of internal control systems, regulatory compliance, risk management and Internal Audit Department A. Approval of the induction training program of the new Head of Internal Audit. B. Internal audit report of FOURLIS HOLDINGS SA for the audit year 2022 and evaluation of the performance of the Head for Internal Audit. C. Internal audit project report of FOURLIS HOLDINGS SA for the period January 2023 - March 2023. D. Action plan status update. E. Planning of internal audit projects of FOURLIS HOLDINGS SA for the period March 2023 – May 2023.
  - Issue 5: Self-Assessment of the A.C.- Results.
  - Issue 6: Report of the A.C. for works and findings of the Internal Audit to the BoD of FOURLIS HOLDINGS SA dated 20/3/2023.

- Meeting as of 8/5/2023
  - Issue 1: Approval of the Minutes of the previous meeting of the A.C.
  - Issue 2: External Audit – Group’s Financial Statements for the A’ Quarter of 2023. Statutory Audit Fees 2023 (Statutory Fees). Evaluation of EY’s audit services. Consolidated Group Financial Statements for the A’ Quarter 2023 of FOURLIS HOLDINGS SA.
  - Issue 3: Internal Audit A. Report of Internal Audit Work of FOURLIS HOLDINGS SA for the period from the 16<sup>th</sup> of March 2023 until the 5<sup>th</sup> of May 2023. B. Scheduling of Internal Audit works of FOURLIS HOLDINGS SA for the period May-August 2023. Report of the A.C. on works and findings of the Internal Audit to the BoD of FOURLIS HOLDINGS SA dated 15/5/2023.
  - Issue 4: Policy and Procedure of periodic evaluation of the adequacy and efficiency of the Corporate Governance System.
  - Issue 5: Regulatory Compliance – Risk Management. A. Report on the Results of the Regulatory Compliance for the A’ Quarter of 2023 and scheduling for the B’ Quarter of 2023. B. Report on the Results of the Risk Management for the A’ Quarter of 2023 and scheduling for the B’ Quarter of 2023.
  - Issue 6: Other Issues: A. Information Systems Security Policy. B. Approval of the receipt of non-audit services from the audit company performing the statutory audit of the Financial Statements.
  
- Meeting as of 31/8/2023
  - Issue 1: Approval of the Minutes of the previous meeting of the A.C.
  - Issue 2: Update on the issue of GENCO TRADE SRL and the progress of actions.
  - Issue 3: External Audit - Group Financial Statements for the 1st Half of 2023 - Financial Reporting Process A. Consolidated Group Financial Statements for the 1st Half of 2023 of FOURLIS AE HOLDINGS B. Presentation of the Audit Committee to the Board of Directors regarding the semi-annual financial report of FOURLIS SA. Preparation of the RFP for the selection of auditors.
  - Issue 4: Internal Audit A. Internal Audit Project Report of FOURLIS SA SYMBETOXON for the period 8 May 2023 - 30 August 2023 B. Internal Audit Project Report of FOURLIS SA SYMPETOCHON for the period September - November 2023 C. EU report on Internal Audit work and findings to the Board of Directors of FOURLIS SA SYMPETOCHON 4/9/2023
  - Issue 5 : Compliance - Risk Management A. Compliance Report for the first half of 2023 and planning for the second half of 2023 B. Risk Management Report for the first half of 2023 and planning for the second half of 2023
  - Issue 6 : Other Matters A. Approval to obtain non-audit services from the audit firm performing the statutory audit of the financial statements



- Meeting 17/11/2023
  - Issue 1: Approval of the minutes of the previous meeting of the SC
  - Issue 2: External Audit - Financial Reporting Process A. Set a meeting with the external auditors to schedule the FY 2023 audit B. Group Consolidated Financial Statements for the period 1/1 - 9/30/2023 C. Selection of Independent Auditors D. Review of the Group's 9-month financial results press release
  - Issue 3: Internal Audit A. Report on the Internal Audit work of FOURLIS SA SYMBETOCHON for the period August 31, 2023 - November 16, 2023
  - Internal Audit Project Report of FOURLIS SA for the period 31 August 2023 - 16 November 2023. B. FOURLIS S.A.'s Internal Audit Project Schedule for the period November 2023 - January 2024 C. EU report on Internal Audit work and findings to the Board of Directors of FOURLIS S.A. 20/11/2023
  - Issue 4: Regulatory Compliance - Risk Management
    - A. Compliance Report for Q3 2023 and planning for Q4 2023 B. Risk Management Report for Q3 2023 and planning for Q4 2023 C. Results of the recent risk assessment and the role of the EU in risk management
  - Issue 5 : EU meetings and actions A. Scheduling of Audit Committee meetings and actions 2024 B. Scheduling of the annual evaluation of the Head of Internal Audit C. Scheduling of the preparation of the Audit Committee's annual activity report.

- Meeting as of 8/12/2023
  - Issue 1: Meeting with the external auditors for the scheduling of the audit works at the end of the fiscal year 2023.
  - Issue 2: Information of the Audit Committee about Sustainable Development Issues.
  - Issue 3: Selection of Independent Auditors

During the fiscal year 2023, the members of the Nomination and Remuneration Committee held a total of seven (7) meetings, during which they discussed the following issues:

- Meeting as of 13/1/2023
  - Sole Issue of the Agenda: Overview of the ongoing process of evaluation of the Board of Directors at a collective and individual level, in accordance with the Charter of Operation of the Nomination and Remuneration Committee.
- Meeting as of 17/3/2023

- Issue 1: Overview of the ongoing process of evaluation of the Board of Directors at a collective and individual level, in accordance with the Charter of Operation of the Nomination and Remuneration Committee.
- Meeting as of 12/5/2023
- Issue 1: Approval of the revised version of the Remuneration Policy of the members of the Board of Directors.
- Issue 2: Approval of the Report on Remunerations of the members of the Board of Directors for the corporate fiscal year 1/1/2022 – 31/12/2022 (article 112 of L.4548/2018).
- Issue 3: Overview of the ongoing process of evaluation of the Board of Directors at a collective and individual level.
- Issue 4: Discussion on other issues that fall under the responsibility of the Committee.
- Meeting as of 23/5/2023
- Sole Issue of the Agenda: Approval of a revised version of the approved by the Annual General Assembly of shareholders dated 16.06.2017 stock option program for executives of the Company and of its affiliated companies in the form of pre-emptive rights on shares.
- Meeting as of 26/5/2023
- Issue of the Agenda: Proposal of the Nomination and Remuneration Committee to the Board of Directors for the appointment of its new independent Vice-Chairman.
- Meeting as of 1/9/2023
- Issue 1: Submission of a proposal of the Nomination and Remuneration Committee to the Board of Directors for the election of Mr. Konstantinos P. Paikos as a new independent non-executive member of the Board of Directors, in replacement of the resigned independent non-executive member of the BoD, Mr. David A. Watson.
- Issue 2: Overview of the ongoing process of evaluation of the Board of Directors at a collective and individual level.
- Meeting as of 5/9/2023

- Issue of the agenda: Establishment of the Nomination and Remuneration Committee in a Body and election of its Chairman according to the provision of article 10 par.3 of L.4706/2020.

Section 16 includes the Report of the Acts of the Audit Committee for the year 2023.

## **15.10 Detailed CVs / Resumes of the members of the Board of Directors and senior executives**

### **Vassilis Fourlis, Chairman of the Board of Directors, Executive Member**

#### **Personal information:**

Nationality: Hellenic

Year of birth: 1960

#### **Current positions:**

Chairman of the Board of Directors of FOURLIS HOLDINGS SA, Chairman of the Board of Directors of TRADE ESTATES REIC, Vice Chairman of the Board of Directors of HOUSEMARKET SA (IKEA), member of the Board of Directors of INTERSPORT SA

Member of the Board of Directors of the Hellenic Society of Environment and Culture.

#### **Previous Professional Experience:**

He has been a member of the Boards of Directors of the Association of Enterprises and Industries (SEV), of the Hellenic Corporate Governance Council (HCGC) of the company TITAN Cement SA, OTE SA, of IMITHEA SA (Henry Dunant Hospital Center), of Piraeus Bank, Vivartia SA, as well as of National Insurance SA., and the Hellenic Institution for European & Foreign Policy (ELIAMEP).

In 2004 he was awarded the "Kouros Entrepreneurship" award by the President of the Hellenic Republic.

#### **Academic Qualifications:**

Master of Science in Management (International Business), Boston University/ Brussels, graduation year 1989

Master of City Planning (Economic Development and Regional Planning), University of California /Berkeley, graduation year 1985

Bachelor of Arts (Honors in Economics and Urban Studies), College of Wooster, graduation year 1983

### **Dafni Fourlis, Vice Chairman of the Board of Directors, Executive Member**

#### **Personal Data:**

Nationality: Hellenic

Year of birth 1966

#### **Current Positions:**

Vice Chairman of the Board of Directors of Fourlis Holdings SA, as well as Chairman of the Board of Directors of HOUSEMARKET SA (IKEA) and Intersport Athletics SA. Non-executive member of TRADE ESTATES SA.

**Previous Professional Experience:**

FOURLIS BROS SA (currently renamed to "FOURLIS HOLDINGS SA")

**Academic Qualifications:**

Business Administration BSc awarded by the Deree College

**Lida Fourlis, Executive Member of the Board of Directors, Director of Social Responsibility and Sustainable Development**

**Personal information:**

Nationality: Hellenic

Year of birth: 1965

**Current positions:**

Advisor-Executive member of the BoD of FOURLIS HOLDINGS SA (since 2008)

Director-Executive member of the BoD of INTERSPORT ATHLETICS S.A.

Chairman of the BoD of TRADE STATUS SA (DP... am stores) (since 2006)

Chairman of the BoD of WELLNESS MARKET SA (since 2023)

FOURLIS Group Sustainable Development & Social Responsibility Director (since 2008)

**Previous Professional Experience:**

1989- 1997: FOURLI BROS SA- Marketing Department

1998-2008: Director of Human Resources at FOURLIS Group

**Academic Qualifications:**

BA - Honours in Economics, American College of Greece - Deree College

MBA - Amos Tuck School- Darmouth College U.S.A.

**Stylianos Stefanou of Marcos, Independent Vice-Chairman, Independent Non-executive Member of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee.**

**Personal Data:**

Nationality: Hellenic and Cypriot

Year of birth: 1962

**Recent Job Positions:**

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2005 - to date: Entrepreneur - Acquisition of METAXA plant. Exclusive production of the METAXA brands, Skinos Mastiha, Green Cola soft drinks, Three Cents & Mastiqua and other alcoholic and non-alcoholic beverages and drinks.

Haagen-Dazs Master Franchisee in Cyprus and Haagen-Dazs Franchisee in Greece.

2016 - to date: Independent BoD Member, Chairman of the Audit Committee and Remuneration Committee of the insurance company "CNP Zois SA".

2020 - to date: Independent BoD Member, Member of the Audit Committee of the insurance companies "CNP Asfaltiki & CNP Cyprialife", in Cyprus.

2021 - to date: Independent Member of the Board of Directors of Fourlis Holdings SA, Chairman of the Audit Committee and member of the Nomination and Remuneration Committee

2023 – to date: Independent Vice-Chairman of FOURLIS HOLDINGS SA.

#### **Previous Professional Experience:**

1985 – 1990	KPMG London Office - Senior Audit Supervisor
1990 - 1992	METAXA - Financial Planning & Analysis Manager
1992 - 1997	METAXA - Chief Financial Officer
1997 - 2005	METAXA - Managing Director and Head of UDV European Operations. Shareholder in JV with BOLS BV
2001 - 2004	Independent BoD Member of Hellenic Bank Unit Trust
2007- 2021	Independent Member of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee of ELGEKA SA
2009-2012	Member of the Board of Directors, of ERT. Chairman of the Board of Directors for the last ten months of its term of service

#### **Education:**

1982 - 1985	THE LONDON SCHOOL OF ECONOMICS BSc (Hons) in Economics (Accounting & Finance)
1985 - 1990	KPMG - London Office
1988 - to date	FCA - Member of the Institute of Chartered Accountants in England and Wales
2020 - to date	Continuous participation in ESG training seminars

#### **Dimitrios Valachis, Chief Executive Officer, Executive Member**

Dimitrios Valachis is born in Nea Ionia, Volos. He has studied Chemical Engineering at the Greek National Technical University of Athens (Metsovio). He started his professional career in 1987 in Henkel Ecolab at the Group's Sales Department, where he has worked for 15 years on various managerial positions. In *Annual Financial Report for the period 1/1/2023 to 31/12/2023*

2002 he resigned his job as Managing Director for Greece and Cyprus, and as a Managing Director for Southern Europe in the sector of fabric detergents.

Afterwards, he worked at Frigoglass, initially as Regional Operations Director and then as Cool Operations Director, managing the plants and the sales offices of the company in Europe, Asia & Africa. In his last position at Frigoglass, he successfully completed its entry in the Chinese market, with the development of a local product range, the staffing of the company, and the construction and operation of its first production plant.

Mr. Valachis contributed decisively to the establishment of the biggest company with business in the mediterranean fish farming (aqua culture industry), by the expansion of Andromeda in Spain & the acquisition of the two biggest companies of the industry in Greece, Nireas SA and Selonta SA (project nemo). He completed the acquisition approval process by the European Competition Commission as well as the preparation for the merger of the companies. He continues to serve as a director of the BoD of Andromeda seafood, which is the parent company of the new group.

Since 2023 he is a member of the Audit Committee of TRADE ESTATES REIC, elected by the General Assemblies of the Companies "FOURLIS HOLDINGS SA", "HOUSEMARKET SA", "INTERSPORT SA", "TRADE LOGISTICS", "WELLNESS MARKET".

**Maria Georgalou, Independent non-Executive Member, Member of the Audit Committee**

**Personal Data:**

Nationality: Hellenic

Year of birth 1960

**Current Job Position:**

Vice-Chairman: BESPOKE S.A

**Previous professional experience:**

2022 - Vice Chairman of Chipita Foods S.A.

2014 - 2021: CHIPITA S.A. Deputy CEO

2013 - 2019: DOLPHIN GROUP (ARGENTINA), Representative of Greece - Real Estate Investments

2011 - 2014: DRY CLEANING SERVICES LTD, Member of the founding team, Master Franchisee of 5asec, (Romania, Greece, Serbia, Croatia, Skopje).

2004 - 2011: DELTA HOLDING S.A. / VIVARTIA SA, Group Financial Director (2007 to 2011), Business Development Director (2004 to 2007)

1995 - 2004: EMPORIKI VENTURE CAPITAL S.A., Executive Director - Member of the Investment Committee, Venture Capital Company - 100% subsidiary of Emporiki Bank of Greece

1990 - 1992: DE BENEDETTI GROUP OF COMPANIES (Greece): Financial Analyst (Financial Manager) at Eurohellenic SA as well as at Cofir SA (Spain) (company listed on the Madrid Stock Exchange)

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1979-1989: GEORGALOS HNOS SA, AGROGEO SA AND AGROFABRIL SA, Assistant internal auditor / administrative-accounting department, Family business in the food sector

Participates in the Boards of Directors as a member of the companies CHIPITA FOOD S.A. and CHIPITA S.A.

Education: C.P.A - Chartered Public Accountant Universidad de Belgrano - Buenos Aires - Argentina and Michael Ham Memorial College (Valedictorian).

Since 2023 she is a member of the BoD of TRADE ESTATES SA.

**Stavroula Kambouridou, Independent non-Executive Member, Member of the Audit Committee**

**Personal Data:**

Nationality: Hellenic

Year of birth 1979

**Recent Job Positions:**

- Interbanking Systems DIAS: Jan. 2021-present
- Chief Executive Director (January 2021 – present)
- Bank of Greece (BoG): Feb. 2017-Dec. 2021
- Head of FinTech Innovation Hub (March 2019 – December 2021)
- Consultant (February 2017 – December 2021)
- Technology Consultant to the President of the Bank of Greece.

**Previous professional experience:**

National Bank of Greece (NBG Group) – Jan.2009 to Dec.2016

Director of the Department for IT Procurement (2011-2016)

Executive Consultant (2009-2011)

Member of the main team entrusted with the establishment of the Procurement Group 2009 at the NBG Group.

IBM Greece – 2005-2009

Director of Customer Systems (2007-2009)

Hardware Sales Specialist (2005-2007)

**Previous Roles/Positions:**

- Stanford University • Research Assistant

- Stanford University • Teaching Assistant

**Education:**

- Harvard Business School, USA

Executive Training – December 2021

- Stanford University, USA

Master of Science (MSc) in Electrical Engineering: 2002-2004 (with full scholarship from Stanford University)

- University of Athens, Greece

Bachelor's Degree (BSc) in Information Technology and Telecommunications: 1997-2001 (with distinction)

Master's Thesis on: "Performance Development Techniques Specifications and Power Quality of Service on Internet Protocol (IP) Wireless Networks"

**Collaborations - Participation in Teams / Professional Awards:**

- Stanford University Alumni Association in Greece (Board member since 2018)
- "Rookie of the Year" Award (2006) from IBM Europe, for achieving the highest sales target of an IBM recruit in the European territory (exceeding revenue and profit targets by more than 280%)
- Nominated by IBM for 100% participation in the IBM Clubs (2006, 2007, and 2008) for overachievers/excellent employees and in the Golden Circle Association (2006) for exceeding their goals by more than 200%.
- Full scholarship for research/teaching at Stanford University to complete the Master of Science (2 years)

**Languages:** English (Bilingual), German (Basic Knowledge), Greek (Native)

**Lavidas Nikolaos, Director, Independent non Executive member, Chairman of the Nomination and Remuneration Committee**

**Personal Data**

Nationality: Hellenic

Year of birth 1970

**Current Job Position:**

**2022-present: AB Vassilopoulos SA:** CEO and head of the Executive Committee, for AB Vassilopoulos Group, member of Ahold Delhaize Group. AB Vasilopoulos is a company with a turnover of approximately 2 billion euros, 592 stores and 14,000 partners.

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**2019-2022: Upfield Greece:** General Management of the company in August 2019 initially having responsibility for Greece, Cyprus and Albania and then for the wider region of Southeast Europe, additionally taking responsibility for Slovenia, Serbia, Croatia, Bosnia, Montenegro, Kosovo, Skopje, Romania, Moldova and Bulgaria. A key priority was the strengthening of the existing organization of the newly established company and its split from Unilever following the recent acquisition of the margarine and oils sector by KKR as well as the return of the sector to a growth trajectory.

#### **PREVIOUS PROFESSIONAL EXPERIENCE**

**2011-2019: Sklavenitis Group:** Initially assumed the role of General Development Manager with the main responsibility of reorganizing the company and creating the appropriate framework in order to support a series of acquisitions, which led to the creation of the largest retail group in Greece with a turnover that exceeded €3 billion, with more than 500 stores nationwide and a workforce of over 30,000 employees. Following the acquisition of Carrefour's activities in Greece in 2016, he assumed the position of General Administrative Director with the main objective the absorption of its local network and smoothly integrating it into the Sklavenitis operating system.

**1996-2011 Kraft Foods Greece:** In 2009, after a 14-year career in Kraft Food Greece, holding various positions of increasing responsibility, he assumed the position of CEO with the main responsibility for the merger of the local organizations of Kraft and Cadburys, which led to the creation of the largest company in the snacks industry in Greece.

#### **Education:**

He holds a postgraduate diploma in International and Commercial Law (1994 - LLM in International and Commercial Law, University of Buckingham, UK, Graduated with Distinction) as well as a graduate in Business Administration (1993, BSc in Business Administration University of Buckingham, UK Graduated with Merit).

#### **Ioannis Zakopoulos, Company's Secretary**

##### **Personal Data:**

Nationality: Hellenic

Year of birth 1958

##### **Professional activity:**

1/1986 - today Legal Services - Legal Advisor of companies, with specialization in commercial law

##### **Other activities:**

2020 - to date Member of the Board of Directors of "FLEXUS INVESTMENT S.A. "

2019 - to date

Member of the Board of Directors of the company "TRADE ESTATES BULGARIA EAD"

2011 - to date

Company's Secretary of "FOURLIS HOLDINGS SA"

2008 – to date

Member of the Board of Directors of the company "HOUSEMARKET BULGARIA EAD"

#### **Education:**

1982 - 1983

DESS Banque et Finances, Université Paris I Panthéon - Sorbonne

(Master's degree in Banking Law)

- Diploma thesis on "Le controle des changes relatif aux importations et aux exportations" (The exchange control related to imports and exports")

- Internship at the National Bank of Greece (France)

1981 - 1982

DEA Droit des Affaires et Droit Economique, Université Paris I Panthéon - Sorbonne

(Master's Degree in Business Law and Financial Law)

1976 - 1981

Degree in Law, Law School of the University of Athens

1970 - 1976

Varvakeios Model School

#### **Military service:**

1983 - 1985

Hellenic Air Force

#### **Foreign Languages:**

English, French

#### **Christos Theodoridis, Internal Audit Manager (until 19/1/2024)**

#### **Personal information:**

Nationality: Hellenic

Year of Birth: 1987

#### **Current Job Position:**

March 2022 - to date: Group Internal Audit Manager, FOURLIS HOLDINGS SA

- Preparation and execution of the Internal Audit Plan based on risk assessment.
- Checking the effectiveness of control activities and writing reports.
- Suggestions for improvement and agreement of actions with the operational managers
- Reporting to the Audit Committee.

#### **Previous professional experience:**

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November 2019 - February 2022: Group Internal Auditor, Fourlis Holdings S.A.

- Conducting audits based on the Annual Audit Program.
- Checking the effectiveness of security valves and writing reports.
- Suggestions for improvement and agreement of actions with the operational managers.
- Design of data analysis for the audit (Computer-aided audit tools).

September 2014 - October 2019: Risk Assurance Senior Associate, PwC S.A.

- Management of auditing and consulting projects regarding: evaluation of internal control activities, risk assessment, fraud, evaluation of information systems and procedures, data analysis, implementation of computerization systems.
- Presentation of results and findings to control groups.
- Providing training to the control teams of data analysis tools (Computer-aided audit tools).
- Business processes blueprinting and optimization.

**Education:**

2005 - 2010: Aristotle University of Thessaloniki, Degree in Economics

2012 - 2014: University of Antwerp, BE - MSc in Finance

**George Alevizos, Chief Financial Officer (Treasury, Planning and Risk Management), member of the Executive Committee**

**Personal Data**

Nationality: Hellenic

Year of birth 1967

**Recent Job Positions:**

07/2023- to date

Chief Financial Officer (Treasury, Planning and Risk Management)

Key responsibilities:

Financing & Capital Purchase (Capital Markets)

Negotiation, documentation and structure of bond loans, syndicated loans, long-term loans, cross-border loans, leases and special purpose financing (project financing). Guarantees and letters of support. Relations with regulatory and supervisory authorities (including the Hellenic Capital Market Commission and the Athens Stock Exchange) and ensuring compliance with applicable law.

Transactions

«Buy-side» and «sell-side» transactions (In Greece and abroad)

Cash Management

Cash pooling, Relations with cooperating banks

Risk Management

Currency and interest rate risk, derivatives, counterparty risk, operating risk management and hedging techniques.

Insurances

Property insurance against all risks, Civil Liability, transnational coverage, Executive Insurance (Directors & Officers liability).

Planning & Navigation

Group Budget, Strategic Planning, Controlling/Navigation\

**Previous professional experience:**

FOURLIIS GROUP

03/2000 – 06/2023

Financial Manager (Treasury, Planning and Risk Management)

Key responsibilities:

Financing & Capital Purchase (Capital Markets)

Transactions

Cash Management

Risk Management

Insurances

Investor Relations

XIOSBANK SA (Banking Sector)

04/1995 - 02/2000

Treasury Dealer (Negotiator Money Market and FX)

Negotiator Money market (Bonds, interest rate swaps) and foreign exchange trader (Spot, Forwards, SWAPS, Options). Certification of type "A" trader of the Derivatives Exchange.

GIZA BROS SA (Wholesale)

08/1994 - 04/1995

Credit Control Manager

Claims management in a family business distributing fast-moving consumer goods, snacks and food products.

**Boards of Directors:**

Trade Estates REIC - Vice Chairman, Executive Member and Member of the Investment Committee

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Trade Status SA (DPAM) - Chief Financial Officer and Member of the BoD

Housemarket SA. (IKEA Greece) - member of the BoD

HM Housemarket Cyprus Ltd (IKEA Cyprus) - Member of the BoD

Intersport Athletics Cyprus Ltd - Member of the BoD

Genco Trade Srl (Intersport Romania) - Administrator

Genco Bulgaria EOOD (Intersport Bulgaria) - Administrator

WYLDES Ltd -Director

VYNER Ltd - Director

South Sofia Ring Mall EAD – Director

**Education:**

ALBA Graduate Business School, Athens, Greece

09/1993 - 09/1994

Master of Business Administration

University of Patras, Department of Mathematics

**Elena Pappa, Director for Investor Relations and Group's Corporate Communication, member of the Executive Committee.**

**Personal Data:**

Nationality: Hellenic

Year of Birth: 1978

Place of Residence: Athens, Greece

**Recent Job Positions:**

For the time being she serves as Director for Investor Relations and Corporate Communication for FOURLIS Group, is responsible for the development of communication and messaging strategies that are aligned with the corporate vision and the professional goals of the FOURLIS Group, contributing to the creation of an additional corporate value.

**Previous Professional Experience:**

- February 2020 until July 2023

Director for Investor Relations, Communication and Sustainability, Sarantis Group, Athens, Greece.

Responsible for the development and execution of the Group's investor relations and communication strategy. Responsible for the creation of an action plan and a sustainable development strategy of the Group as well as for the ESG reporting.

- June 2006 until February 2020

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Director for Investor Relations, Sarantis Group, Athens, Greece.

- September 2005 until June 2006

Risk Management Associate, Egnatia Finance, Athens, Greece.

- August 2004 until August 2005

Markets Officer (FSA REGISTERED), Portfolio Structuring and Execution, ABN AMRO BANK N.V., London, United Kingdom.

- November 2001 until August 2004

Front Office Market Risk Analyst, Financial Markets, ROYAL BANK OF SCOTLAND, London, United Kingdom.

- July 2001 until October 2001

Trainee, Credit Quantification Team, LEHMAN BROTHERS, London, United Kingdom.

**Academic Qualifications:**

- December 2009 – June 2010

Diploma in the International Financial Reporting Standards.

Certified by the Association of International Accountants (AIA), Epsilon Net SA, Epsilon Business Training, Athens, Greece.

- September 2005 – September 2007

Program of Postgraduate Studies in Business Administration (MBA), International MBA program.

Athens University of Economics and Business, Athens, Greece.

- September 2000 – September 2001

M.Sc. in Mathematical Trading and Finance (with distinction).

Department for Investments, Risk Management and Insurance, Cass Business School (Bayes Business School), London, United Kingdom.

- September 1996 – June 2000

BSc in Mathematics (Honors).

Department of Mathematics, University of Athens, Athens, Greece.

**Other Academic Qualifications:**

July 2021: Training in the Mass Media and Risk Management (Hill & Knowlton Strategies, Athens)

March 2019: Certification in Sustainability (CSR) Practitioner Program, Advanced Edition 2019 - Athens, Greece, Center for Sustainability and Excellence.

**Collaborations – Participations in Teams / Awards:**

- Founding Member of [The Boardroom](#), Athens, Greece.

Organisation with a holistic approach for the board-readiness, the strengthening and the development of skills of women-executives through training programs for administrative training, programs for leadership development and strategic networking.

- Distinction in the Postgraduate Program – M.Sc. in Mathematical Trading from the Cass Business School (Bayes Business School).

- Award from the State Scholarship Foundation (I.K.Y.) for ranking in the top 2% during the 2<sup>nd</sup> and 3<sup>d</sup> academic year of the Bachelor's studies in Mathematics.

**Manolis Vidoris, IT Director, member of the Executive Committee**

**Personal Data**

Nationality: Hellenic

Year of birth: 1963

**Recent Job Positions:**

2012 - to date: I work at FOURLIS HOLDINGS SA. I am responsible for the strategic planning and development of the Information and telecommunication systems and infrastructures of the Group. I participate in the Group's Management Boards in regular meetings in order to coordinate all parties for the optimal operation and development of activities. On a case-by-case basis, I participate in or monitor all Group's projects related to IT and telecommunications.

**Previous Professional Experience:**

2004 - 2012: I worked at HOUSEMARKET SA, a subsidiary of FOURLIS HOLDINGS SA, which is the representative of the IKEA store chain for Greece, Bulgaria and Cyprus. I had the title of IT Operations Manager and the responsibility • of the efficient operation of the IT department of the central services and the local IT departments of the Branches. • of the smooth operation of the front-office systems Microsoft Dynamics Nav, LS Retail and Microsoft CRM. • I actively participated in the design and installation / configuration of the logistics infrastructure for the opening of all the Company's Branches and its subsidiaries in Greece, Cyprus and Bulgaria. • I participated in the project of transition of the Back-office system of Housemarket to SAP ERP. • I participated in projects to upgrade logistics infrastructure and applications at the company's facilities.

2003 - 2014: Inchcape Group in Greece (Group Applications Development and Systems Administration Manager)

1999 - 2003: TOYOTA Hellas SA (IT Director)

1993- 1999: I.M.S. Informatics SA (Project Leader)

1988 - 1993: M.I.S. Ltd. (Analyst - Developer)

1987 - 1988: TOYOTA Hellas SA (Analyst - Developer)

1986 - 1988: ELSA SA (Programmer)

1985 - 1987: General Staff of Aviation (Computer Programmer)

**Academic Qualifications**

1981: Graduate of the Leontio Lyceum of Patission

1985: Graduate of the Private Institute of Informatics. Specialisation: Analyst - Computer Programmer

**Professional Certifications:**

Microsoft (Microsoft Summit, Developers days, TechEd days  
Online IBM OS/400 04/1994  
Basis LTD CASE Tool SYNON 2 for IBM AS/400. 10/1994  
EEDE Project management. 05/1995  
Infoquest SA Time Management. 04/1997  
I.M.S SA INFORMIX Data Base, INFORMIX SQL 03/2000  
Inchcape TOYOTA Retail Conference (Birmingham - England) 04/2000  
HP/Oracle E-services / E-business Executive Seminar 04/2001  
Inspirandum PRINCE Project Management Methodology 10/2001  
EEDE E-business Technology Seminar 02/2002  
ALBA Project Management 07/2003  
TMME TOYOTA Paneuropean IT Conference

**Maria Theodoulidou, Group Finance Director (Controlling, Financial Information & Planning and Corporate Governance), member of the Executive Committee**

**Personal Data**

Nationality: Hellenic

Year of birth 1968

**Recent Job Positions:**

2000 - to date FOURLIS Group of Companies

Financial Director of Control, Financial Information and Corporate Governance of the FOURLIS Group (2023- to date), and member of the Executive Committee. Responsibilities for regulatory compliance, risk management, non-financial information, information systems security and legal services.

Financial Directors of Planning, Control and Corporate Governance of the FOURLIS Group (2022-2023) and member of the Executive Committee.

Financial Director of Planning and Control of the FOURLIS Group (2009-2022) and member of the Executive Committee.

FOURLIS Group Internal Audit Manager (2000-2008)

Areas of professional experience: Financial Management, Financial and Non-Financial Information, Controlling and Internal Control Systems, Taxation, Corporate Governance, Internal Audit, Risk Management, Risk Compliance and Compliance Functions, Project Management and Business Function Redesign.

**Previous Professional Experience:**



1995 - 2000 KPMG

Director of the Consulting Department (1999 - 2000), Head Advisor (1997 - 1998),

Senior Advisor (1995 - 1996)

1993 - 1994 01 PLIROFORIKI

Project Manager

**Academic Qualifications:**

University of Manchester, UK, M.Sc. in Operations Management

Technical University of Crete, Greece, Certified Production and Management Engineer (admitted 2nd in a row)

19th General High School of Thessaloniki

**Professional Certifications:**

Certified Information Systems Auditor (CISA)

Certification in Control Self- Assessment /CCSA

Certification in Internal Audit /CIA

Certification in Environmental Audit

Certification as an ISO 9000 Internal Auditor

**Memberships:**

Member of BOD of INTERSPORT ATHLETICS SA

Member of BOD of HOUSEMARKET (CYPRUS) LTD

Member of BOD of TRADE ESTATES CYPRUS LTD

Member of BOD of H.M. ESTATES CYPRUS LTD

Independent Member of the Audit Committee of the Hellenic Electricity Distribution Network

Corporate Governance Committee of the Hellenic American Chamber of Commerce

BSE Corporate Governance Committee

BSE Tax Group Committee

Non-Executive Director's Club in Greece

Public Register of Internal Auditors of Greece

Technical Chamber of Greece

Panhellenic Association of Production and Management Engineers

Act-to Youth Professional Solidarity Initiative

**Natasha Spirou, Group HR Director, member of the Executive Committee**

**Personal information:**

Nationality: Hellenic

**Recent Job Positions:**

Natasha Spirou has been with FOURLIS Group, since 2008, holding the position of Group HR Director, responsible for Human Resources strategy development issues in all countries where the Group is operating.

**Previous professional experience:**

After having worked in various market sectors, she has acquired extensive experience in the field Human Resources.

She started her career in Human Resources in 1986, as Learning & Development Manager at Pirelli Hellas SA and then she joined AB Vassilopoulos - Group Delhaize Le Lion, holding the same role.

She took over the role of HR Director at STET Hellas SA and then took over the Group HR Director position at M.J.MAILLIS Group, aiming at formulating the HR strategy, in all countries the Group operated.

As of 2002 till 2008, she joined Tellas SA, a startup company, consortium of PPC and WIND Italia, in the telecommunication market (fixed telephony and internet).

Throughout her professional career her motives have always been the management of new challenges as well as the accomplishment of measurable results, through people.

**Education:**

She is a graduate of Italian Literature & Philosophy (Aristoteleion University of Thessaloniki, 1980 - 1984), whereas she has done studies in Marketing (1980 - 1982).

**Giorgos Papanikolaou, Human Resources Director, Member of the Executive Committee.**

**Personal Data:**

Nationality: Hellenic

Year of Birth: 1976

**Recent Job Positions:**

Giorgos Papanikolaou has undertaken the post of the Human Resources Director of FOURLIS Group from January 2024, aiming at the development and implementation of appropriate Human Resources strategy in the countries where the Group runs its business. He is responsible for the formation and promotion of the corporate culture, which improves the working environment, reveals and attracts talents, enhances the diversity and the inclusion, increases the productivity and supports the wider strategy and the Group's goals and targets.

**Previous Professional Experience:**

He started his career in 2002 at the Financial Department of the Athenian Brewery as a Financial Analyst and subsequently he was promoted to the position of Financial Controller. Afterwards, he followed a different path in his career and in 2007 he was assigned the job of Special Consultant in the Human Resources Division of the National Bank of Greece, aiming at the timely notification and support of the Management at the decision-making. In 2010, he became a member of the multinational pharmaceutical company "Sanofi", originally at the position of HR Business Partner and afterwards at the position of Talent Management Head responsible for the countries of Middle-Eastern Europe. In 2019 he participated in the Management Team of doValue as head of the Human Resources Unit aiming at the formation and implementation of the Company's Human Resources Strategy.

He has served as a member of the Management Team of the Hellenic Human Resources Management Institute (HIHR-IMAD) of the Hellenic Management Association (HMA-EEDE) and as Mentor of postgraduate students of the University of Manchester (Gold Mentor Program).

**Education:**

MA Finance, University of Manchester, UK, graduation year 2000

Bachelor in Management & Business Administration, Athens University of Economics & Business, Greece graduation year 1998

**Professional Certifications:**

Certificate, University of Cambridge, UK, 2022: People Analytics, Transforming HR Strategy with data science.

Certificate, SDA Bocconi, Italy, 2021: Leadership Program

**Anestis Partalidis, Chief Executive Officer of TRADE LOGISTICS, member of the Executive Committee**

**Personal information:**

Date of birth: 6/10/1956

Place of birth: ISTANBUL

**Education:**

**1975-1981** National Technical University of Athens, School of Mechanical Engineering.

**Professional activity:**

**1983-2000** Gr. Sarantis SA. Initially as a procurement manager, then as Operations Manager and finally as a Logistics Manager. In 1997 he created the storage facilities of Gr. Sarantis in Oinofyta, which at that time were considered as distribution model center equipped with an automatic container sorter.

**2000- to date FOURLIS Group.** From 2000 to 2004 as Logistics Director in Kotsovolos (it was a company of the FOURLIS Group at that time) and later as CEO in Trade Logistics. He was the leader of *Annual Financial Report for the period 1/1/2023 to 31/12/2023*

the team that designed and implemented the project of the Trade Logistics facilities in Schimatari, from which the IKEA and INTERSPORT stores of the Fourlis Group in five countries are currently supplied. The Trade Logistics facilities are connected to the railway network, they are equipped with two automation systems, the first for pallet handling and the second for order collection and their energy balance is neutral.

Trade Logistics in 2009 won the "European Supply Chain Excellence Award in Logistics" in London among eighty entries from all European countries and in 2011 in Berlin, the second place in the competition "Supply Chain Distinction Awards".

**Awards:**

In 2015, he was named "Professional of the Year 2015" in Brussels by the European Logistics Association (which has fifty thousand members in thirty European countries). In the same year he was awarded the MEGAS ALEXANDROS prize by the Logistics Management Institute of Greece.

**Additional activities:**

He was a member of the Permanent Committee of Logistics, of the Ministry of Development (2013-2014), since 2016 he is a member of the Council of Development and Competitiveness of the Supply Chain, established under a Joint Ministerial Decision of the Ministries of Finance, Development and Transports-Infrastructure, Coordinator of the National Logistics Committee, member of the Working Group "Smart Transport and Supply Chain" of the General Secretariat for Research & Technology, member of the Legislative Drafting Committee for the review of the institutional framework of logistics and member of the Initiative Group for the Logistics of Hellenic Federation of Industries (SEV).

**Seminars - Conferences:**

He has attended numerous seminars and conferences in Greece and abroad and has participated as a speaker in many conferences.

**Languages:**

English, Turkish

**Panagiotis Katiforis, CEO HOUSEMARKET, member of the Executive Committee**

**Personal information:**

Nationality: Hellenic

Year of Birth: 1967

**Recent Job Positions:**

Mr. Panagiotis Katiforis is the CEO House Market (IKEA) from 2011 up to date. House Market is a subsidiary of FOURLIS Holdings SA which operates IKEA stores in Greece, Cyprus and Bulgaria.

**Previous Professional Experience:**

From 2007 to 2011 he was General Manager of SARA LEE Hellas. From 2000 to 2007 he was a manager of Kimberly Clark in various positions, responsible in Europe and Greece. From 1994 to 2000 he held various managerial positions at Beiersdorf Hellas, whereas from 1985 to 1993 he worked in the family business that produced and traded handmade silverware.

From 2011 until today he is a member of the BoD of HOUSE MARKET (IKEA) as well as of Trade Logistics.

**Education:**

He holds a degree in Marketing Management from the American College in Greece (Deree College) (1993), as well as a Master's degree MBA with specialization in Finance, from the Strathclyde Business School, Glasgow, Scotland.

**Evangelos Batris, CEO of INTERSPORT, member of the Executive Committee**

**Personal information:**

Nationality: Hellenic

Year of Birth: 1975

**Recent Job Positions:**

Mr. Evangelos Batris is the CEO of Intersport SA from 2020 up to date. Intersport SA is a subsidiary of FOURLIS Holdings SA, which operates Intersport stores in Greece, Cyprus, Bulgaria, and Romania.

**Previous Professional Experience:**

From 2010 to 2019 he was a manager in various positions at Nike, responsible for the EMEA headquarters in the Netherlands, for Eastern Europe & the Middle East, and in the Greek office in commercial roles.

From 2002 to 2010 he held various management positions at Coca - Cola Hellenic, whereas from 1999 to 2002 he worked at Allianz as a Private Banking Account Officer.

From 2020 up to date he is a member of the BoD of Intersport SA in Greece as well as Intersport Cyprus Ltd in Cyprus. He is also the legal representative of Genco Trade Srl in Romania and Genco Bulgaria Ltd in Bulgaria.

**Education:**

He holds a BSc in Electrical Engineering, Patras University, Greece (1998) and a postgraduate MSc in Business Administration, Cardiff Business School, UK (1999)

**Sofia Spiliotopoulou, Head of Business Unit of Holland & Barrett**

**Personal information:**

Nationality: Hellenic

Year of Birth: 1967

**Current Job Positions:**

Head of Business Unit of Holland & Barrett

**Previous Professional Experience:**

KORRES S.A

PRESIDENT OF EUROPE REGION (May 2019 - June 2022)

Head of the European Agency, member of the Management Team. European P&L responsibility for the business units of DACH (Germany/Austria/Switzerland), France, UK, Greece and Export.

COMMERCIAL DIRECTOR (May 2012 - April 2019)

Head of the commercial team leading Sales, Exports, Business Development, Business Intelligence, Marketing, Trade Marketing and Training.

PEPSICO

SNACKS & BEVERAGES INTEGRATION DIRECTOR (October 2010 - February 2012) Head of the Integration team leading the planning and implementation of the Integration of the two PepsiCo businesses in Greece: Beverages (Pepsi-Ivi) and Snacks (Tasty Foods), in the areas of Sales, Finance, HR, BIS & Supply Chain.

SOUTHEAST EUROPE REGIONAL DIRECTOR, FOOD & BEVERAGE MARKETING & REVENUE MANAGEMENT (Jan. 2009 - Oct. 2010)

He has led the Food & Beverage Marketing Operations of the Countries: Turkey, Romania, Bulgaria, Serbia, Bosnia, Croatia, Greece and Israel.

MARKETING DIRECTOR, TRADE MARKETING & ALLIED BUSINESSES, (May 2003 - Dec 2008)

Head of the Marketing and Trade Marketing departments of the Snack food division of PEPSICO in Greece.

UNILEVER

DETERGENT MARKETING MANAGER, (Sept. 2000 - April 2003)

Responsible for the profitable growth of the Detergents portfolio of the brands: SKIP, SURF, CAJOLINE and OMO

HAIR MARKETING MANAGER, (1998 - 2000)

Responsible for the profitable growth of the entire hair portfolio: ORGANICS, ULTREX, TIMOTEI, SUNSILK, MOD'S HAIR.

Prior to the above, he held various positions of increasing responsibility at Unilever - i.e. TRADE MARKETING MANAGER (1997 - 1998), HAIR GROUP MANAGER (1996 - 1997), BRAND MANAGER (1993 - 1996), TRAINING DIRECTOR (1992 - 1993), ASSISTANT FACTORY QUALITY CONTROL (1989 - 1990)

**Academic Qualifications:**

CITY UNIVERSITY LONDON: MBA in Engineering Management, Major in Marketing, 1990-1991  
UNIVERSITY OF PATRAS: Chemical Engineer (MEng), specialization in petroleum technology, 1984 - 1989

Graduation in 1984 from the 7th Lyceum of Patras

#### **15.11 Information on the participation of the members of the Board of Directors in its meetings and in the meetings of the Committees of article 10 of law 4706/2020**

The following table provides information on the participation of the members of the Board of Directors in its meetings for the year 2023.

<b>Composition of the Board of Directors</b>	<b>Title</b>	<b>Meetings of the Board of Directors during 2023 (13 in total)</b>	<b>Percentage of attendance at the meetings</b>
Vassilios Fourlis of Stylianos	Chairman of the Board of Directors, executive member	13	100%
Daphne Fourli of Anastasios	Vice Chairman of the Board of Directors, Executive Member	13	100%
David Watson of Arthur	Independent Vice-Chairman, Independent non-executive member, Chairman of the Nomination and Remuneration Committee	(until 23-5-2023) 4	80%
Lida Fourli of Stylianos	Director, executive member	13	100%
Apostolos Petalas of Demetrios	Director, executive member	(until 15-5-2023) 2	100%
Dimitrios Valchis of Efstratios	Director, executive member (as of 15-5-2023)	(from 15-5-2023) 11	100%
Stavroula Kampouridou of Alexandros	Director, independent non-executive member, member of Audit Committee	13	100%

Stylianios Stefanou of Markos	Independent Vice-Chairman, independent non-executive member, Chairman of Audit Committee, Member of the Nomination and Remuneration Committee	13	100%
Maria Georgalou of Sofoklis	Director, member of Audit Committee, independent nonexecutive member	13	100%
Nikolaos Lavidas of Panagiotis	Director, independent non-executive member, Chairman of the Nomination and Remuneration Committee	12	85%
Konstantinos Paikos of Petros-Elias	Director, independent non-executive member, Member of the Nomination and Remuneration Committee	(from 4/9/2023) 4	85%

The following table provides information on the participation of members in the meetings of the Committees of article 10 of law 4706/2020 and specifically of the Audit Committee and the Nomination and Remuneration Committee for the year 2023.

<b>Composition of the Audit Committee</b>	<b>Title</b>	<b>Audit Committee Meetings in 2023 (Total 5)</b>	<b>Percentage of participation in the meetings</b>
Stylianios Stefanou of Markos	Independent Vice-Chairman, independent non-executive member, Chairman of the Audit Committee, Member of the Nomination and Remuneration Committee	5	100%
Maria Georgalou of Sofoklis	Director, Member of the Audit Committee, Independent non-executive member	5	100%



Stavroula Kampouridou of Alexandros	Director, Member of the Audit Committee, Independent non-executive member	5	100%
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<b>Composition of the Nomination and Remuneration Committee</b>	<b>Title</b>	<b>Meetings of the Nomination and Remuneration Committee during 2023</b>	<b>Percentage of participation in the meetings</b>
		<b>Total 7</b>	
Nikolaos Lavidas of Panagiotis	Director, independent non-executive member, Chairman of the Nomination and Remuneration Committee	7	100%
Stylianios Stefanou of Markos	Independent Vice-Chairman, independent non-executive member, Member of the Nomination and Remuneration Committee	7	100%
Konstantinos Paikos of Petros-Elias	Director, independent non-executive member, Member of the Nomination and Remuneration Committee	1 (from 4/9/2023)	100%
David Watson of Arthur	Independent Vice-Chairman, Independent non-executive Member, Member of the Nomination and Remuneration Committee	(up to 23/5/2023) 4	100%

**15.12 Information on the number of shares held by each member of the Board of Directors and each principal executive officer of the Company.**

The following table provides information on the number of shares of the members of the Board of Directors and the principal executive officers dated 31/12/2023. Indirect participations are also included in the Table.

<b>Name</b>	<b>Title</b>	<b>Position 31/12/2023</b>	<b>Indirect participation</b>
Vassilios Fourlis	Chairman of the Board of Directors, executive member	86,088	660,000
Dafni Fourli	Vice Chairman of the Board of Directors, Executive Member	8,970,116	-
Lida Fourli	Director, executive member	683,170	100,000
Dimitrios Valachis	Chief Executive Officer, executive member	-	-
George Alevizos	Chief Financial Officer (Treasury, Planning and Risk Management), Member of the Executive Committee	42,100	-
Panagiotis Katiforis	CEO HOUSEMARKET, member of the Executive Committee	28,741	-
Evangelos Batris	CEO INTERSPORT, member of the Executive Committee	9,146	-
Anestis Partalidis	Managing Director TRADE LOGISTICS, member of the Executive Committee	15.074	-
Emmanuel Vidoris	Director of Informatics, member of the Executive Committee	9,915	-
Elena Pappa	Director of Investor Relations and Corporate Communication, member of the Executive Committee	5.000	-
Maria Theodoulidou	Financial Director of Control, Financial Information and Corporate Governance, member of the Executive Committee	5,223	-

Natasha Spyrou	Director of Human Resources, member of the Executive Committee	6,000	-
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**15.13 Confirmation of the fulfillment of the conditions of independence based on article 9 of law 4706/2020 of the independent non-executive members of the Board of Directors before the publication of the annual financial report 2023.**

The Board of Directors confirmed the fulfillment of the criteria of independence based on article 9 of law 4706/2020, of the independent non-executive members of the Board of Directors, before the publication of the annual financial report 2023.

**15.14 Reports and presentations of the independent non-executive members of the Board of Directors based on article 9 of law 4706/2020**

The independent non-executive members of the Board of Directors, from the entry into force of law 4706/2020, are obliged to submit to the regular or extraordinary General Assembly of the Company reports either jointly or individually.

The content of the above reports must include, at a minimum, a report on their obligations, as described in article 7 of law 4706/2020: the non-executive members of the Board of Directors, including the independent non-executive members, have, in particular, the following obligations:

- a) Monitoring and reviewing the Company's strategy and its implementation, as well as the achievement of its objectives.
- b) Ensuring the effective supervision of the executive members, including the monitoring and control of their performance.
- c) Examining and expressing views on proposals submitted by executive members, based on existing information.

**15.15 Evaluation of the Internal Control System under article 4 of L.4706/2020 and of the decision No.1/891/30.9.2020 issued by the Hellenic Capital Market Commission.**

The Company has a specific procedure for a periodic evaluation of the Internal Control System (ICS), which shall be performed by an objective, independent, evidently certified and adequately experienced assessor, as defined in article 9 and in article 14 of L.4706/2020 and specified by the decision *Annual Financial Report for the period 1/1/2023 to 31/12/2023*

No.1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission. Further, the Company has a specific procedure for the proposal, selection, and approval of the assessor of the ICS. The procedure for periodic evaluation of the ICS specifies the objects to be evaluated, the form and the recipients of the evaluation report, the regularity, the assignment procedure to an independent assessor and the subsidiaries included in the evaluation.

### **Objects of Evaluation of the ICS**

The objects of the ICS evaluation as specified in the evaluation procedure of the Company's ICS are the following:

#### Control Environment

The evaluation of the control environment of the Company focuses:

- On the integrity and ethics framework, in respect of which the decisions of the Board of Directors are taken and on the monitoring procedures for the faithful compliance with the aforementioned values;
- On the organizational structure of the Company through which the fields of responsibility of the business units-directions are delimited and the control of their works and their lines for reporting are specified;
- On the structure, organization and operation mode of the Board of Directors, in relation to the links to the executive management, to the supervision of the ICS and to its composition;
- On the corporate liability with which the senior executive management of the Company has established its organizational structure for the achievement of the corporate goals;
- On human resources, in relation to hiring, remuneration, training and performance evaluation policies.

The control environment is the foundation of the Internal Control System (ICS) applied by the Company. It affects the way business strategies and goals are developed, the structure of corporate processes as well as the process of identification, evaluation and overall management of business risks. It also affects the design and operation of control activities, information & communication systems as well as the monitoring mechanisms of the Internal Control System (ICS).

The control environment is essentially the aggregate of many sub-elements that determine the overall organization and management and operation of the Company.

#### Risk Management

The evaluation of the ICS focuses on the risk identification procedures (risk assessment), on the Company's management and response procedures to these risks (risk response) and on risk monitoring and development (risk monitoring).

More specifically, the role, the operation and the responsibilities of the Risk Management Unit is evaluated, as well as the policies applied by this Unit (RMU).

The adequacy and effectiveness of the Company's Internal Control System (ICS) is based on: a) the nature and extent of the risks it faces; b) the extent and categories of risks that the Board of Directors deems acceptable to undertake; c) the possibility of realisation of the above risks; d) the Company's ability to reduce the impact of the risks that are ultimately realized; and e) the operating costs of specific control activities, in relation to the benefit of risk management.

Risk assessment requires the determination of objective business goals set by the Company's executive management. Based on these, the important events that may affect them should be identified, the relevant risks assessed and the Company's response to them determined.

#### Control Activities

The evaluation of the control activities of the ICS focuses on conflict-of-interest, separation of duties and information system security issues of the Company.

Control Activities are the policies, procedures, techniques, and mechanisms that are put into operation to ensure that the decisions of the Board of Directors regarding the management of risks that threaten the achievement of the Company's objective goals are implemented. They concern the entire Company and are executed by the executives of all levels (Board of Directors, Management, other employees) and in all corporate operations.

Control Activities consist of many categories of actions that vary in cost and degree of effectiveness, depending on the circumstances. They include approvals, authorizations, confirmations, operational performance reviews and asset security. They are part of the day-to-day work of employees and are integrated into corporate policies and procedures, which should be reviewed periodically in order to be properly updated.

Each applicable control activity should be associated with the existence of relative risk, as otherwise its operation burdens the company with costs (direct or indirect), without providing benefits in terms of achieving its business goals. The cost-benefit ratio is considered when choosing among possible alternative control activities to cover a risk.

#### Information & Communication System

The evaluation of the Company's ICS, as regards the effectiveness of information and communication, focuses on the effectiveness of the development and transmission procedure both of the financial and nonfinancial information.

An element of the Internal Control System (ICS) is the way in which the Company ensures the recognition, collection and communication of information, at such a time and in a way that allows its various executives to perform their responsibilities. This flow may run in all directions, inside (from top to bottom, from bottom to top, horizontally) and outside the Company towards shareholders, investors and supervising authorities.

### Monitoring of the ICS

The evaluation of the Company's ICS also aims at the effective function of the Company's mechanisms and structures, assigned with the continuous evaluation of the ICS data and specifically at the effective operation of the Audit Committee, the Internal Audit Department and the Regulatory Compliance Unit.

The monitoring of the Internal Control System (ICS) of the Company lies in the continuous evaluation of the existence and operation of the components of the internal control framework. This is achieved through a combination of ongoing monitoring activities as well as individual evaluations. The identified deficiencies of the Internal Control System should be communicated to the highest levels of the Company, whereas the most important of them should be communicated to the top management and the Board of Directors.

As regards the Audit Committee, the evaluation focuses on monitoring of the effectiveness of the entire ICS, assigned to the Committee.

As regards the Internal Audit Department, the evaluation focuses on compliance with articles 15 and 16 of L.4706/2020, and particularly:

- On the establishment and implementation of the approved by the Company's BoD Charter of Operation of the Internal Audit Unit;
- On the incorporation of operation of the Internal Audit Unit inside the Company's governance framework, on its organizational independence and staffing adequacy;
- On the review of tools and techniques used by the Internal Audit Unit;
- On the review of knowledge and qualifications of the personnel employed in the Internal Audit Unit;
- On random review of the audit report of the Internal Audit Unit of the Company and its subsidiaries regarding their timely submission as well as their proper preparation and completeness under the provisions in article 16 of L.4706/2020.

As regards the Regulatory Compliance Unit, the evaluation focuses on compliance with the provisions of corporate governance of L.4706/2020, and particularly:

- On its independence, access option to all required information sources, timely and valid communication of its findings, and on its training and information for the purpose of monitoring of the effective adoption and strict implementation of the changes made in the regulatory framework;
- On the staffing adequacy with personnel having sufficient knowledge and experience for the effective arrangement and fulfillment of the said duties and responsibilities;
- On the establishment of an approved by the Audit Committee annual action plan and on the monitoring of its implementation.

### **Periodic evaluation of the Internal Control System (ICS)**

The periodic evaluation of the Internal Control System (ICS) is carried out in particular as regards the adequacy and effectiveness of financial and non-financial information, on a separate and consolidated basis, as regards the risk management and the regulatory compliance, in accordance with recognized evaluation and internal control standards, as well as the implementation of the corporate governance provisions of the current legal framework. The evaluation of the Internal Control System is performed by an independent person who has proven relevant professional experience, according to the best international practices (indicatively but not limited to the International Auditing Standards, the International Professional Standards Framework for Internal Audit and the Internal Control System Framework of the Committee (COSO).

The Company's Board of Directors is responsible for the adequate and effective functioning of the Corporate Governance System and of the Internal Control System, as this is specified in articles 1 to 24 of L.4706/2020. In the context of this responsibility the BoD determines that the periodic evaluation of the ICS shall be made every three (3) years with reference period the one from 17/7/2021 until 31/12/2022 and estimated evaluation date within 2023.

In any case, the evaluation of the ICS constitutes part of the entire evaluation of the Company's Corporate Governance System, pursuant to article 4 par.1 of L.4706/2020. The Company's Corporate Governance System is going to be evaluated under relevant provisions within 2023 with reference date the 31<sup>st</sup>/12/2022.

The following table summarizes the dates of first evaluation of the Corporate Governance System and of the Internal Control System:

System	Evaluation Date	Reference Date
Corporate Governance	Within 2024	31/12/2023
Internal Control	Within 2023	31/12/2022

The Company's BoD is obliged to cooperate with the Hellenic Capital Markets Commission in case that the latter requests the ad hoc evaluation of the Company's ICS.

### **Procedure for the Assignment of Evaluation of the ICS**

The proposal, selection, approval and, finally, assignment procedure for the evaluation of the ICS opens with the order of the Company's BoD to the Chief Executive Officer, so that the latter can collect three (3) written and signed offers by objective, independent, evidently certified, and adequately experienced assessors. The Assessors are legal entities or natural persons or an association of individuals.

Subsequently, the Company's Chief Executive Officer assisted by the Company's Chief Financial Officer shall collect three (3) written and signed offers by assessors meeting the following specific regulatory criteria as these are clearly specified in article 9 of L.4706/2020 and in the decision No. 1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission:

- Independence (article 9 of L.4706/2020). As independence indications are indicatively mentioned:  
*Annual Financial Report for the period 1/1/2023 to 31/12/2023*

- ✓ The non-holding, directly or indirectly, of a voting-right share equal to more than zero comma five percent (0,5%) of the Company's share capital;
- ✓ Relief from financial, business, family, or other kind of dependency relations with the Company, its Board of Directors, or its senior executive officers, which may affect their decision-making.

Objectivity (decision No. 1/891/30.9.2020). Impartial attitude and mindset. In respect of ensuring independence and objectivity, the evaluation of the ICS cannot be performed by the same Assessor for a third consecutive evaluation.

- Certification and adequacy of knowledge and resources (decision No.: 1/891/30.9.2020). The head of the working group for the evaluation of the ICS and in any case the signatory of the evaluation must have the proper professional certifications (according to the professional standards invoked by the aforementioned person) as well as documented related experience (such as for example on ICS evaluation projects and evaluation of corporate governance structures). Further, the Assessor takes all necessary steps, so that upon execution of his/her work the participating persons have proper knowledge and experience in relation to the duties assigned to them and so that he uses and applies appropriate quality assurance systems, adequate human and material resources and procedures, in order to guarantee afterwards the normality and quality of execution of the relevant works.

The next step of the assignment procedure is the proposal of the Company's Chief Executive Officer to the Company's Audit Committee as to the proper assessor under regulatory criteria aforementioned, but also under technical and financial criteria.

The Company's Audit Committee reviews the proposal of the Chief Executive Officer and, in its turn, makes a proposal to the Company's BoD, that is the final responsible organ for the selection of an assessor and for the assignment of the ICS evaluation project.

The selected assessor in turn starts working on the project, which is finalized upon issuance of the evaluation report described below.

### **ICS Evaluation Report and Recipients**

The ICS Evaluation results in a concise but also detailed report covering the aggregate findings and possible risks in relation to the evaluation objects. The two reports necessarily mention the date and time of their drafting, the evaluation reference date and the period covered.

The recipients of the concise and detailed report are the Board of Directors and the Company's Audit Committee.

The Company promptly submits to the Capital Market Commission, and in any case within three (3) months from the reference date of the Evaluation Report, the Summary of the Report and, if required, its entire text.

The annual Corporate Governance Statement includes a relevant reference on the results of the Evaluation Report.



### **Significant Subsidiaries included in the Evaluation of the ICS**

Pursuant to article 2 of L.4706/2020, the term “significant subsidiary of the Company” means the one that influences or may substantially influence the Company’s financial status or its performance or its business activity or its financial interests in general. Moreover, under the decision No.1/891/30.9.2020 of the Board of Directors of the Capital Market Commission, the evaluation of the ICS includes as regards the object and regularity of control the significant Company’s subsidiaries.

The Company determines as significant subsidiaries those subsidiaries, which cumulatively meet the following criteria:

- Their contribution in the total turnover is at least 25% and
- Their contribution in the total assets is at least 25% and
- Their contribution in the total human resources is at least 25%.

These criteria are reevaluated every three years.

In respect of the first evaluation of the Corporate Governance System and of the Internal Control System, HOUSEMARKET SA is defined as a significant subsidiary of the Company.

### **First Evaluation of the ICS**

The first evaluation of the ICS has been assigned to Grant Thornton following its offer as of 5/9/2022.

**The purpose** of Grant Thornton SA’s work (with TIN 094399329) is that the Company obtains the guarantee on behalf of your Company regarding the adequacy and effectiveness of the ICS of the Company, under the provisions of article 14 par.3 lit. i. and par.4 of L.4706/2020, the Decision No.1/891/30.09.2020 of the Board of Directors of the Capital Market Commission, as well as the Decision No.2/917/17.06.2021, which amended the Dec. No.1/891.

**The entire project was directed by Mrs Athina Moustaki**, Partner, with Reg.No.28871 in the Registry for Certified Public Auditors, who participated in every stage of the project and was responsible for the final approval and signing of the deliverables.

Athina is a Partner of Grant Thornton in Greece, in which she is working for a period of over 20 years. Currently, she is the head of the Environmental, Social, Governance, Risk & Compliance Services Department (ESGRC). Mrs. Moustaki has many years of experience in the provision of auditing and consulting services at various bodies and organisations in the private, public as well as financial sector. More specifically, as regards the financial sector, she has worked on the audit of financial statements, due diligence, corporate governance, evaluation of internal control systems, regulatory compliance reviews, internal control services, consulting services about the development of undertakings and risk management. She has been engaged in numerous projects, as an Engagement Partner, in relation to corporate governance, risk management and regulatory compliance at the following companies: NBG, Systemic Bank (Confidential), Piraeus, Attica Bank, Investment Bank of Greece, Emporiki Bank, Marfin

Egnatia Bank, HSBC Greece, ETEAN, Thea Artemis, B2Kapital, Engineers and Public Works Contractors Fund (EPWCF), Attica Bank Properties, PRODEA, PREMIA, ALUMIL, LAZARIDIS, P. Petropoulos, LAMPSA, SARANTIS, etc. Mrs. Moustaki has led the teams at the Monitoring Trustee projects at two out of the four systemic banks in Greece (Eurobank Ergasias and National Bank of Greece) on behalf of the European Commission in the period 2013-2021. Mrs. Moustaki is a Certified Public Auditor-Accountant with the Reg.No. 28871 in the Registry for Certified Public Accountants. She holds the professional certification CPA (Institute of Certified Public Accountants of Greece). She is a member of the Economic Chamber and of the Greek Institute of Certified Public Accountants (SOEL). In addition, she holds an EMCC (European Mentoring and Coaching Council accreditation). Mrs Moustaki is a member of the Internal Auditors Registry kept in the Ministry of Finance.

In relation to the issue of **independence** Grant Thornton confirms that both its organization (company) or/and the individuals employed by it do not have any kind of relationships, nor have they entered in any kind of transactions, nor have they any financial interest to be gained by the Company, which prohibit G.T. from providing the specified Services, as imposed by Grant Thornton's Ethics Practices, as well as by the Code of Professional and Business Ethics and Conduct, as applicable by the International Federation of Accountants. In case that conditions threatening the independence have been witnessed, Grant Thornton is committed to take all necessary steps for the elimination to a tolerable degree or the extinction of the risk of undermining its independence. Furthermore, G.T. has the right to terminate the relevant Agreement signed and executed with the Company with immediate effect, in its entirety or partly, provided it reasonably concludes that it can no longer provide its Services under the applicable law or our professional obligations.

The **methodological approach** included four (4) stages:

- Investigation and Evaluation of the currently existing situation.
- Determination of gaps (deficiencies/ incapacities) and preparation of a special gap analysis report.
- Communication and re-examination and review of findings with competent units of the Company.
- Drafting of an Evaluation Report of the ICS.

**The conclusion of the Evaluation Report for the Adequacy and Effectiveness of the ICS was unconditional**, given that no substantial gaps and deficiencies have been detected and the relevant Detailed Report dated 6/3/2023 has been submitted to the Board of Directors and to the Company's Audit Committee, whereas its Summary shall be filed to the Capital Market Commission, within the deadlines prescribed by L.4706/2020 and in the decision No.1/891/30.9.2020 of the HCMC (Hellenic Capital Market Commission).

## **15.16 Evaluation of the Corporate Governance System based on article 4 of L.4706/2020**

### **First Evaluation of the CGS**

The evaluation of the CGS is performed internally by the Internal Audit Department of the Company, with the assistance of any other Departments required and the supervision of the Audit Committee.

According to the Policy and Procedure for the periodic evaluation of the sufficiency and effectiveness of the Corporate Governance System established and applied by the Company and approved by the Board of Directors (BoD) on 15/5/2023, an evaluation of the Company's compliance with the applicable institutional and supervisory corporate governance requirements (Law 4706/2020 and HCMC BoD Decision No. 1/891/30.09.2020) was performed, so that the adverse effects arisen from any failures of compliance with the above requirements could be handled.

Pursuant to L.4706/2020 (article 4 par. 1) «The Board of Directors specifies and oversees the implementation of the Corporate Governance System provided in articles 1 to 24, monitors and evaluates periodically at least every three (3) financial years its implementation and effectiveness, taking appropriate steps to address any deficiencies». In the above context, the determination of the evaluation range of the CGS is made by the BoD, which is supported by the Financial Planning Department, and by the Company's Audit and Corporate Governance Department.

#### Audit Range & Methodology

The scope of the specific work was the evaluation of the sufficiency and effectiveness of the Company's Corporate Governance System (CGS), according to the provisions of:

- i. The Policy and Procedure for the periodic evaluation of the sufficiency and effectiveness of the Corporate Governance System of FOURLIS HOLDINGS SA;
- ii. Law 4706/2020;
- iii. The Decision No. 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission;
- iv. The Hellenic Corporate Governance Code issued by the Hellenic Corporate Governance Council,

and based on the Report and the results of the Evaluation of the sufficiency and effectiveness of the Internal Control System prepared by Grant Thornton, which was completed in March 2023 and the reports and annual reports of the Internal Audit Unit for the years 2021 & 2022. The evaluation period commences on 17/7/2021 and ends on 31/12/2022 and the reporting date is specified to be the 31<sup>st</sup> of December 2022.

Specifically, the following fields were evaluated:

1. Evaluation of the sufficiency and effectiveness of the Internal Control System (ICS);
2. Adherence to approved and updated procedures for conflict of interests and assurance that any conflict-of-interest cases have been detected, investigated and handled withing a reasonable period of time;
3. Sufficiency and effectiveness of communication mechanisms with the shareholders;

4. Compliance with an approved and updated remuneration policy in accordance with the requirements of the institutional and supervisory framework, as well as its implementation on the remunerations (ordinary and extraordinary) of the persons falling under the scope of application of this policy;
5. Compliance with an approved and updated fit and proper policy and implementation of the fit and proper evaluation criteria;
6. Composition, organisation and functioning of the BoD;
7. Organisation and functioning of the BoD's Committees;
8. Adherence to an updated and approved by the competent body Charter of Operations of the Company, in compliance with the minimum content specified by the relevant institutional and supervisory framework, and of its major subsidiaries;
9. Compliance with the provisions of Art. 22 of L.4706/2020 in cases of increases of the share capital with cash payment or issue of a bond loan after a public offer and publication of a prospectus;
10. Compliance with the provisions in cases of distribution of assets, by one or more transactions, falling under the rules of Article 23 of L.4706/2020;
11. Adoption and implementation of a corporate governance code prepared by a prestigious institution.

The Audit was performed under the International Standards for the Professional Practice of Internal Auditing, as these have been specified by the Institute of Internal Auditors. According to these Standards it is required that the Audit is scheduled and performed, in order to form a reasonable, but not absolute, opinion as to whether the audited area's internal control system is sufficient, effective or / and efficient, as regards all its significant parts.

#### Conclusion

Based on the work carried out, as well as the evidence obtained, regarding the evaluation of the sufficiency and effectiveness of the Company's CGS, with reporting date the 31<sup>st</sup> of December 2022, nothing that could be considered a material deficiency of the Company's CGS has come to the attention of the Internal Audit, in accordance with the Regulatory Framework.

Within this analytical report, further findings have been recorded and included, which do not constitute significant deficiencies or weaknesses, as provided by the Regulatory Framework, accompanied by relevant analyses, risks and the consequences arising from them as well as the response of the Company's Management to them, including relevant action plans with clear timetables, where it is deemed necessary.

The relevant Detailed Report dated 31/8/2023 was submitted to the Board of Directors and to the Company's Audit Committee.

**16. Report of the Acts of the Audit Committee of FOURLIS SA HOLDINGS for the year 2023 (1/1-31/12/2023)**

**To the regular General Meeting of Shareholders of the year 2024**

Dear Shareholders,

This report of the activities of the Audit Committee concerns the period of twelve months of the closed year (1/1-31/12/2023). The report was prepared and is harmonized with the provisions of law 4449/2017 as amended by article 75 of law 4706/20120 and aims to inform you about the activities of the Audit Committee based on its responsibilities.

In more detail:

During the year 2023, the Audit Committee met five(5) times.

Depending on the topics of the meetings, the Directors who are responsible for Financial Reporting, Risk Management, Regulatory Compliance, Corporate Governance, Sustainable Development and CSR were invited to participate, as well as the Certified Public Accountants - Auditors.

The relevant information material (internal audit reports, administrative reports, auditors' reports and presentations, financial and non-financial information, etc.) was distributed in a timely manner to the members of the Committee for study so that they could express substantiated views. Minutes were kept for the meetings of the Audit Committee in which the issues discussed and approved by the present Members were recorded and notified to the Board.

The Audit Committee consists of three independent non-executive members of the Board. The members of the Audit Committee as a whole, have proven sufficient knowledge in the field in which the company operates, while the Chairman and a member of the Committee have sufficient knowledge and experience in auditing and accounting.

External evaluation of the Audit Committee has been carried out by the company Grant Thornton, during the evaluation of the Internal Control System based on article 14 par. 3 lit. (i) of law 4706/2020. The conclusion of the evaluation report of adequacy and effectiveness of the Internal Control was unconditional.

The Audit Committee has also proceeded to a self-evaluation of its effectiveness and the results were discussed at the Board of Directors' meeting on 20/3/2024.

In the exercise of its responsibilities, the Audit Committee had unhindered and full access to all the necessary information and was provided with the necessary resources and infrastructure for its efficient operation.

The role of Secretary of the Committee is performed by the Secretary of the Board of Directors of the Company who attends all its meetings and keeps the minutes of the Committee.

The Audit Committee informed the Board of Directors in writing about the results of all its actions with its findings and submitted specific proposals for the implementation of corrective actions, where it deemed appropriate.

In addition, during the year 2023:

**1.** With regard to the supervision of the regular audit, the Audit Committee:

- Proposed to the Board of Directors the reappointment of the auditing company EY for the mandatory audit of the Company and the consolidated financial statements for the year 2023 as well as for the approval of the remuneration and the terms of employment of the regular auditor based on article 44 of law 4449/2018, as applicable.
- Met once (1) with the chartered public accountant of FOURLIS HOLDINGS SA, before the publication of its semi-annual financial statements.
- Met once (1) with the chartered public accountant of FOURLIS HOLDINGS SA, before the publication of its annual financial statements.
- Meet once (1) with the certified public accountant of FOURLIS HOLDINGS SA for purposes of information on the schedule and scheduled end-of-year audit procedures 2023.
- Examined the audit program and the audit approach of the mandatory audit of EV for the year 2023.
- Upon completion of the annual statutory audit and the semi-annual review, it received from the regular auditor the supplementary report under Article 11 of Regulation (EU) 537/2014 with the results of the statutory audit and the confirmation of its independence and informed the Board about with the above.
- Examined and monitored the independence of the regular auditor and the objectivity and effectiveness of the audit process, taking into account the relevant professional and regulatory requirements in Greece.
- Monitored the services provided by the Certified Public Accountants in the context of the statutory audit and evaluated their performance, taking into account any findings and conclusions of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB).
- Reviewed and monitored the implementation of the procedure "Approval of receipt of non-audit services by the audit company that performs the mandatory audit of the individual and consolidated financial statements of the Group companies", approving the receipt of non-audit services to ensure the independence of the Certified Public Accountants - Auditors. For the Group, the percentage of other fees (non-audit services) in relation to the audit services amounted to 2% and for the Company to 6%.

**2.** Regarding the financial information process and the system of internal control, regulatory compliance and risk management, the Audit Committee:

- Before their approval by the Board of Directors, examined the financial statements (corporate and consolidated) of FOURLIS HOLDINGS SA, and taking into account the content of the supplementary report of the Certified Public Accountant - Auditor, positively assessed their completeness and consistency and informed the Board.
  - Was informed extensively by the competent bodies of the Management and the certified public accountants - auditors about the important control issues, the important crises, assumptions and estimates during the preparation of the financial statements.
  - Evaluated the adequacy and effectiveness of the Internal Control System, taking into account the content of the audit reports of the Internal Audit Department.
  - Evaluated the adequacy and effectiveness of the Risk Management System. Specifically, regarding the management of the main risks and uncertainties of the Group, the Audit Committee evaluated the methods used to identify and monitor the risks, the treatment of the main ones through the Internal Control System and the Internal Audit Department as well as their proper disclosure in the published financial information.
  - Evaluated the adequacy and effectiveness of the Regulatory Compliance System
  - Approved the policy and evaluation process of the Corporate Governance System based on Article 4 of Law 4706/2020.
  - Approved the selection procedure of the External Auditor for the year 2024 and the formation of the relevant RFP. .
  - Selected the companies to which the RFP will be sent and participated in all steps of the selection procedure until the formation of the appointment proposal to the BoD.
  - Selected the short-listed companies for the final selection of the External Auditor for the fiscal year 2024.
  - Monitored the entire progress of the project for the selection of the External Auditor for the fiscal year 2024 and regularly informed the Board of Directors.
  - Evaluated the effectiveness of the Corporate Governance System monitoring the task assigned to the Head of the Internal Audit Department and presented the results to the BoD.
- 3. Regarding the supervision of the Internal Audit Department, the Audit Committee:**
- Approved the annual audit program of the Internal Audit Department, evaluating the process of its formulation. It confirmed that the annual audit program 2023 was prepared based on the main risk categories (society and people, strategy, profitability and cash flow, reputation & conduct, regulatory compliance, customers, health and safety, development and competition, technology, operations) ) faced by the Group companies and systematic application of the COSO ERM methodology that has been adopted.

- Monitored the implementation of the annual audit plan and evaluated the effectiveness of the Internal Audit Department, through the quarterly reports of the Head of Management and the annual report.
- Monitored the progress and effectiveness of the audit work, evaluating, through the quarterly reports, the findings identified, the corrective actions agreed to address the findings and the progress of their implementation.
- Evaluated issues identified by the audits of the Internal Audit Department and made specific proposals for further action to introduce new procedures and controls to eliminate the weaknesses identified, where necessary.
- Reviewed proposals of consulting companies for the co-sourcing of internal audit tasks.
- Monitored the process of receiving bids for the external evaluation of the Internal Audit Department.
- Approved the revision of the Internal Audit Manual.
- Confirmed that the current version of the Charter of Operation of the Internal Audit Department is uploaded on the website (<http://www.fourlis.gr>).
- Assured the adequacy of the resources of the Internal Audit Department and was informed about the training plan of its executives.

#### **4. Regarding sustainable development**

The Audit Committee was informed about the Sustainable Development Policy and the actions of the Group in matters of sustainable development as well as about the objectives that have been set and analyzed in the Sustainable Development Report.

The company, recognizing that the principles of Sustainable Development are an element of its responsible course and continuous development, has developed a Sustainable Development Policy that is inextricably linked to its values and mission.

More specifically, the **Sustainable Development Policy** provides for the following:

At FOURLIS Group we operate responsibly, we are constantly evolving and we move in all our countries of activity with dedication to our Values and guided by respect for our employees and all our stakeholders, the support of society and the protection of the environment, aiming at sustainable development at economic, social and environmental level.

#### **Our Values**

Integrity, Mutual Respect, Efficiency



### **Our mission**

To create additional value for our customers, our people, our shareholders and society, by providing products and services for a better life.

### **For our People**

- We take care of the creation and preservation of jobs with the development of our activities in Greece and abroad.
- We respect, defend and promote internationally recognized human rights through the policies we adopt and the initiatives we take.
- We offer a work environment of meritocracy and equal opportunities, with policies of fair recruitment, reward and professional development, to all our human resources, without any discrimination.
- We invest in the continuous training and development of our human resources, as well as in its systematic and meritocratic evaluation.
- We apply a Health and Safety Policy for all the companies of the Group in all the countries of its activity, providing a healthy and safe working environment.
- We offer health benefits to our employees and personalized support in cases of serious health issues and affected by natural disasters.
- We encourage and promote the volunteering of our employees.

### **For the community**

- We are constantly informed about the needs of the citizens and the societies in which we operate through institutionalized channels of communication and consultation.
- We evaluate and prioritize the needs and then design and implement programs and actions based on meeting the real and important needs of each local community, the number of beneficiaries and the nature of our activities.
- We implement social actions which are in line with the social responsibility strategy of our Group (support of vulnerable social groups and especially children).
- We respond to emergencies (eg pandemics, natural disasters), in addition to the standard planning of the social responsibility plan.

## **For the market**

### **Economic development**

- We aim at achieving positive financial results, the continuation of strictly selected investments and the exploitation of new investment opportunities.
- We invest in technology and upgrading of our services, following the rapid changes in consumer habits and the physiognomy of the retail trade, seeking to meet the growing expectations of consumers and create a positive experience for the customer.
- We take care of the continuous improvement of the relations with our suppliers, through the communication of the terms of cooperation and the basic framework of principles and values that should govern the cooperation between us.
- We offer quality and affordable products.

### **Corporate governance**

- We comply with the legislation and apply control activities of compliance with the rules concerning the activity of all the companies of the Group.
- We have developed and implemented a Code of Conduct and related policies.
- We have adopted the Hellenic Corporate Governance Code for listed companies.
- We adopt a corporate structure and governance that allows for a close relationship with investors, with the ultimate goal of creating further value for shareholders.
- We assess and manage business risks in order to safeguard the interests of all our stakeholders.
- We have committees, take action and follow policies and procedures to enhance transparency and prevent and combat fraud, corruption and bribery and any conduct contrary to the Code of Conduct.

### **Health, safety and accessibility of customers and visitors**

- We apply a Health and Safety Policy for all the companies of the Group in all the countries of its activity.
- We provide a healthy and safe environment for partners and visitors to our facilities.
- We take care of the possibility of safe stay and movement and the facilitation of people with disabilities in our facilities.
- The products traded by the Group companies meet the international quality and safety standards.

### **For the environment**

- We implement actions for the protection of the environment that go beyond the limits of compliance with the legislation.
- We focus on actions to reduce our environmental footprint, on the proper energy management and the reduction of greenhouse gas emissions, the saving and recycling of natural resources, the responsible water consumption.
- We offer products that contribute to a sustainable lifestyle.
- We raise awareness of employees, customers and the public on environmental issues and the adoption of a sustainable lifestyle.
- For all the above issues, we set individual goals for sustainable development, which we evaluate on an annual basis in terms of their effectiveness and review them, when and where necessary, aiming at continuous improvement.

### **In addition, in the FOURLIS Group**

- Since 2008 we have been a signatory to the United Nations Global Compact and we are committed to adopting, supporting and promoting, through our business activity, its 10 Principles.
- We carry out a substantive analysis, in the context of the continuous improvement of the Group's approach to issues of sustainable development and social responsibility, in order to prioritize the Group's issues that have the most important economic, social and environmental impacts, but also those that significantly affect its stakeholders.
- We link the essential issues to the Sustainable Development Goals (SDGs) of the UN, contributing to their achievement through responsible operation, our programs and related results.
- We inform our stakeholders about the ongoing work in the field of Sustainable Development, publishing an annual Report in accordance with internationally accepted standards of Sustainable Development.

The Management is committed to the implementation of the Sustainable Development Policy, at all levels, companies and areas of activity of the Group.

The Sustainable Development and Social Responsibility Report issued by the Group, already for the fourteenth (14th) year and prepared according to the standards for the preparation of Sustainable Development Reports (GRI Standards, edition 2016), presents in detail the practices followed and the results that have been achieved in matters of interest to our Social Partners, for the development of a responsible business environment.

The FOURLIS Group has adopted the ESG Information Disclosure Guide of the Athens Stock Exchange (<https://www.athexgroup.gr/el/web/guest/esg-reporting-guide>). The annual Progress Reports of the

FOURLIS Group as well as the Sustainable Development and Social Responsibility Reports that include the Progress Report (COP) of the Group regarding the 10 Principles of the Universal Pact, are available on the website (<http://www.fournalis.gr>).

The issues of sustainable development are discussed at least once a year in the Executive Committee in which executives of the Group companies participate, as well as executive members of the Board of Directors, who in turn transfer the issues of sustainable development to the other Members of the Board, in order to according to the results of the materiality analysis, set the priorities and set the respective goals. The essential issues of the FOURLIS Group are the regulatory compliance and business ethics, ensuring the health and safety of customers and visitors, the creation and distribution of immediate economic value to stakeholders, job creation, compliance, labeling and responsible product communication, advocating for the health, safety and well-being of workers, active and responsible social contribution, advocating for human rights at work and investing in education and development of workers. The Audit Committee evaluated the above and concluded that the Group's actions, its organization as well as the policies and procedures in force, constitute an adequate framework and promote sustainable business and a better future for all the Social Partners and the Group.

The current version of the Charter of Operation of the Audit Committee is uploaded on the website (<http://www.fournalis.gr>).

Kifissia, April 8 2024

The Audit Committee

**17. Significant events after the date of preparation of the Annual Financial Statements for the year from 1/1/2023 - 31/12/2023**

There are no other events after 31/12/2023 that significantly affect the financial situation and the results of the Group except for the following:

- On 22/3/2024, a bond loan of EUR 50 million with a term of (3) three years was issued by the subsidiary HOUSEMARKET SA.

Kifissia, 8 April 2024

The Board of Directors

The Financial Statements (Consolidated and Corporate) listed on pages 265 to 360, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, approved by the Board of Directors on 08/4/2024 and signed by:

Chairman of the Board of Directors

CEO

Vassilis St. Fourlis  
ID No. AM - 587167

Dimitrios Efst. Valachis  
ID No. AO - 607683

Finance Manager Controlling and Planning

Chief Accountant

Maria I. Theodoulidou  
ID No. T - 134715

Sotirios I. Mitrou  
ID No. AI – 557890  
Ch. Acct. Lic. No. 30609 A Class

**THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of FOURLIS HOLDINGS S.A.**

### **Report on the Audit of the Separate and Consolidated Financial Statements**

#### **Opinion**

We have audited the separate and consolidated financial statements of Fournalis Holdings S.A. (the Company), which comprise the separate and consolidated statement of financial position as of December 31, 2023, and the separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the separate and consolidated financial statements present fairly in all material respects the financial position of Fournalis Holdings S.A and its subsidiaries (the Group) as at December 31, 2023 and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in Greek Law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We remained independent of the Company and Group throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, together with the ethical requirements that are relevant to the audit of the consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the separate and consolidated financial statements.

Key audit matter	How our audit addressed the Key audit matter
<b>Valuation of inventories (consolidated financial statements)</b>	
<p>In the consolidated statement of financial position of December 31, 2023, the Group presents inventories amounting to €89,7 million, which includes a provision for impairment of €6,1 million.</p> <p>As described in Note 3.13 of the consolidated financial statements, the Group records inventories at the lower of cost or net realizable value.</p> <p>Critical judgement and estimates are exercised by the Group management in identifying and assessing the amount of allowance for inventories, which include among other, estimation of the slow-moving inventories, estimation of obsolete inventories that will be destructed during the following period, evaluation of seasonality and estimation of the future selling prices of the products.</p> <p>We consider that because of the judgment involved in inventory valuation and the assumptions used by management, in combination with the significance of the amount of inventories to the Group financial statements, valuation of inventories is a key audit matter.</p> <p>Group discloses the related accounting policies and estimates, and the assumptions used for inventory valuation, in Notes 2.2, 3.13 and 13 of the consolidated financial statements.</p>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Historical costs and margins were tested on a sample basis through reconciliation of purchase cost and margins with the original purchase invoices and sales invoices.</li> <li>• We recomputed on a test basis the weighted average valuation method that is used to value inventories.</li> <li>• We assessed whether there were inventories which were sold with a negative margin and whether this was considered for inventory valuation at the lower of cost or net realizable value.</li> <li>• At year end, we attended on a part of inventory counts in Group stores and distribution centers, to validate on a sample basis whether there were indications of obsolesce.</li> <li>• We assessed management's estimations for slow moving inventories through observing on a sample basis historical sales and seasonality.</li> <li>• We evaluated the historical accuracy of allowance of inventories assessed by management by comparing on a sample basis the actual loss from inventory destruction, inventory write offs or other entries related to inventories to the historical allowance.</li> <li>• Furthermore, on a sample basis, we validated the mathematical accuracy of management's calculations for inventory provision.</li> <li>• We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.</li> </ul>

Key audit matter	How our audit addressed the Key audit matter
<b>Impairment exercise on stores, right of use assets related to stores, and stores within assets held for sale (consolidated financial statements)</b>	
<p>Financial statement line items "Property plant and equipment" and "Right of Use assets" on December 31, 2023 include net book value of stores amounting to Euro 56 million and Euro 131 million respectively. In addition, the line item "Assets held for sale" of Euro 477 million, includes store assets of Euro 155 million of a subsidiary of the Group under the name "TRADE ESTATES Real Estates Investment Company", as detailed in note 9 of the consolidated financial statements. The</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the Group policies to identify the Cash Generated Units.</li> <li>• We evaluated the Group policies to identify triggering events for potential impairment of assets in each Cash Generated Unit.</li> <li>• We reviewed the data used by management for the assessment on the Cash Generating Units to identify impairment indicators with a reporting date of December 31, 2023.</li> </ul>



<p>above constitute significant assets of the Group.</p> <p>The Group, in most cases, considers that each store is a Cash Generating Unit, or based on facts and circumstances, a Group of stores is considered as a Cash Generating Unit.</p> <p>In accordance with IFRS, where there are indications for impairment the Group performs an impairment exercise at Cash Generating Unit Level.</p> <p>Due to the material carrying value of those assets as well as the judgment and assumptions involved in the identification of any impairment indication and the assessment exercised whether there is a need of impairment or not, we consider the impairment exercise on stores a key audit matter.</p> <p>The impairment test as at 31 December 2023 did not result in impairment loss for the property, plant and equipment related to stores, ROU, other assets and assets held for sale.</p> <p>Group discloses the related accounting policies and estimates, and the assumptions used for the impairment exercise on stores, in Notes 2.2, 3.3, 3.6, 3.7, 3.9, 3.16, 7, 8 and 9 of the consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>• We reviewed the calculations included in Management's assessment and confirmed their clerical accuracy.</li> <li>•</li> <li>• For the assets held for sale, we assessed at December 31, 2023: (a) the Group's evaluation of the measurement of those assets at the lowest between their carrying amount and their fair value less costs to sell, and (b) the fair value of those assets, where we included the support of our valuation specialists.</li> <li>• We also assessed the adequacy of the disclosures which are included in the notes to the consolidated financial statements.</li> </ul>
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## Other information

Management is responsible for the other information in the Annual Report. The other information, includes the Board of Directors' Report, for which reference is also made in section "Report on Other Legal and Regulatory Requirements", the Statements of the Members of the Board of Directors, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Management and Those Charged with Governance for the Separate and Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (Art. 44 Law 4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated in Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as incorporated in Greek Law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

## **Report on Other Legal and Regulatory Requirements**

### **1. Board of Directors' Report**

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report and Corporate Governance Statement that is included therein, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

- a) The Board of Directors' Report includes a Corporate Governance Statement that contains the information required by article 152 of Law 4548/1920.
- b) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 and 153 and paragraph 1 (c and d) of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the separate and consolidated financial statements for the year ended December 31, 2023.
- c) Based on the knowledge and understanding concerning Furlis Holdings S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement.

### **2. Additional Report to the Audit Committee**

Our opinion on the separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Group, in accordance with Article 11 of the EU Regulation 537/2014.

### 3. Provision of Non-audit Services

We have not provided any prohibited non-audit services per Article 5 of the EU Regulation 537/2014.

Non-audit services provided by us to the Company and its subsidiaries during the year ended December 31, 2023, are disclosed in note 6 of the separate and consolidated financial statements.

### 4. Appointment of the Auditor

We were firstly appointed as auditors of the Company by the General Assembly on June 11, 2010. Our appointment has been renewed annually by virtue of decisions of the annual general meetings of the shareholders for a continuous period of 14 years.

### 5. Rules of Procedure

The Company has in place Rules of Procedure, the context of which is in accordance with the provisions of article 14 of Law 4706/2020.

### 6. Reasonable Assurance report on the European Single Electronic Format <sup>8</sup>

We have examined the digital files of the Company and/or the Group, prepared in accordance with the European Single Electronic Format ("ESEF") as defined in the EU Delegated Regulation 2019/815, as amended by the EU Delegated Regulation 2020/1989 of the European Commission (hereinafter referred to as "the ESEF Regulation"), that comprise an XHTML file (213800V54ASIMZREDX49-2023-12-31-el\_ixbrlview.xhtml) which includes the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, and an XBRL file (213800V54ASIMZREDX49-2023-12-31-el.zip) with the appropriate tagging of the aforementioned consolidated financial statements.

#### Regulatory Framework

The digital files of the European Single Electronic Format are prepared in accordance with the ESEF Regulation and the Interpretative Communication of the European Commission 2020/C 379/01 dated 10 November 2020, as required by Law 3556/2007 and the relevant communications of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter referred to as the "ESEF Regulatory Framework").

This Framework provides, among others, the following requirements:

- all annual financial reports should be prepared in XHTML format.
- for the consolidated financial statements prepared in accordance with International Financial Reporting Standards, the financial information in the statement of total comprehensive income, the statement of financial position, the statement of changes of equity and the statement of cash flows, as well as the financial information included in the explanatory notes, should be marked-up (XBRL tags), according to the Taxonomy of ESEF (ESEF Taxonomy), as applicable. The technical specifications for ESEF, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

<sup>8</sup> Η ενότητα «Έκθεση Διασφάλισης επί του Ευρωπαϊκού Ενιαίου Ηλεκτρονικού Μορφότυπου Αναφοράς» έχει εφαρμογή μόνο για εταιρείες με κινητές αξίες εισηγμένες σε ρυθμιζόμενη αγορά στην Ελλάδα. Στο εν λόγω υπόδειγμα περιλαμβάνεται συμπέρασμα χωρίς επιφύλαξη - σε περίπτωση που προκύψουν ευρήματα τα οποία οδηγούν σε διαφοροποίηση του συμπεράσματος, η εν λόγω ενότητα πρέπει να διαμορφώνεται κατά περίπτωση με βάση το Παράρτημα Β των κατευθυντήριων οδηγιών του ΣΟΕΛ που εκδόθηκαν την 14/02/2022.

The requirements set out in the ESEF Regulatory Framework provide appropriate criteria for us to express a reasonable assurance conclusion.

### **Responsibilities of Management and Those Charged With Governance**

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company for the year ended December 31, 2023, in accordance with the requirements set out in the ESEF Regulatory Framework, and for such internal control as management determines is necessary to enable the preparation of the digital files that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities**

Our responsibility is to plan and perform this assurance engagement in accordance with the Decision 214/4/11-02-2022 of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board and the "Guiding instructions to auditors in connection with their assurance engagement on the European Single Electronic Format (ESEF) of public issuers in regulated Greek markets", as issued by the Institute of Certified Public Accountants of Greece on February 14, 2022 (hereinafter referred to as "ESEF Guiding Instructions"), in order to obtain reasonable assurance that the separate and consolidated financial statements prepared by management in accordance with ESEF comply, in all material respects, with the ESEF Regulatory Framework.

Our work was performed in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in Greek Law, and we have fulfilled our other ethical independence responsibilities in accordance with Law 4449/2017 and the EU Regulation 537/2014.

The assurance engagement we performed, in accordance with the International Standard on Assurance Engagements 3000, "Assurance Engagements Other Than an Audit or Review of Historical Financial Information", is limited to the objectives included in the ESEF Guiding Instructions. Reasonable assurance is a high level of assurance, but it is not a guarantee that this reasonable assurance engagement will always detect a material misstatement with respect to non-compliance with the requirements of the ESEF Regulatory Framework when it exists.

### **Conclusion**

Based on the procedures performed and the evidence obtained, we express the conclusion that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2023, in XHTML file format (213800V54ASIMZREDX49-2023-12-31-el\_ixbrlview.xhtml), as well as the required XBRL files (213800V54ASIMZREDX49-2023-12-31-el.zip) with relevant tagging on the aforementioned consolidated financial statements, including the explanatory notes, have been prepared, in all material respects, in accordance with the ESEF Regulatory Framework.

Athens, April 9, 2024  
The Certified Auditor Accountant  
Andreas Hadjidamianou  
SOEL R.N. 61391

Ernst & Young (Hellas) Certified Auditors Accountants S.A.  
8B Chimarras St., Maroussi  
151 25, Greece  
Company SOEL R.N. 107

**THIS REPORT IS A FREE TRANSLATION FROM THE GREEK ORIGINAL**

**Independent practitioner's assurance report**

**To the management of FOURLIS Holdings S.A.**

**Scope**

We have been engaged by FOURLIS Holdings S.A. (hereafter the "Company") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, (hereafter referred to as the "Engagement"), to report on the Subject Matter listed below and is included in the Greek version of the 2023 Non-Financial Statement, section 10 of the Annual Management Report of the Board of Directors, under the title "Sustainable Development and Social Responsibility", (hereinafter the "Report") as of 08.04.2024 for the year ended 31.12.2023, for the period from 01.01.2023 to 31.12.2023:

1. Adherence of the Report against the criteria set in the GRI: 1 2021 Foundation Standard for "in-accordance".
2. The General Disclosures of the GRI: 2 2021 General Disclosures Standard, required for "in-accordance" (indicated in the "External Assurance" column of the GRI Content Index).
3. Three (3) GRI: 3 2021 Material Topics Standard Management Approach Disclosures, according to the results of the materiality analysis performed by the Company, related to three (3) Material Topics, and specifically for a) Employment, b) Business conduct, c) Climate stability and air pollutants (indicated in the "External Assurance" column of the GRI Content Index).
4. Three (3) GRI 2016 Topic Specific Disclosures associated with the above-mentioned Material Topics, and specifically GRI 401-1, GRI 205-3 and GRI 302-1 (indicated in the "External Assurance" column of the GRI Content Index).
5. Three (3) ESG metrics of the Athens Stock Exchange ESG Reporting Guide 2022 associated with the above-mentioned Material Topics and specifically C-E3, C-S4, and A-G2 (indicated in the "External Assurance" column of the Athens Stock Exchange ESG Reporting Guide Content Index).

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

**Criteria applied by the Company**

In preparing the Subject Matter, the Company applied the GRI Standards 2021 (Foundation & General Disclosures) and 2016, 2018, 2020 for the Topic Specific disclosures, including the reporting principles listed in the GRI: 1 2021 Foundation Standard for accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability, the criteria set

in the GRI 1 2021 Foundation Standard for “in-accordance”, and the Athens Stock Exchange ESG Reporting Guide 2022.

### **The Company’s responsibilities**

The Company’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### **EY’s responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (‘ISAE 3000’ (revised)), and the terms of reference for this engagement as agreed with the Company on January 3rd, 2023. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### **Our independence and quality management**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance and Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Description of procedures performed**

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or



performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

1. Reviewing information to substantiate data and statements regarding the Company's sustainable development performance, under the scope of our assurance engagement, as these are presented in the Report.
2. Performing interviews with specialists responsible for managing, collating, reviewing and processing sustainability data related to -within our scope of work- the General and Topic Specific Disclosures of the GRI Standards (indicated in the "External Assurance" column of the GRI Content Index) and to the ESG metrics of the Athens Stock Exchange ESG Reporting Guide (indicated in the "External Assurance" column of the Athens Stock Exchange ESG Reporting Guide Content Index).
3. Reviewing the Report for the appropriate transposition and presentation of the sustainability data linked to -within our scope of work- the General and Topic Specific Disclosures of the GRI Standards, and the Athens Stock Exchange ESG Reporting Guide (indicated in the "External Assurance" column of the GRI Content Index and the "External Assurance" column of the Athens Stock Exchange ESG Reporting Guide Content Index) including limitations and assumptions relating to how these data are presented within the Report.
4. Reading information or explanations to substantiate key data, statements and assertions regarding the sustainability disclosures under the scope of our assurance engagement.

We also performed such other procedures as we considered necessary in the circumstances.

### **Limitation of our Review**

- Our review was limited to the Greek version of the Report for the year 2023. In the event on any inconsistency in translation between the Greek and other (if any) versions, as far as our conclusions are concerned, the Greek version of the Report prevails.
- Our work did not cover activities performed by third parties or the performance of any third parties, nor our involvement in stakeholder engagement activities. In addition, it did not include any review of the accuracy of survey results assigned to third parties, nor Information Technology systems used by third parties, but was instead limited to the proper transposition of the final results -within the scope of our engagement- to the Report.
- Our review did not include financial data and the corresponding narrative text in the Report, nor the Information Technology systems used or upon which the collection and aggregation of data was based by the Company.
- We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.



## **Conclusion**

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of April 8th, 2024, for the year ended 31.12.2023, for the period from 01.01.2023 to 31.12.2023 in order for it to be in accordance with the Criteria.

## **Restricted use**

This report is intended solely for the information and use of FOURLIS Holdings S.A. in accordance with the terms of reference agreed between us and is not intended to be and should not be used by anyone other than FOURLIS Holdings S.A.

Athens, 9 April 2024

For and on behalf of

ERNST & YOUNG (HELLAS)  
Certified Auditors Accountants S.A.  
Andreas Hadjidamianou  
Certified Auditor Accountant

Legal Name: ERNST & YOUNG (HELLAS) Certified Auditors-Accountants S.A.

Distinctive title: ERNST & YOUNG

Legal form: Societe Anonyme

Registered seat: Chimarras 8B, Maroussi, 15125

General Commercial Registry No: 000710901000

**Statement of Financial Position (Consolidated and Separate)**  
**as at December 31, 2023 and at December 31, 2022**

(In thousands of Euro, unless otherwise stated)

	Note	Group		Company	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>Assets</b>					
Property plant and equipment	5,7	73,363	73,340	160	214
Right of use assets	5,8	134,217	133,877	863	1,347
Investment Property		207	207	0	0
Intangible Assets	10	10,409	10,191	101	138
Investments	11	30,378	28,351	97,353	93,826
Net investment in the subleases	8	4,234	0	0	0
Long Term receivables	12	2,764	4,493	174	174
Deferred Taxes	26	12,398	10,072	206	230
<b>Total non-current assets</b>		<b>267,970</b>	<b>260,531</b>	<b>98,857</b>	<b>95,929</b>
<b>Current assets</b>					
Inventory	13	89,666	91,803	0	0
Income tax receivable		866	986	5	5
Trade receivables	14,21	4,681	4,307	480	472
Other receivables	15	21,410	18,249	1,011	6,133
Cash & cash equivalent	16	40,687	58,399	1,377	504
Assets classified as held for sale	9,5	477,456	317,827	63,103	32,025
<b>Total current assets</b>		<b>634,764</b>	<b>491,571</b>	<b>65,977</b>	<b>39,139</b>
<b>Total Assets</b>		<b>902,734</b>	<b>752,102</b>	<b>164,833</b>	<b>135,067</b>
<b>SHAREHOLDERS EQUITY &amp; LIABILITIES</b>					
<b>Shareholders equity</b>					
Share Capital	17	52,132	52,132	52,132	52,132
Share premium reserve		13,945	13,940	14,713	14,713
Reserves	18	37,561	33,204	17,202	12,895
Retained earnings		80,600	85,694	76,035	43,689
<b>Total shareholders equity (a)</b>		<b>184,239</b>	<b>184,971</b>	<b>160,082</b>	<b>123,429</b>
Non-controlling interest	9	102,235	16,115	0	0
<b>Total Equity</b>		<b>286,473</b>	<b>201,086</b>	<b>160,082</b>	<b>123,429</b>
<b>LIABILITIES</b>					
<b>Non Current Liabilities</b>					
Non - current loans	22	25,990	103,820	31	36
Lease liabilities	5,23	110,122	111,567	640	645
Employee retirement benefits	20,2	6,218	5,775	695	756
Deferred Taxes	26	1,733	1,240	0	0
Other non-current liabilities	24	140	2,205	82	82
<b>Total non current Liabilities</b>		<b>144,204</b>	<b>224,607</b>	<b>1,447</b>	<b>1,519</b>
<b>Current Liabilities</b>					
Short term loans for working capital	21,22	6,768	24,999	0	0
Current portion of non-current loans and borrowings	21,22	73,679	19,650	0	0
Short term portion of long term lease liabilities	23	37,593	31,665	231	838
Current tax		1,022	1,007	0	0
Accounts payable and other current liabilities	25	112,340	103,183	3,073	9,282
Liability arising from assets held for sale*	5,9	240,656	145,906	0	0
<b>Total current Liabilities</b>		<b>472,057</b>	<b>326,410</b>	<b>3,304</b>	<b>10,120</b>
<b>Total liabilities (d)</b>		<b>616,261</b>	<b>551,016</b>	<b>4,751</b>	<b>11,639</b>
<b>Total Equity &amp; Liabilities (c) + (d)</b>		<b>902,734</b>	<b>752,102</b>	<b>164,833</b>	<b>135,067</b>

\*\*In there are loans of amount 216 million (note 9)

The accompanying notes are an integral part of the Financial Statements.

**Income Statement (Consolidated) for the period**  
**1/1 to 31/12/2023 and 1/1 to 31/12/2022**  
(In thousands of Euro, unless otherwise stated)

		<b>Group</b>	
	<b>Note</b>	<b>1/1-31/12/2023</b>	<b>1/1-31/12/2022</b>
Revenue	5	535,112	501,379
Cost of Goods Sold	5,6,13	(292,150)	(275,597)
<b>Gross Profit</b>		<b>242,962</b>	<b>225,782</b>
Other income	6	14,872	11,124
Distribution expenses	6	(180,982)	(176,530)
Administrative expenses	6	(42,334)	(33,614)
Goodwill arising from valuation		0	(151)
Net gain from the fair value adjustment of investment property	6,9	22,351	8,453
Other operating expenses	5,6	(1,366)	(1,316)
<b>Operating Profit</b>		<b>55,501</b>	<b>33,747</b>
Total finance cost	6	(23,058)	(17,517)
Total finance income	6	983	1,451
Contribution associate companies profit and loss	5,9,11	2,177	2,325
Contribution to losses of subsidiary sale	5,9	(4,679)	0
<b>Profit before Tax</b>		<b>30,924</b>	<b>20,007</b>
Tax	26	(2,779)	(242)
<b>Net Profit (A)</b>		<b>28,145</b>	<b>19,764</b>
<b>Attributable to :</b>			
Equity holders of the parent		19,238	19,165
Non controlling interest		8,907	599
<b>Net Profit (A)</b>		<b>28,145</b>	<b>19,764</b>
Basic Earningsper Share (in Euro)	27	0.3820	0.3791
Diluted Earnings per Share (in Euro)	27	0.3758	0.3777

Revenue is defined as income from contacts with customers.

\*Revenues of 2023 include rental income of an amount of euro 11,788 thousand.

The accompanying notes are an integral part of the Financial Statements.

**Statement of Comprehensive Income (Consolidated) for the period**  
**1/1 to 31/12/2023 and 1/1 to 31/12/2022**  
(In thousands of Euro, unless otherwise stated)

		<b>Group</b>	
	<b>Note</b>	<b>1/1 -31/12/2023</b>	<b>1/1 -31/12/2022</b>
<b>Net Profit (A)</b>		<b>28,145</b>	<b>19,764</b>
<b>Other comprehensive income/(loss)</b>			
<b>Other comprehensive income transferred to the income statement after taxes</b>			
Exchange rate differences	21	4,795	1,156
Effective portion of changes in fair value of cash flow hedges	22	(3,793)	6,951
<b>Total Other comprehensive income transferred to the income statement</b>		<b>1,002</b>	<b>8,107</b>
<b>Other comprehensive income not transferred to the income statement after taxes</b>			
Actuarial (losses) / gains on defined benefit pension plan	20,26	(384)	1,236
<b>Total Other comprehensive income not transferred to the income statement</b>		<b>(384)</b>	<b>1,236</b>
<b>Comprehensive (Losses) / Income after Tax (B)</b>		<b>618</b>	<b>9,344</b>
<b>Total Comprehensive (Losses) / income after tax (A) + (B)</b>		<b>28,763</b>	<b>29,108</b>
<b>Attributable to:</b>			
Equity holders of the parent		19,354	27,965
Non controlling interest		9,409	1,142
<b>Total Comprehensive (Losses) / Income after tax (A) + (B)</b>		<b>28,763</b>	<b>29,108</b>

The accompanying notes are an integral part of the Financial Statements.

**Income Statement (Separate) for the period**  
**1/1 to 31/12/2023 and 1/1 to 31/12/2022**

(In thousands of Euros, unless otherwise stated)

		<b>Company</b>	
	<b>Note</b>	<b>1/1 - 31/12/2023</b>	<b>1/1 - 31/12/2022</b>
Revenue		4,994	4,764
Cost of Goods Sold	6	(4,821)	(4,687)
<b>Gross Profit</b>		<b>173</b>	<b>77</b>
Other income	6	2,781	2,221
Administrative expenses	6	(6,008)	(4,607)
Depreciation/Amortisation		(870)	(669)
Other operating expenses		(7)	(21)
<b>Operating Loss</b>		<b>(3,931)</b>	<b>(2,999)</b>
Total finance cost		(28)	(43)
Total finance income		3	0
Contribution associate companies profit and loss		3,990	0
Contribution to losses of subsidiary sale		30,514	0
Dividends	5,19,30	9,147	38,056
<b>Profit before Tax</b>		<b>39,695</b>	<b>35,014</b>
Income tax	26	(39)	25
<b>Net Profit (A)</b>		<b>39,656</b>	<b>35,039</b>

Revenue is defined as income from contacts with customers.

The accompanying notes are an integral part of the Financial Statements.

**Statement of Comprehensive Income (Separate) for the period**  
**1/1 to 31/12/2023 and 1/1 to 31/12/2022**  
(In thousands of Euros, unless otherwise stated)

		<b>Company</b>	
	<b>Note</b>	<b>1/1 -31/12/2023</b>	<b>1/1 -31/12/2022</b>
<b>Net Profit (A)</b>		<b>39,656</b>	<b>35,039</b>
<b>Other comprehensive (loss)/ income</b>			
<b>Other comprehensive income not transferred to the income statement after taxes</b>			
Actuarial (losses) / gains on defined benefit pension plan	20.26	(50)	87
<b>Total other comprehensive income not transferred to the income statement</b>		<b>(50)</b>	<b>87</b>
<b>Comprehensive (losses)/income after Tax (B)</b>		<b>(50)</b>	<b>87</b>
<b>Total comprehensive income/(losses) after tax (A) + (B)</b>		<b>39,606</b>	<b>35,126</b>
<b>Attributable to :</b>			
Equity holders of the parent		39,606	35,126
<b>Total comprehensive income/(losses) after Tax (A) + (B)</b>		<b>39,606</b>	<b>35,126</b>

The accompanying notes are an integral part of the Financial Statements.

**Statement of Changes in Equity (Consolidated)**  
**for the period 1/1 to 31/12/2023 and 1/1 to 31/12/2022**

(In thousands of Euros, unless otherwise stated)

Note	Share Capital	Share premium reserves	Reserves	Revaluation Reserves	Foreign exchange diff. from Statement of Financial Position transl. reserves	Retained earnings / (Accumulated losses)	Total (a)	Non controlling interest (b)	Total Equity
<b>Balance at 1.1.2022</b>	<b>52,132</b>	<b>14,002</b>	<b>34,554</b>	<b>722</b>	<b>(10,966)</b>	<b>86,586</b>	<b>177,031</b>	<b>0</b>	<b>177,031</b>
<b>Total comprehensive income/(loss) for the period</b>									
Profit	0	0	0	0	0	19,165	19,165	599	19,764
Foreign currency translation from foreign operations	0	0	0	0	1,156	0	1,156	0	1,156
Effective portion of changes in fair value of cash flow hedges	0	0	6,408	0	0	0	6,408	544	6,951
Actuarial (losses) gains on defined benefit pension plan	0	0	0	0	0	1,236	1,236	0	1,236
<b>Total comprehensive income/(loss)</b>	<b>0</b>	<b>0</b>	<b>6,408</b>	<b>0</b>	<b>1,156</b>	<b>1,236</b>	<b>8,800</b>	<b>544</b>	<b>9,344</b>
<b>Total comprehensive income/(loss) after taxes</b>	<b>0</b>	<b>0</b>	<b>6,408</b>	<b>0</b>	<b>1,156</b>	<b>20,402</b>	<b>27,965</b>	<b>1,142</b>	<b>29,108</b>
<b>Transactions with shareholders recorded directly in equity</b>									
Share Capital Increase	0	(62)	0	0	0	0	(62)	0	(62)
SOP Reserve	0	0	2,066	0	0	0	2,066	33	2,100
Reserves	0	0	336	0	0	(15,275)	(14,939)	14,939	0
Net Income directly booked in the statement movement in Equity	0	0	0	0	0	(15)	(15)	0	(15)
Stock Buy Back	0	0	(1,072)	0	0	0	(1,072)	0	(1,072)
Dividends to equity holders	0	0	0	0	0	(6,004)	(6,004)	0	(6,004)
<b>Total transactions with shareholders</b>	<b>0</b>	<b>(62)</b>	<b>1,330</b>	<b>0</b>	<b>0</b>	<b>(21,294)</b>	<b>(20,026)</b>	<b>14,973</b>	<b>(5,053)</b>
<b>Balance at 31.12.2022</b>	<b>52,132</b>	<b>13,940</b>	<b>42,292</b>	<b>722</b>	<b>(9,810)</b>	<b>85,694</b>	<b>184,971</b>	<b>16,115</b>	<b>201,086</b>
<b>Balance at 1.1.2023</b>	<b>52,132</b>	<b>13,940</b>	<b>42,292</b>	<b>722</b>	<b>(9,810)</b>	<b>85,694</b>	<b>184,971</b>	<b>16,115</b>	<b>201,086</b>
<b>Total comprehensive income for the period</b>									
Profit	0	0	0	0	0	19,238	19,238	8,907	28,145
Foreign exchange differences	9	0	0	0	4,795	0	4,795	0	4,795
Effective portion of changes in fair value of cash flow hedges	22	0	(4,295)	0	0	0	(4,295)	503	(3,793)
Actuarial (losses) gains on defined benefit pension plan	0	0	0	0	0	(384)	(384)	0	(384)
<b>Total comprehensive income/(loss)</b>	<b>0</b>	<b>0</b>	<b>(4,295)</b>	<b>0</b>	<b>4,795</b>	<b>(384)</b>	<b>115</b>	<b>503</b>	<b>618</b>
<b>Total comprehensive income/(loss) after taxes</b>	<b>0</b>	<b>0</b>	<b>(4,295)</b>	<b>0</b>	<b>4,795</b>	<b>18,854</b>	<b>19,354</b>	<b>9,409</b>	<b>28,763</b>
<b>Transactions with shareholders, recorded directly in equity</b>									
Share Capital Increase	0	(61)	0	0	0	0	(61)	0	(61)
SOP Reserve	20.2	0	2,588	0	0	0	2,588	1,273	3,861
Reserves	18	0	2,361	0	0	(2,361)	0	(794)	(794)
Net Income directly booked in the statement movement in Equity	0	66	(1,091)	0	0	270	(754)	794	39
Equity Holders	19	0	0	0	0	(6,431)	(6,431)	0	(6,431)
Change of Minority rights %	0	0	0	0	0	(15,426)	(15,426)	75,437	60,011
<b>Total transactions with shareholders</b>	<b>0</b>	<b>5</b>	<b>3,858</b>	<b>0</b>	<b>0</b>	<b>(23,947)</b>	<b>(20,085)</b>	<b>76,710</b>	<b>56,626</b>
<b>Balance at 31.12.2023</b>	<b>52,132</b>	<b>13,945</b>	<b>41,855</b>	<b>722</b>	<b>(5,015)</b>	<b>80,600</b>	<b>184,239</b>	<b>102,235</b>	<b>286,473</b>

The accompanying notes are an integral part of the Financial Statements

**Statement of Changes in Equity (Separate)**  
**for the period 1/1 to 31/12/2023 and 1/1 to 31/12/2022**  
(In thousands of Euro, unless otherwise stated)

	Note	Share Capital	Share premium reserves	Reserves	Retained earnings / (Accumulate d losses)	Total Equity
<b>Balance at 1.1.2022</b>		<b>52,132</b>	<b>14,713</b>	<b>12,039</b>	<b>14,365</b>	<b>93,249</b>
<b>Total comprehensive income/(loss) for the period</b>						
Profit		0	0	0	35,039	35,039
Actuarial (losses) gains on defined benefit pension plan		0	0	0	87	87
<b>Total comprehensive (loss) / income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>87</b>	<b>87</b>
<b>Total comprehensive income/(loss) after taxes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>35,126</b>	<b>35,126</b>
<b>Transactions with shareholders recorded directly in equity</b>						
SOP Reserve		0	0	1,707	0	1,707
Reserves		0	0	221	(221)	0
Stock Buy Back		0	0	(1,072)	0	(1,072)
Dividends to equity holders		0	0	0	(5,582)	(5,582)
<b>Total transactions with shareholders</b>		<b>0</b>	<b>0</b>	<b>855</b>	<b>(5,802)</b>	<b>(4,947)</b>
<b>Balance at 31.12.2022</b>		<b>52,132</b>	<b>14,713</b>	<b>12,895</b>	<b>43,689</b>	<b>123,429</b>
<b>Balance at 1.1.2023</b>		<b>52,132</b>	<b>14,713</b>	<b>12,895</b>	<b>43,689</b>	<b>123,429</b>
<b>Total comprehensive income/(loss) for the period</b>						
Profit		0	0	0	39,656	39,656
Actuarial (losses) gains on defined benefit pension plan		0	0	0	(50)	(50)
<b>Total comprehensive (loss) / income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(50)</b>	<b>(50)</b>
<b>Total comprehensive income/(loss) after taxes</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>39,606</b>	<b>39,606</b>
<b>Transactions with shareholders, recorded directly in equity</b>						
SOP Reserve	20.2	0	0	2,588	0	2,588
Reserves		0	0	1,720	(1,720)	0
Stock Buy Back		0	0	0	0	0
Equity Holders	19	0	0	0	(5,540)	(5,540)
<b>Total transactions with shareholders</b>		<b>0</b>	<b>0</b>	<b>4,308</b>	<b>(7,260)</b>	<b>(2,952)</b>
<b>Balance at 31.12.2023</b>		<b>52,132</b>	<b>14,713</b>	<b>17,202</b>	<b>76,035</b>	<b>160,082</b>

The accompanying notes are an integral part of Financial Statements.



**Statement of Cash Flows (Consolidated and Separate)**  
**for the period 1/1 to 31/12/2023 and 1/1 to 31/12/2022**

(In thousands of Euros, unless otherwise stated)

Note	Group		Company	
	1/1 - 31/12/2023	1/1 - 31/12/2022	1/1 - 31/12/2023	1/1 - 31/12/2022
<b>Operating Activities</b>				
<b>(Loss)/Profit before taxes</b>	<b>30,924</b>	<b>20,007</b>	<b>39,695</b>	<b>35,014</b>
Adjustments for				
Depreciations/ valuation of investment properties	6 13,083	25,333	870	669
Provisions	3,803	2,091	435	325
Foreign exchange differences	211	838	0	0
Results (Income, expenses, profit and loss) from investment activity	(1,079)	(1,433)	(39,738)	(38,056)
Interest Expense	6 23,213	15,442	28	43
<b>Plus/less adj for changes in working capital related to the operating activities</b>				
(Increase) / decrease in inventory	2,062	(17,386)	0	0
(Increase) / decrease in trade and other receivables	5,955	(8,913)	(4,127)	450
Increase / (decrease) in liabilities (excluding banks)	(1,290)	17,690	(6,211)	6,847
<b>Less</b>				
Interest paid and interest on leases	(22,725)	(15,235)	(28)	(43)
Income taxes paid	(4,877)	(4,459)	(1)	0
<b>Net cash generated from operations (a)</b>	<b>49,280</b>	<b>33,976</b>	<b>(9,076)</b>	<b>5,249</b>
<b>Investing Activities</b>				
Purchase or Share capital increase of subsidiaries and related companies	9,11 0	0	(1,500)	(1,025)
Purchase of tangible and intangible fixed assets	7,10 (17,780)	(19,375)	(59)	(128)
Proceeds from disposal of tangible and intangible assets	19	158	0	0
Addition of assets	9 (120,759)	(49,121)	(516)	0
Proceeds from the sale of other investments	7,790	15,000	0	0
Interest Received	135	246	3	0
Proceeds from the sale of subsidiaries and associates	9 3,879	0	3,265	0
Proceeds from dividends	19 0	0	15,147	3,306
Loans provided to subsidiaries and associates	(735)	(2,326)	0	0
<b>Total (outflow) / inflow from investing activities (b)</b>	<b>(127,451)</b>	<b>(55,418)</b>	<b>16,341</b>	<b>2,153</b>
<b>Financing Activities</b>				
Payments for purchase of own shares	0	(1,072)	0	(1,072)
Inflow from share capital increase	9 55,887	0	0	0
Outflow from share capital increase	(4,537)	(51)	0	0
Proceeds from issued loans	22 161,459	236,778	0	0
Repayment of loans	22 (127,046)	(234,378)	(5)	(41)
Repayment of leasing liabilities	23 (18,867)	(18,885)	(849)	(450)
Dividends paid	19 (6,428)	(6,001)	(5,538)	(5,579)
<b>Total inflow / (outflow) from financing activities (c)</b>	<b>60,468</b>	<b>(23,609)</b>	<b>(6,392)</b>	<b>(7,142)</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a)+(b)+(c)</b>	<b>(17,704)</b>	<b>(45,051)</b>	<b>874</b>	<b>260</b>
Cash and cash equivalents at the beginning of the period	58,399	103,455	504	244
Effect of exchange rate fluctuations on cash from Opening	(9)	(4)	0	0
<b>Closing balance, cash and cash equivalents</b>	<b>40,687</b>	<b>58,399</b>	<b>1,377</b>	<b>504</b>

The accompanying notes are an integral part of Financial Statements.

## **Notes to the annual financial statements (consolidated and separate) as of Dec 31, 2023**

### **1. Corporate information – Incorporation and business of the Group**

#### **1.1 General Information**

FOURLIS HOLDINGS S.A. with the distinctive title "FOURLIS S.A." (hereinafter "the Company") was incorporated in 1950 as A. FOURLIS AND CO., and from 1966 operated as FOURLIS BROS S.A. (Government Gazette, Vol. for SAs and LLCs No. 618/ 13.6.1966). It was renamed to FOURLIS HOLDING S.A. by a decision of an Extraordinary General Shareholders' Assembly on 10/3/2000, which was approved by decision K2 - 3792/ 25.04.2000 of the Ministry of Development and Competitiveness. The same Shareholders' General Assembly also approved the conversion of the Company to a holding company and thus also approved the change in its scope.

The headquarters of the Company are located at the Municipality of Kifissia, Ermou str. 25. It is registered in the Companies Registry of the Ministry of Development, Competitiveness and Shipping with registration number 13110/06/B/86/01 and general electronic commercial registry number 258101000 and web address <http://www.fournalis.gr>.

The Company is listed in the Athens Stock Exchange since April 1988, on the Main Market of the Athens Stock Exchange (ATHEX).

The Company's term, in accordance with its Articles of Association, was originally set for 30 years. In accordance with a decision of the Extraordinary General Assembly of the Shareholders on 19/2/1988, the term was extended for a further 30 years i.e. to 2026. Following the decision of the Ordinary General Assembly of the Shareholders on 14/6/2019, the term was extended for a further period of 24 years i.e. until 2050.

The composition of the Board of Directors of the Company on 31/12/2023 was as follows:

1. Vassilis St. Fournalis, Chairman, executive member
2. Dafni A. Fournalis, Vice Chairman, executive member
3. Stylianos Mark. Stefanou, Independent Vice Chairman, Independent Non-Executive Member, Chairman of the Nomination and Remuneration Committee
4. Dimitrios Efstr. Valachis, CEO, executive member
5. Lyda St. Fournalis, Director, Executive Member, Director of Social Responsibility and Sustainable Development.
6. Nikolaos P. Lavidas, Director, Independent non-executive member, Member of the Nomination and Remuneration Committee
7. Maria S. Georgalou, Director, independent non-executive member, member of the Audit Committee.
8. Stavroula A. Kampouridou, Director, Independent non-executive member, Member of the Audit

Committee.

9. Konstantinos Petr-El. Paikos, Independent non-executive member, Member of the Nomination and Remuneration Committee.

The number of employed human resources of the Group on 31/12/2023 was 3,930 people and on 31/12/2022 4,116 people. Respectively, the human resources of the Company were 117 people on 31/12/2023 and 116 people on 31/12/2022.

## **1.2 Object of Activities**

The Company's activities are the investment in domestic and foreign companies of all types, regardless their objectives and corporate type.

The Company FOURLIS HOLDINGS SA also provides general administration, financial management and information technology services. The centralization of Group support services for the Group Companies in Greece, mainly in the areas of financial planning and controlling, HR, IT, treasury, social responsibility, corporate governance, regulatory compliance, risk management, personal data protection and sustainable development was implemented, aiming to gain benefits from synergies and to organize central coordination of decision making and decision-implementing.

The direct and indirect subsidiaries and affiliates of the Group, included in the Financial Statements are the following:

<b>Direct subsidiaries</b>	<b>Parent</b>	<b>Location</b>	<b>% Holding</b>
HOUSEMARKET SA	FOURLIS HOLDINGS SA	Greece	100.00
INTERSPORT ATHLETICS SA	FOURLIS HOLDINGS SA	Greece	100.00
GENCO TRADE SRL	FOURLIS HOLDINGS SA	Romania	1.57
WELLNESS SA	FOURLIS HOLDINGS SA	Greece	100.00
TRADE ESTATES REIC	FOURLIS HOLDINGS SA	Greece	21.81
<b>Indirect subsidiaries</b>			
HOUSE MARKET BULGARIA EAD	HOUSEMARKET SA	Bulgaria	100.00
HM HOUSEMARKET (CYPRUS) LTD	HOUSEMARKET SA	Cyprus	100.00
TRADE LOGISTICS SA	HOUSEMARKET SA	Greece	100.00
WYLDES LIMITED LTD	HOUSEMARKET SA	Cyprus	100.00
RENTIS SA	TRADE ESTATES R.E.I.C	Greece	63.27
TRADE ESTATES CYPRUS LTD	H.M. ESTATES CYPRUS LTD	Cyprus	63.27
TRADE ESTATES BULGARIA EAD	TRADE ESTATES R.E.I.C	Bulgaria	63.27
H.M. ESTATES CYPRUS LTD	TRADE ESTATES R.E.I.C	Cyprus	63.27
GENCO TRADE SRL	INTERSPORT ATHLETICS SA	Romania	98.43
GENCO BULGARIA EOOD	INTERSPORT ATHLETICS SA	Bulgaria	100.00
INTERSPORT ATHLETICS (CYPRUS) LTD	INTERSPORT ATHLETICS SA	Cyprus	100.00
TRADE ESTATES R.E.I.C.	HOUSEMARKET S.A.	Greece	20.57
TRADE ESTATES R.E.I.C.	HOUSE MARKET BULGARIA EAD	Greece	12.21
TRADE ESTATES R.E.I.C.	HM HOUSEMARKET (CYPRUS) LTD	Greece	7.15
TRADE ESTATES R.E.I.C.	TRADE LOGISTICS SA	Greece	1.53
BERSENCO SA	TRADE ESTATES REIC	Greece	63.27
KTHMATOΔOMH SA	TRADE ESTATES REIC	Greece	63.27
VOLYRENCO SA	TRADE ESTATES REIC	Greece	63.27
POLIKENCO SA	TRADE ESTATES REIC	Greece	63.27
MANTENKO SA	TRADE ESTATES REIC	Greece	63.27
GYALOU SA	TRADE ESTATES REIC	Greece	63.27
<b>Affiliates</b>			
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50.00
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50.00
SEVAS TEN SA	TRADE ESTATES R.E.I.C.	Greece	50.00
RETS CONSTRUCTIONS SA	TRADE ESTATES R.E.I.C	Greece	50.00

In the fiscal year from 1/1/2023 until 31/12/2023 no changes of share capital in the parent company have been made.

## **2. Basis of presentation of the Financial Statements**

### **2.1 Basis of preparation of the Financial Statements**

The accompanying Financial Statements consist of the separate financial statements of the parent Company and the consolidated financial statements of the Group (hereinafter as "Financial Statements") and have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. The Company's Board of Directors approved the accompanying financial statements for the year ended on December 31 2023, on April 8, 2024. These financial statements are subject to the approval of the Ordinary General Assembly of the Company's shareholders.

The accompanying separate and consolidated financial statements have been prepared on the historical cost basis, except for certain data of Assets and Liabilities (investment properties, financial hedging instruments, investments/financial assets available for sale) that have been measured at fair value, and assuming that the Company and its subsidiaries will continue as a going Group.

The Management examined the impact of energy crisis up to the date of approval of these Consolidated and Separate Financial Statements and concluded that the going concern principle is the appropriate basis for their preparation. Reaching this conclusion, the Management closely monitors the developments and is ready to take all required steps and measures in order to deal with any consequences in its operational activities.

The Management concluded that the Group is able to fulfill all its obligations on time, at least for a period of 12 months from the Balance Sheet date and that there are no significant uncertainties that may call into question its ability to operate on the going concern principle. The Financial Statements are presented in thousands of euros, unless otherwise stated and differences in amounts are due to rounding.

### **2.2. Significant accounting estimates and judgments of the Management**

The preparation of financial statements based on IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates. Estimates are based on management's previous experience including expectations of future events under normal conditions. The aforementioned judgments, estimates and assumptions are periodically re-assessed in order to be in line with current available data and reflect current risks.

When applying the Group's accounting policies, management has made the following judgments, estimates and assumptions that may have a significant impact on the items reported in the accompanying financial statements:

#### Estimates:

- **Deferred Tax Assets:** deferred tax assets are recognized to the extent that it is probable that

taxable profits will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilized. The recognition of deferred tax assets requires significant judgments and estimates to be made in relation to the future activities and prospects of the Group companies and as to the level and timing of future taxable profits. Additional details are included in Notes 3.21 and 26 of the Financial Statements.

- **Fair Values of investment properties:** the Group recognizes its investment properties at fair values as determined by independent valuation experts. Fair estimates of the value of investment properties are performed on an annual basis. The fair value of investment property is determined by real estate valuation experts using recognized valuation techniques and the principles of IFRS 13. Fair Value Measurement: Investment property is measured based on estimates prepared by independent real estate valuation experts, except where such values cannot be reliably determined. The significant methods and assumptions used by valuation experts in estimating the fair value of investment property are set out in Note 9. Assets includes investment properties amounting to euro 285 million (2022: euro 111 million) and a profit of euro 22.4 million (2022: euro 8.4 million) from net profits arisen from the readjustment of investment properties at fair values.
- **Impairment test of investments in subsidiaries:** at each reporting date, the Parent Company examines whether there are impairment indicators in relation to its investments in subsidiaries. Such assessment requires management to make significant judgements with respect to the existence of internal or external factors and the extent to which they affect the recoverable amount of these investments. If impairment indicators exist, the Company determines the recoverable amount of these investments. The determination of the recoverable amount requires estimates to be made with respect to the expected future cash flows of the investment, the business plans of the subsidiaries, and the determination of the applicable discount and growth rates. Additional details regarding the impairment test for investments in subsidiaries are included in Note 11 of the Financial Statements.
- **Impairment test of property, plant and equipment, right of use assets and assets held for sale:** property, plant and equipment are constantly audited in order to be defined if there are indications which show that their book value is not recoverable. *The Group considers, for impairment test purposes, that (a) each store basically is a cash flow generating unit while, (b) per case, assets or group of assets classified as held for sale may consist of a cash flow generating unit (CGU).* In cases that property, plant and equipment are part of CGU and there are impairment value indications that the recoverable amount of the CGU is determined as the higher amount between value in use or fair value. Value in use is calculated by implementing the cash flow discount method, taking into consideration Management's estimations (business plans 5-7 years) and any contingent impairment is determined by the comparison of book value and value in use. Fair value is calculated from independent valuation experts according to commonly accepted valuation principles. The loss-making operating result of stores was considered as indication of possible impairment and wherever

there was existence of such indication, an impairment test was implemented. The impairment test did not show any impairment losses. Additional details regarding the impairment test for property plant and equipment are included in Note 7 of the Financial Statements.

- **Useful lives of property plant and equipment, and intangible property:** Management makes estimates when determining the useful lives of depreciable fixed assets. Such estimates are periodically reviewed. The useful lives estimated and applied are discussed in Notes 3.7 and 3.9 of the Financial Statements.
- **Benefits to personnel:** post - retirement obligations for the granting of benefits to employees are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of a discount rate, future salary increases, disability rates, mortality rates and termination rates. Due to the complexity of the valuation and the basic assumptions included therein, a defined benefit obligation is highly sensitive to changes in these assumptions. Actuarial gains and losses that result from the difference among the actuarial assumptions are recognized in the Statement of Other Income. Such actuarial assumptions are periodically reviewed by the Management. Additional details are included in Note 20.1 of the Financial Statements.
- **Share-based Benefits:** Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20.2 of the Financial Statements.
- **Provisions for inventory:** Inventory turnover ratio is tested regularly, and provisions are made for unmoved, slow moving, obsolete inventory which will be written-off within the next period. Estimations are also made for seasonality of inventory and estimation for future sale price as well as provisions for inventory count differences which are taken into account upon their valuation and are presented in Note 13 of the Financial Statements.
- **Revenue from contracts with customers:** The Group estimates the fair value of non-redeemed points by using historical data and by assessing exercise possibility.

Judgments:

- **Right of use assets:** On the beginning date of the leasing period, a right of use asset and a liability are recognized by calculating present value of leases which remain unpaid, discounted with leasing interest rate (interest rate which would be accepted by the lessee in order to get a loan of all necessary funds with similar terms). The Group determines the leasing duration as the contractual leasing duration, including the period which is covered by a) the right to extend leasing if it is almost sure that it will be exercised, or b) the right to terminate the contract if it is almost sure that it will not be exercised. The Group implements a single discount rate at each leasing

category with similar characteristics (as leasing with similar duration, for similar fixed assets and in respective economic environment). Afterwards, the asset is measured at cost less the depreciations and any impairment losses while, the liability is measured by increasing book value with interest expenses on the liability and by decreasing book value with leases payments. Further details are provided in Notes 8 and 23 of the Financial Statements.

- **Assets held for sale:** The Group classifies an asset or a group of assets as held for sale when the following conditions are met: the asset (or group of assets) is available and in condition for direct sale and the sale is very likely to take place within 12 months since its classification date as held for sale. Right at the moment before their classification as assets held for sale, these assets are tested for impairment based on IAS 36. Assets which have been classified as held for sale are measured at the lower price between book value and fair value minus all sale closing costs. Any impairment loss is recognized in statement of comprehensive income. Impairment test of assets classified as held for sale took place entirely for assets described in Note 9, as a cash generating unit, due to the fact that it was considered that the sale will only take place as a whole and not each one asset separately and the sale criteria based on IFRS 15 are met.

On 31/12/2023 the criteria for the classification of assets held for sale under IFRS 5 continue to be met, given that:

- their net book value will be recovered primarily from the sale and not from their continued use,
  - the assets are available for immediate sale in their current condition,
  - There is a commitment of the Management, and a program is underway that includes a share capital increase of TRADE ESTATES REIC through the Athens Stock Exchange as well as private placements before the listing on the Athens Stock Exchange. The Management monitors and will continue to monitor the correct classification of the specific assets as held for sale in each reporting period, with the final result/goal that the Group's participation will drop below 50%.
- **Provisions for impaired receivables:** provisions for impaired receivables are based on the historical data of receivables and take into consideration the expected credit risk. The analysis of impaired receivables of the Statement of Financial Position is included in Note 14 of the Financial Statements.
  - Regarding trade receivables, the Group applies the simplified approach to calculate ECL credit losses. Therefore, the Group does not monitor changes in credit risk, but recognizes a loss rate based on the lifetime ECL in each reporting period. The Group has prepared a provision table based on historical credit loss experience, adjusted with future factors appropriate to the debtors and the economic environment.



### **2.3 Changes in accounting standards and interpretations**

The accounting policies adopted are consistent with those adopted during the previous financial year except for the following accounting standards which the Group and the Company have adopted by the 1<sup>st</sup> of January 2023.

- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments);
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments);
- IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments);
- IAS 12 International Tax Reform – Pillar II Model Rules (amendments)

**The new IFRS and their amendments that have been adopted had no significant impact on the accounting policies of the Group and of the Company.**

**• IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments)**

The Amendments are effective for annual periods beginning on or after January 1, 2023. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Group and the Company evaluated the disclosures of the accounting policies, and they have no impact on the financial statements of the Group and of the Company.

**• IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments)**

The amendments become effective for annual reporting periods beginning on or after January 1, 2023, and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimate, defined as monetary amounts in financial statements that are subject to measurement uncertainty, provided they are not the result of an error correction in a previous fiscal year. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. The amendments had no impact on the financial statements of the Group and of the Company.

• **IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)**

The amendments are effective for annual periods beginning on or after January 1, 2023. The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement, having considered the applicable tax law, whether such deductions are attributable for tax purposes to the liability or to the related asset component. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. The amendments had no impact on the financial statements of the Group and of the Company

• **IAS 12 International Tax Reform – Pillar II Model Rules (amendments)**

The amendments shall be effective upon their issuance, but certain disclosure requirements shall be effective at a later stage. The Organisation for Economic Cooperation and Development (OECD) published the Pillar II model rules in December 2021, to ensure that large multinational companies will be subject to a minimum tax rate of 15%. On the 23d of May 2023, the IASB issued the amendments of IAS 12 – International Tax Reform – Pillar II Model Rules. The amendments introduce a mandatory preliminary exception to the accounting recognition of deferred taxes arising from the application of Pillar II model rules and additional disclosure requirements for the affected entities. The amendments require for periods in which Pillar II legislation has been (substantially) enacted but not yet entered into force, the disclosure of known or reasonably estimated information that helps the users of the financial statements to comprehend the entity's exposure to the Pillar II rules. In order for an entity to comply with these requirements, it is required to disclose qualitative and quantitative information at the end of the reporting period about its income tax exposure related to the Pillar II rules. The disclosure of current tax related to the Pillar II rules and the disclosures relating to periods before the entry into force of the legislation are required for annual reporting periods starting on or after the 1<sup>st</sup> of January 2023, but are not required for interim periods ending on or before the 31<sup>st</sup> of December 2023. The amendments had no impact on the financial statements of the Group and of the Company.

**B) Standards that have been issued but do not apply in the current accounting period and the Company and the Group has not adopted earlier**

**B.1) The standards/amendments that are not yet applicable, but have been adopted by the European Union**

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and should be applied retrospectively in accordance with IAS 8. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**

The amendments are effective for annual accounting reporting periods beginning on or after January 1, 2024, with earlier application permitted. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and should be applied retrospectively in accordance with IAS 8. The amendments provide guidance in relation to the requirements of IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist during the reporting period, that the management's intent to exercise this right but also the counterparty's right for settlement of the liability through transfer of the company's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**

The amendments are effective for annual accounting reporting periods beginning on or after January 1, 2024, with earlier application permitted. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. In particular, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognizing, in profit or loss, any gain or loss relating to the partial or full termination of a lease. The amendments are applied retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

**B.2) Standards / amendments that do not yet apply, and have not been yet adopted by the European Union**

- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supply Chain Financing Arrangements (amendments).** The amendments are effective for annual accounting reporting periods beginning on or after the 1<sup>st</sup> of January 2024, with earlier application permitted. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.
- **IAS 21 The effects of changes in foreign exchange rates: Lack of Exchangeability (Amendments).** The amendments are effective for annual accounting reporting periods beginning on or after the 1st of January 2025, with earlier application permitted.  
The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.
- **IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Amendment: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.**  
In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.
- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supply Chain Financing Arrangements (amendments).**  
The amendments are effective for annual accounting reporting periods beginning on or after the 1<sup>st</sup> of January 2024, with earlier application permitted. The amendments supplement the requirements already included in the IFRS and require the entity to disclose the terms and conditions of the financing arrangements of the supply chain. Additionally, the entities are obliged to disclose at the beginning and at the end of the reporting period the carrying amount (book value) of the financial liabilities of the financing arrangements and the portfolios in which the said liabilities are presented, as well as the carrying amount (book value) of the financial liabilities and their presentation portfolios, as to which the financing providers have already settled the corresponding trade obligations. The entities should also disclose the type and effect of non-cash changes in the carrying value of the financial liabilities of the financing arrangements, which impede the comparability of the carrying amount of the financial liabilities. In addition the amendments require that the entity should disclose at the beginning and at the end of the reporting period the range of payment due dates of the financial liabilities of the financing arrangements as well as of the trade obligations that do not constitute part of these arrangements. The amendments have not yet been adopted by the European Union.  
The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.
- **IAS 21 The effects of changes in foreign exchange rates: Lack of Exchangeability (Amendments).**

The amendments are effective for annual accounting reporting periods beginning on or after the 1<sup>st</sup> of January 2025, with earlier application permitted. The amendments determine the method by which an entity should assess whether a currency is exchangeable and how it should determine a current exchange rate, when there is a lack of exchangeability. A currency is considered exchangeable for another currency, when the entity can acquire the other currency within a time frame that allows for a normal administrative delay and through a market or an exchange mechanism, where an exchange (swap) transaction would create enforceable rights and obligations. If a currency is not convertible into another currency, the entity is required to estimate the current exchange rate on the measurement date. The entity's objective in estimating the current exchange rate is to reflect, on the measurement date, the exchange rate at which an orderly exchange transaction between the market participants under the prevailing economic conditions would take place. The amendments indicate that an entity may use an observable exchange rate without adjustment or another estimation technique. The amendments have not yet been adopted by the European Union. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

- **IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Amendment: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. The Management of the Group and the Company is in the process of examining and assessing the impact on the financial statements.

### **3. Significant accounting policies**

The Financial Statements have been prepared in accordance with the following significant accounting policies.

#### **3.1. Basis of Consolidation**

The Consolidated Financial Statements comprise of the financial statements of the parent Company and all subsidiaries controlled by the Company. Control exists when the parent company has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits from them.

The subsidiaries' financial statements are prepared as of the same reporting date and using the same accounting policies as the parent company. Intra - group transactions (including investments in related companies), balances and unrealized gains from transactions between the companies of the Group, are deleted. The Subsidiaries are fully consolidated from the date that the control is gained and cease to be consolidated from the date that the control is transferred out of the Group. Any losses are attributed to the non - controlling interest even if that results in a deficit balance. Transactions resulting in changes in the ownership interest of a subsidiary, are registered as an equity transaction. The financial results of subsidiaries, that are acquired or sold within the fiscal year, are included in the consolidated statement of comprehensive income from or up to the date of acquisition or sale, respectively.

### **3.2. Investments in subsidiaries**

In the separate financial statements of the parent Company, investments in subsidiaries are accounted at cost, less any impairment's accumulative losses. The Impairment test is carried out when there are clear indicators of impairment, in accordance with IAS 36 "Impairment of Assets".

### **3.3. Investments in associates**

Associates are those entities, in which the Group has significant influence, but which are neither a subsidiary nor a joint venture of the Group. A percentage holding from 20% to 50% implies significant influence of the Group on this company. Such percentage holding indicates that the specific company is an associate. Investments in associates are consolidated using the equity method, according to which they are presented in the Statement of Financial Position at cost, adjusted to subsequent changes in the Group's share in the net assets of the associate and taking into account any impairments. Goodwill arising from acquisitions of associates is included in the value of investment, while any negative goodwill is recorded in the Income Statement of the fiscal year, in which the acquisition took place.

The Group's share in the gains or losses of associates after acquisition is recognized in the Income Statement, while post - acquisition changed share in reserves is recognized directly in reserves.

Unrealized gains from transactions between the Group and its affiliated undertakings (associates) are deleted to the extent of the Group's interest in the affiliated undertakings (associates). Accordingly, unrealized losses are deleted, unless the transaction provides evidence of impairment of the transferred asset.

When the Group's participation to the associate's losses equals or exceeds its investment in the associate, including any other bad debts, the Group does not recognize further losses, unless it has any legal or contractual liabilities or made payments on behalf of the associate and generally those arising from the shareholding status. In the separate financial statements of the Parent Company, investments in associates are evaluated at their acquisition cost, adjusted to the subsequent changes of the Group's share in the net assets of the associate and taking into account any impairments.

### **3.4. Operating Business Segments**

The Board of Directors of the Company is the chief operating decision maker and monitors internal financial reporting information in order to evaluate the performance of the Company and the Group and to take decisions about resource allocation.

The Management has defined its segments based on these internal reports according to IFRS 8. The operating segments are defined as those business segments where the Group is active and on which the internal information system of the Group is based.

For the categorization by business segment, the following has been taken into account:

- the nature of products and services,
- Quantitative limitations, specified by IFRS 8.

According to the aforementioned, the Group presents information by operating segment as follows (Note 5):

- Retail Trading of Home Furniture and Household Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT stores).

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, on which date it acquired the Group's properties through a contribution of the specific sector.

The Group now offers information by geographical segment as supplementary information to users of the Financial Statements.

### **3.5. Foreign currency conversions**

#### **(a) Functional currency and reporting currency**

The companies of the Group present their financial statements' data in the currency of the financial environment in which each company operates (functional currency). The consolidated financial statements are presented in Euros which is the functional currency of the parent Company.

#### **(b) Transactions and balances**

Transactions in foreign currencies are converted to the functional currency according to the foreign exchange rates ruling at the date of the transaction. Profits and losses from foreign exchange differences arising from conversion of monetary items denominated in foreign currencies during the fiscal year and on the reporting date of Statement of Financial Position with the existing exchange rates, are recorded in the Income Statement. Foreign exchange differences on non-monetary items carried at their fair value are considered as part of the fair value of those items and are recorded together with the fair value differences.

#### **(c) Foreign Group Companies (outside Greece)**



Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the functional currency. The currency conversion in the financial statements of the Group's companies which use a different functional currency from the parent company is performed as follows:

- Assets and liabilities are converted to Euro using the foreign exchange rate applicable on the date of the Statement of Financial Position.
- Equity is converted using the exchange rates valid on the date they arose.
- Revenue and expenses are converted using the average foreign exchange rate of each financial period and on an annual basis according to the average foreign exchange rate of the last twelve (12) months.
- The resulting foreign exchange differences are recorded in the other comprehensive revenues and in the Reserve of Foreign Exchange differences from conversion of a Statement of Financial Position in F.C. When subsidiaries operating in foreign countries are sold, accumulated foreign exchange differences existing in the Reserve of Foreign Exchange differences from conversion of a Statement of Financial Position in F.C. are recorded in the financial statements of the relevant fiscal year as gains or losses from investments' sales.

Goodwill and adjustments to fair values upon an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are converted at the exchange rate applicable on the date of the Statement of Financial Position and the foreign exchange differences are recognized in equity.

### **3.6 Property, plant and equipment (Tangible Assets)**

The Group's own and used tangible assets (property, plant and equipment) are measured, by category, as follows:

- All categories of fixed assets (property, plant and equipment) are evaluated at cost less the accumulated depreciations and any impairment losses.
- The Acquisition Cost includes all directly attributable costs for the acquisition of the items of property, plant and equipment. These costs also include interests and the related expenses of loans drawn to finance the acquisition or construction of a fixed asset until the date when this is ready for its intended use.

Significant subsequent additions and improvements are capitalized at the acquisition cost of the relevant assets provided they increase the useful life and / or the productive capacity of the investment's value. Costs for repairs and maintenance are recognized in the financial statements as expenses upon being incurred.

Upon selling of tangible fixed assets, the differences between the consideration received and their book value are recorded as gains or losses in the Financial Statements.

Depreciation of fixed assets is calculated on a straight - line basis over the estimated useful life of the



assets. The useful life is reviewed on an annual basis.

The estimated useful lives of the Group's fixed assets (property, plant and equipment), except for the land parcels that are not depreciated, have been specified as follows:

Fixed Asset Category	Useful life
Buildings - Building installations (owned premises)	10 - 40 years
Buildings on third party property/ land	10 – 36 years
Machinery and equipment	9 - 10 years
Transport Means (Motor, Vehicles)	6 - 9 years
Miscellaneous equipment	4 - 10 years

Productive properties or those, the use of which has not yet been determined and which are under construction are recorded at cost less any impairment losses. This cost includes professional fees and borrowing cost (loan cost). The depreciation of these properties, as well as of the other property of the Group begins from the time the properties are ready for use.

### 3.7 Investment property

Investment property is measured initially at acquisition cost, also including acquisition expenses. After the initial recognition, investment property is measured at fair value, which is reviewed every six months. In case of owner occupation, the investment property is derecognized and transferred to the tangible assets (property, plant and equipment) at fair value on the transfer date. If a tangible fixed asset is reclassified from tangible fixed assets to investment property, due to a change in its use, any difference arising between its carrying amount (book value) and the fair value on the date of its transfer shall be recognized in equity as an adjustment to the value of tangible fixed assets, under IAS 16.

Investment property is derecognized either on disposal (that is on the date on which the recipient / transferee acquires control of the investment property in accordance with the requirements for the determination of the time to fulfill a performance obligation in IFRS 15), or when it is finally withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the book value of the asset is recognized in the Income Statement in the write-off period. In determining the amount of consideration to be included in the profit or the loss arising from the write-off of investment property, the Group considers the effects of the variable consideration, the existence of a significant financing component, the non-cash consideration and the consideration paid to the buyer (if any) in accordance with the requirements for the determination of the transaction's price in IFRS 15.

The fair value of investment property reflects, among other things, rental income from existing leases and assumptions about the rental income from future leases in light of the current market conditions. The fair value also reflects, on a similar basis, any cash outflow (including rental payments and other

outflows) that would be expected from each property. Some of these outflows are recognized as liabilities, while other outflows, including any rent payments are not recognized in the financial statements. Repair and maintenance costs shall be charged to the Income Statement of the fiscal period in which they are incurred.

The carrying amount (book value) recognized in the Group's Financial Statements reflects the market conditions on the date of the Statement of Financial Position. Any profit or loss arising from a change in the fair value of the investment constitutes a result and is recognized in the Income Statement for the fiscal period in which it arises.

Real estate in progress follows the investment property accounting policy. IAS 40 Investment property does not require the valuation profits/losses on completed investment property to be disclosed separately from those on investment property under development.

### **3.8 Intangible assets**

The intangible assets of the Group (excluding goodwill) are depreciated over their useful life which is annually reviewed.

- **Trademarks and Licenses**

Trademarks and licenses are valued at acquisition cost according to the relevant invoices, less depreciations. The depreciations are performed on a straight - line basis over the estimated useful life of these items, which has been determined from 5 to 20 years.

- **Software - Other intangible assets**

Software licenses are valued at acquisition cost less depreciations. Depreciations are performed on a straight - line basis over the estimated useful lives of these items and the depreciation rate is 15%.

Expenditure required for the maintenance of software is recorded as incurred expenses. Expenditure incurred for the development of specific software programs controlled by the Group (in - house developments), are recorded as intangible assets when the following conditions<sup>0</sup> are met: a) when a specific asset is created, b) when it can be assumed that the created intangible asset will generate probable future economic benefits and c) when the development cost can be specified reliably. Such expenditures include labor costs and a ratio of overheads. In case of software replacement by a new program, provided that the old one is no longer in use, this intangible asset is permanently deleted from the Register of Fixed Assets and its non-depreciated net book value is recorded in the Income Statement of the relevant fiscal year.

In case of software upgrades, the said cost is added to the acquisition value and depreciations are calculated on the new acquisition value.

### **3.9 Impairment of non - financial assets except for the Goodwill**

Tangible assets (property, plant and equipment) are constantly tested in order to be defined if there are indications which show that their book value exceeds their recoverable value. The Group considers, for impairment test purposes, that each store is a cash generating unit (CGU). In cases where property, plant and equipment constitute a part of a CGU, such as a store and there are impairment indications which could lead to the conclusion that their book value exceeds their recoverable value, the recoverable amount of the CGU is determined by the calculation of the value in use. The value in use is calculated by implementing the cash flow discount method, taking into consideration the Management's estimations as presented in business plans with a timeline of 5-7 years. Any contingent impairment is specified as the excess amount of book value compared to the value in use and is recorded in the Income Statement of the said fiscal year. The loss-making operating result of stores was considered as indication of possible impairment and wherever there was existence of such indication, an impairment test was implemented.

The carrying amounts of all Group's assets are reviewed for possible impairment when there is indication that their book value can't be recovered i.e. when the book value is higher than the recoverable amount from their use or sale.

The recoverable value is the greater of the fair value less the required costs for sale and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate pre - tax discount rate. If the recoverable value is less than the carrying value, then the non-depreciated net book value is reduced to the recoverable value.

Impairment losses are recorded as incurred expenses in the Income Statement of the said fiscal year, except if the asset has been revalued, then the impairment loss reduces the related revaluation reserve by the amount covered by previous goodwill. An assessment is made on each reporting date as to whether there is any indication that previously recognized impairment losses exist or have been decreased. If such indication exists, the Group re-estimates the asset's recoverable amount. When in a subsequent period, the impairment loss should be reversed, the carrying value of the asset is increased up to the level of the revised estimation of the recoverable amount. The new net book value should not exceed the net book value that would have been determined if the impairment losses had not been accounted in previous periods.

### **3.10 Current / Non-current assets and liabilities: classification**

The Group presents the assets and liabilities in the statement of financial position based on the classification as current / non-current.

An asset is classified as current when:

- It is expected to be realized, or its sale / consumption has been predicted within the next period;

- It is mainly maintained for trading purposes;
- It is expected to be realized within twelve months since the reference period.

Or it is cash or cash equivalent unless they have been excluded from the exchange or their use in order to settle a liability for at least 12 months after the reference period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the next operation year;
- It is mainly maintained for trading purposes;
- It is clarified that it will be settled within 12 months after the reference period.

There is no unconditional right to postpone the solution of a liability for at least 12 months after the reference period.

The liability terms which could, upon the selection of the counterparty, lead to its settlement, by issuing financial products, do not affect its classification.

The Group classifies all its other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **3.11 Financial instruments – initial recognition and measurement**

#### **IFRS 9 Financial Instruments**

##### Classification and measurement of financial assets:

According to IFRS 9, financial assets are measured at fair value plus, in the case of financial assets not measured at fair value through Income Statement (Fair Value through Profit and Loss – FVPL), of the transaction cost. Debt instruments are measured subsequently at fair value, through Income Statement, at the non-depreciated cost or at fair value through other comprehensive income (Fair Value through Other Comprehensive Income – FVOCI). Classification criteria of financial assets are two: a) business model of financial assets management implemented by the Group and b) to what extent the contractual cash flows represent “solely payments for principal and interest” on the nominal amount of the principal that remains outstanding (SPPI test - Solely Payments for Principal and Interest).

##### Other financial assets are classified and subsequently measured as follows:

Group’s investments in equity instruments are classified at fair value through other comprehensive income, without re-recognition of earnings or losses in the Income Statement with the de-recognition. The Group aims to maintain these equity instruments for the near future and irrevocably decided to classify them at fair value through other comprehensive income after the initial recognition or transaction. According to IFRS 9, equity instruments measured at fair value through other

comprehensive income are not subject to impairment test.

### **3.12 Impairment of financial assets**

The Group assesses on each reporting date of the Statement of Financial Position whether there are objective indications leading to the conclusion that the financial items of the assets have been subject to impairment.

#### *Assets valued at non-depreciated cost*

If there are objective indications that an impairment loss on loans and receivables valued at non-depreciated cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The cash flows are discounted using the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The remaining carrying amount of the asset may be impaired either through deletion or through identification of a provision.

The present value of the financial asset is reduced through use of a provision and the impairment loss is recognized in the Income Statement. The Group first assesses whether objective indications of impairment exist individually for financial assets that are individually significant, whereas the financial assets that are not considered significant are grouped and tested in their entirety. If it is concluded that no objective indications of impairment exist for an individually assessed financial asset, whether significant or not, this asset is included in a group of financial assets subject to the impairment test, with similar credit risk characteristics.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the financial statements of the fiscal period, to the extent that the carrying value of the asset does not exceed its non-depreciated cost on the reversal date.

#### *Trade receivables (Note 14)*

For trade receivables the Group implements the simplified approach for the calculation of credit losses. Therefore, the Group does not monitor changes in credit risk, but recognizes a percentage of losses throughout the asset life, at each reporting period. The Group has prepared a provisions table based on historical experience of credit losses, adjusted with future factors appropriate for debtors and economic environment.

### **3.13 Inventory**

Inventory (goods) is valued at the lower of cost or net realizable value. Cost is determined by using the weighted average method. The net realizable value is the estimated sales price at the ordinary course

of the undertaking's business less any relevant costs to sell having in mind seasonality and other parameters. The cost of inventory does not include any financial expenses.

### **3.14 Trade receivables**

Trade receivables are recognized initially at fair value, and they are subsequently valued at the non-depreciated cost less the provisions for impairment, by using the effective interest rate method, and taking into account the expected credit losses.

In more detail, the Group applies the simplified approach of the standard, calculating the expected credit losses based on the expected credit losses for their entire life. The Group uses past experience in order to specify the risk of breach of payments as well as the information for the future at the end of each reporting period in relation to the debtors and the economic environment.

Thus, the Group does not monitor the changes in the credit risk, but it recognizes a loss percentage rate based on the expected credit losses throughout life at each reporting period. The Group has prepared a provisions table based on past experience of credit losses adjusted to future factors appropriate and suitable for the debtors and the economic environment.

Additionally, according to the estimation of the Company's Management, while the risk may be increased in case of a small number of tenants, geographical concentration of real estate or limited type of investment property, the particular characteristics of the company's real estate (large-scale real estate, which hosts the largest retail engaged in the trade of goods aimed at the average household), of the tenants and the implementation of policies of credit checks and transactional conduct of new tenants, with strict application of the terms of the guarantees of claims through the lease contracts (such as financial guarantees and letters of guarantee), as well as the implementation of policies for monitoring the other customers and communication for the recovery of any claims, shield the company against bad trade receivables pending before courts.

When there is an indication of impairment of receivables, the carrying value is reduced to their recoverable amount, which is the present value of expected future cash flows discounted at the initial effective interest rate. Then, the interest is calculated at the same rate on the impaired (new book) value.

Regarding the loans to related parties it should be noted that there is no credit risk for the Group and for the Company.

### **3.15 Treasury and equivalents (Cash and cash equivalents)**

Cash and cash equivalents include cash, deposits at current bank accounts and the short term (up to 3 months) investments of high liquidation and low risk.

### **3.16 Assets held for sale and discontinued operation**

Assets held for sale are valued at the lower price between carrying (non-depreciated) amount and fair value less the costs required for the sale.

Any possible fair value increase in a subsequent valuation is registered in the Income Statement but for amounts not bigger than the initially registered impairment loss. Since the date on which an asset is classified as held for sale, this asset is no longer depreciated or amortized. Before their classification, it was tested if the specific assets compose a single cash generating unit and then their impairment test took place. Assets of Note 9, compose a CGU mainly because altogether may be an object of transaction performed by TRADE ESTATES R.E.I.C.

Assets held for sale are classified as such, provided that their carrying value will be mainly recovered through sale rather than through their continuing use. This condition is considered valid only when the sale is highly probable, and the asset is available for immediate sale at its current condition. In order for the sale to be very possible, the appropriate level of the Management must have a plan for the sale of the asset (or the group of assets) and must be committed to this, while an active plan must have been initiated so as to find a buyer and complete the program. Moreover, active efforts must be done in order to sell the asset (or group of assets) at a reasonable price compared to its current fair value. Also, the Management must have proceeded its actions for the sale at such point, so as to be expected to be completed either based on stipulated by contractual time commitment or within a year from classification date. For assets measured at fair value, such as investment properties, the measurement provisions of IFRS 5 do not apply and continue to be measured at fair value.

A discontinued operation is an integral part of a financial entity that either has been sold or has been classified as held for sale and:

- a) represents a separate major part of business operations or a geographical area of operations,
- b) is part of a single, coordinated divestment program of a great part of operations or a geographical area of operations or
- c) is a subsidiary acquired exclusively with the prospect to be resold.

### **3.17 Share Capital**

Direct costs for the issue of shares are incurred after deduction of the relevant income tax, in reduction of the share premium reserve. The cost of treasury shares net of any related income tax (if any) is recorded as a reduction of the Group's equity, until these shares are sold or cancelled. Any gain or loss on sale of treasury shares, net of direct transaction costs and any related income tax, if any, is recorded as a reserve account under equity.

### **3.18 Loans**

Loans are initially recorded at their fair value less any direct costs related to the transaction. After initial recognition, they are subsequently measured at carrying (non-depreciated) cost using the effective interest rate method.

Interests and related expenses on loans taken for purchase or construction of fixed assets are capitalized. From the beginning of the productive operation of fixed assets and henceforth, the interests

of the loan shall be recorded in the Income Statement of the Company. In case of borrowing specifically for the purpose of constructing a fixed asset, according to the Loan Agreement, the Loan Agreement will be linked to the said fixed asset. Otherwise, in order to determine the part of the loan related with that fixed asset, a method is implemented to determine the proportion of the capitalized interest and the proportion of the interest which will be recorded to the Company's Income Statement as an expense. Revenues, occurred as a result of investing part of a loan taken for construction of a fixed asset, shall reduce the amount of borrowing costs capitalized.

Loan expenses paid upon signing of new credits are recognized as loan expenses if part or total of the new credit line is received. In that case, they are registered as future loan expenses until the loan is received. If the new loans are not used, partly or fully, then these expenses are included in prepaid expenses and are recognized in the Income Statement during the period of the relevant credit line.

### **3.19 Derivative financial instruments and hedge accounting**

The Group uses derivative financial instruments to mitigate the risk arising from fluctuations in interest rates (Note 22). When initiating a hedge relationship, the Group shall define and officially document the hedge relationship to which it wishes to apply hedge accounting, as well as the objective and the risk management strategy for undertaking the hedge.

The documentation includes the determination of the hedging instrument, of the hedged item, the nature of the risk hedged and the method by which the Group will assess if the hedge relationship meets the requirement of the hedging effectiveness (including the analysis of the sources of the hedging ineffectiveness and of the method for the determination of the hedging index). A hedging relationship meets the requirements for a hedging accounting, provided it meets all the following effectiveness requirements:

- There is an "economic relationship" between the hedged item and the hedging instrument.
- The credit risk effect "does not prevail on the changes of the value" arising from this economic relationship.
- The ratio of the hedge and the hedge relationship is not the same with the one arising from the quantity of the hedged item which the Group actually hedges and the quantity of the hedging instrument that the Group actually uses for the hedging of this quantity of the hedged item.

The hedges meeting all criteria for the hedging accounting shall be accounted for, as described below:

Such derivative financial instruments are recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value.

The effective part of the profit or loss from the cash flow hedging instrument is recognized to the Other Comprehensive Income Statement (OCI) as cash flow hedging reserve, while any ineffective part is promptly recognized to the Income Statement. The cash flow hedging reserve is adjusted to the lowest amount of the cumulative profits or losses from the hedging instrument and the accumulated change at the fair value of the hedged item.



The amounts accumulated in the Other Comprehensive Income Statement (OCI) are accounted for, based on the nature of the underlying hedged transaction. In accordance with the cash flow hedging accounting, when the prescribed hedged transactions lead to the recognition of a non-financial asset or of a non-financial liability, then at the time of recognition of the benefit or the loss, the profits and the losses that had previously been recorded in the Total Comprehensive Income Statement are integrated in the initial cost valuation of these assets or liabilities. This shall also apply, when the hedged provided transaction on a non-financial asset or of a non-financial liability later becomes a standard commitment to which a fair value hedging accounting applies. In all other cases of cash flow hedging, the profits or the losses recorded to equity are transferred to the Income Statement of the fiscal period in which the provided hedged transactions affect the Total Comprehensive Income Statement.

Regarding derivatives that do not meet the requirements of the hedging accounting, the profits or losses arising from changes at fair value are directly transferred to the Income Statement of the same year.

### **3.20 Income Tax and Deferred Tax**

Taxes recorded in the financial statement of the relevant fiscal period include both current and deferred taxes.

Current income tax is recognized in the Income Statement, except to the extent that it relates to transactions recorded directly in equity. Current income taxes include the current liabilities and/ or assets, to or from the tax authorities, in relation to the taxes payable on the taxable income of the fiscal period. Current taxes are increased by any income taxes related to provisions for tax differences or additional taxes which are imposed by the tax authorities upon audit of the unaudited taxed years.

Deferred tax assets and liabilities are measured at the tax rates which are expected to apply in the year in which the asset or liability will be settled, taking into account the tax rates (and tax laws) that have been enacted or are de facto applicable up to the date of the Statement of Financial Position.

Deferred taxes arise on temporary differences between the recognition of assets and liabilities for tax purposes and those for the purposes of preparation of the financial statements. Deferred tax is calculated using the liability method on all taxable temporary differences between the tax basis and book value of assets and liabilities in the financial statements.

The expected tax effects of temporary tax differences are recognized either as future (deferred) tax liabilities or as deferred tax assets. In case of an inability to accurately measure temporary tax differences, the initial recognition is made based on estimation of the reversal time and such estimation is reviewed each year.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that sufficient future taxable income will be available against which the unused tax losses and tax credits can be used or sufficient taxable deductible temporary differences that incur in the same company and will be recovered. Significant judgement is required by the Management in order for the value of deferred tax assets be defined, which can be recognized having in mind the

future tax incomes as well as the tax plan of the Group.

The Group sets off deferred tax assets and deferred tax liabilities only if:

- it has a legal right to set off current tax assets (or receivables) against current tax payables and
- deferred tax assets and deferred tax liabilities relate to income tax imposed by the same tax authority.

As a result of this handling, deferred tax assets and liabilities are presented on a net basis (offset amount) in the separate financial statements of the Company while such items are presented separately in the consolidated financial statements of the Group.

If the deferred income tax arises from initial recognition of an asset or liability in a transaction other than business combination, then it does not affect the neither the accounting nor the taxable profit and loss and therefore it is not taken into account.

The tax rates applied in the countries that the Group operates for the year 2023 are presented below:

<b>Country</b>	<b>% Income Tax/ Deferred Tax Rates</b>
Greece	22.0%
Romania	16.0%
Cyprus	12.5%
Bulgaria	10.0%

The following applies to the subsidiaries of the Group TRADE ESTATES REIC, KTIMATODOMI SA, BERSENCO SA, VOLYRENCO SA, RENTIS SA, POLIKENCO SA, MANTENKO SA and YALOU SA: according to article 31 par. 3 of Law 2778/1999, as in force, they are not subject to income tax but are taxed based on the fair value of their investments plus treasury. In more detail, the Company is taxed at a tax rate equal to 10,0% on the currently applicable intervention rate of the European Central Bank (Reference Rate) increased by 1 percentage point ( $10,0\% * (\text{ECB Reference Rate} + 1,0\%)$ ), on the average of its six-month investments plus treasury (cash) at current prices. By payment of this tax the tax liability of the company and of its shareholders is exhausted.

Pursuant to art.45 par. 2 of L.4389/2016 a six-month tax threshold of 0,375% on the average investments plus treasury (cash) (i.e. 0,75% on an annual basis) was introduced. It should be noted that by article 3 of L.4646/2019 the threshold for the tax due every six months of 0,375% on the average investments plus treasury (cash) was repealed. The current tax liabilities include the current (short-term) liabilities to the tax authorities related to the aforementioned payable tax.

### **3.21 Employee Benefits**

Employee benefits are:

#### **a) Short-term benefits**

Short term benefits to employees in money or in kind are recorded as an expense as they accrue.

#### **b) Post - retirement benefits**

Companies of the Group pay retirement compensation to their employees. Such compensation varies in relation to the employees' years of service and salary payable at the time of retirement and is accounted for as a defined benefit plan. Post - retirement obligations are calculated at the discounted value of future employee benefits accrued as at the end of the reporting period (fiscal year), based on the recognition of an employees' right to benefits to be earned over their expected labor life. The above-mentioned obligations are calculated based on financial and actuarial assumptions and are specified using the Projected Unit Method. Net retirement costs for the fiscal period are included in the attached statement of comprehensive income and consist of the present value of the employees' benefits that were accrued during the current year, the interests derived from the employee benefit obligation and the actuarial profits or losses which are promptly and directly recorded in the other comprehensive income, and they are not transferred in the financial statement in forthcoming periods. Full Yield Curve method is used for the discount. The Group applies article 8 par. A of Law 3198/1955.

#### **c) State insurance programs**

The employees of the Greek subsidiaries of the Group are covered, in terms of insurance programs, mainly through the principal State Social Security Organisation (EFKA) covering the private sector, which grants pension and medical coverage. Every employee is obliged to contribute part of their monthly salary to the social security fund, while part of the aggregate contribution is covered by the employer. Upon retirement, the pension fund is responsible to cover the granting of pensions and retirement benefits to the employees. Consequently, the Group does not have any other legal or assumed obligation to pay future employee benefits according to this pension program. This program is considered and accounted for as a defined contribution plan whereby the accrued social security contributions are recorded as an expense in the financial period in which they are incurred.

#### **d) Private insurance programs**

Every full-time employee of the Group belonging to the management team, according to the Company's Charter of Operation, is covered by a private insurance pension and other benefits program. The Group covers, the contractually defined contribution fees, while the financial management of the program is assigned to an Insurance Firm. The accrued cost of the insurance fees is considered and accounted for as a defined contribution plan whereby the accrued cost of the insurance fees is recorded as expense in

the period in which they are incurred.

#### **e) Share-based payments (IFRS 2)**

The Company intends to attract, retain and solicit the executives of the Company and the executives of its subsidiaries and affiliated companies, since through the Stock Options plan, the participants acquire a direct equity interest in the Company which link their performance to the Company's future performance and the increase of shareholder value. The programs constitute payments for shares (equity shares transactions).

The Company makes decisions regarding the implementation of Stock Options and Stock Grands Plans – to executives of the Company and its subsidiaries and affiliates in compliance with par.5 of Art.42e of Law 2190/1920.

A basic condition for participation in the Stock Options and Stock Grands plans is the salaried working relationship of executives with the Company or its subsidiaries and affiliates. The cost of equity settled transactions is measured by reference to the fair value of the relevant options on the date on which they are granted and is recognized as an expense over the period from grant date to maturity date of the relevant options with a concurrent increase in equity. In the separate financial statements of the Company, the cost of the benefits concerning the executives of the subsidiaries is recognized as an increase in the participation in subsidiaries, while for the company's staff, the cost of the benefits is recognized as an expense in the results (Income Statement) of the year.

The programs take into account the following variables: Exercise price, Share price on grant date, Grant Date, Maturity date(s) of rights, Expected Stock Volatility, Dividend Yield, Risk Free Rate.

#### **3.22 Government grants for purchase of fixed equipment**

Government grants are recognized when there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants for the purchase of fixed assets are demonstrated in the balance sheet as other non-current liabilities. The depreciation of the grant is made over the expected useful life of the related fixed assets and is recorded as other income in the Statement of Comprehensive Income.

#### **3.23 Contingent liabilities and Provisions**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed on the date of the Statement of Financial Position and adjusted to reflect the present value of the expense expected to be required to settle the liability.

Contingent liabilities are not recognized in the Financial Statements but are disclosed unless there is a probability of financial outflow of resources embodying economic benefits.

Contingent receivables are not recognized in the Financial Statements but are disclosed if the inflow of economic benefits is probable.

### **3.24 Revenue and expense recognition**

Revenue is measured at the fair value of sales of goods and provision of services, net of Value Added Tax, discounts and returns. The intragroup revenues are deleted.

The recognition of the revenues is accounted for as follows:

- *Sales of goods and revenue from contracts with customers:* Sales of goods are recognized when the Group invoices and delivers the goods to the customers and the goods are accepted by them. Retail sales are usually concluded through cash payments or through credit cards. In these cases, the income recognized is the amount received by the customer.

IFRS 15 establishes a 5-step model implemented for income arising from a contract with a customer (with limited exceptions), regardless of the type of income transaction or segment. The standard applies also for the recognition and measurement of profits and losses from the sale of non-financial assets which are not included in the ordinary operation of the Group (e.g. sales of tangible or intangible assets). It requires that entities must allocate the transaction price from contracts to distinctive promises, namely execution liabilities, based on standalone selling prices, according to the five-step model. Afterwards, the income is recognized when the entity satisfies execution liabilities, namely when it transfers goods or services which are specified in the contract to the customer.

The standard is based on the principle that the income is recognized when control of a product or service is transferred to the customer. The Group operates in retail trading of furniture and household goods and sporting goods. According to IFRS 15, Revenue from contracts with customers, the Group recognizes revenue when control of the products is transferred, that is when the products are delivered to the customer. Therefore, the adoption of IFRS 15 did not have an impact at the time of the revenue recognition. Net sales revenue is measured at fair value of the amount received. Net sales revenues exclude amounts collected by third parties such as value added taxes, as these are not included in the transaction price.

However, future discounts related to customer loyalty programs of the Group's companies create a right which must be recognized when exercised or expired, only if it is considered substantial and the customer would not acquire it if the initial transaction was not implemented. The Group provides discounts to its customers based on the points gathered from transactions made by using the customer loyalty program card. All these discounts are settled within 18 to 24 months depending on the program. According to the requirements of the standard, the Group estimates that these discounts represent substantial right for customers, create obligation for execution and therefore part of the income of each transaction which corresponds to this right will be recognized when exercised (fulfilment of obligation) or expired. IFRS 15 neither excludes nor defines a specific

methodology for the estimation of the selling price of the point gathered as long as the estimation constitutes a reliable reflection of the price at which the Group would provide separately this product to the customer.

- *Provision of services:* The income from provision of services is recorded in the period in which the services are provided, based on the stage of completion of the provided services.
- *Interest income:* Interest income is recognized proportionally in time and by using the effective interest rate.
- *Dividends:* Dividends are considered as income when the right to receive them is established. The aforementioned right is established after the decision of the General Assembly (ordinary or extraordinary). Expenses are recognized in the statement of comprehensive income as accrued.
- *Advertising costs:* The Advertising cost is recorded in the Income Statement of the relevant fiscal period with the registration of the relevant expenses incurred and is included in the operation and distribution expenses.
- *Borrowing costs:* Underwriters costs, legal and other direct costs incurred upon issue of long-term loans reform the amount of these loans and are recorded to the Income Statement based on the effective interest rate method over the duration of the loan contract. Borrowing cost is recognized as an expense during the issue period, except for the case that Group capitalizes borrowing costs according to IAS 23. .

### **3.25 Leases and subleases**

Leases in which all the risks and benefits of the property remain with the lessor are recorded as finance leases. All the other leasing contracts are recorded as operating leases.

- *Group as a Lessor:* Income from operating leasing is recognized as income on a straight - line basis over the lease term.
- *Group as a Lessee:* In more details, on the beginning date of the leasing period, a right of use asset and a liability are recognized by calculating present value of leases which remain unpaid, discounted with leasing interest rate (interest rate which would be accepted by the lessee in order to borrow all necessary funds with similar terms). The Group determines the leasing duration as the contractual leasing duration, including the period which is covered by a) the right to extend leasing if it is almost sure that it will be exercised, or b) the right to terminate the contract if it is almost sure that it will not be exercised. The Group implements a single discount rate at each leasing category with similar characteristics (as leasing with similar duration, fixed assets and economic environment). Afterwards, the asset is measured at cost less depreciation and any impairment losses while, the liability is measured by increasing book value with interest expenses on the liability and by decreasing book value with payments of leases.

Regarding the Net Investment from Subleases, the following accounting policy was applied in accordance

with the standard for Leases (IFRS 16):

The buyer-lessor recognizes the transferred asset and then applies the lessor's accounting for the leaseback. Group companies that lease an underlying asset act as an "intermediate lessor" to a third party lessee, with the original lease ("master lease") between the lessor and the lessee remaining in effect.

A sublease is classified as a finance or operating lease based on the right to use an asset arising from the main lease and not by reference to the underlying asset.

The sublease is accounted for as follows:

If the sublease is classified as a finance lease, the initial lessee shall derecognise the right to use the asset in the finance lease at the inception of the sublease and continue to account for the liability under the finance lease in accordance with the lessee's accounting model under IFRS 16. At the same time it recognises the net investment in the sublease as the gross investment in the lease (equal to the sum of (a) the rental payments that the lessor may claim under a finance lease; and (b) any unguaranteed residual value to which the lessor is entitled) discounted at the implicit interest rate of the lease or if that rate cannot be readily determined, at the lessee's differential borrowing rate, with any difference recognised in the income statement.

In accordance with the above accounting policy of the Group, with the sale of the subsidiary SNEAKERS MARKET which subleases stores from the subsidiary INTERSPORT ATHLETICS, upon initial recognition on 28/2/2023, the difference between the recognition of the net investment of EUR 4.6 million and the derecognition of the right of use asset of EUR 2.4 million shown under other income, a gain was recognised amounting to EUR 2.2 million. It is noted that as at 31/12/2023 the net investment amounts to EUR 4.2 million. The receipts relating to the net investment amount to EUR 318 thousand for the period 28/2-31/12/2023 and have reduced the balance of the net investment from subleases.

### **3.26 Derecognition of financial assets and liabilities**

#### *Financial Assets*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired,
- the Group or the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay under a "pass - through" arrangement and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group or the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control

of the asset, then the asset is recognized to the extent of the Group's or Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group or Company could be required to repay.

#### *Financial liabilities*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in income statement.

### **3.27 Earnings/Losses per share**

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the reporting period.

The weighted average number of shares is calculated by summing the existing shares in which the share capital is divided by the potentially exercisable rights that the Company has and subtracting the number of treasury shares.

Diluted EPS is calculated by starting from basic EPS and then adjusting earnings and the number of shares by the potential effects of all securities convertible into ordinary shares that have a dilutive effect on basic EPS.

## **4. Financial and Non-Financial Risk Management and significant pending court cases**

### **a) Financial and Non-Financial Risk Management**

Risk management is handled by the Finance Department, which operates according to specific rules set by the Board of Directors.

The Group has adopted the "Enterprise Risk Management" (ERM) methodology which facilitates and enables the organization to identify, evaluate and manage risks through a structured approach. The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM, which provides guidance on how to integrate ERM practices and outlines the principles of their implementation. In this context, 100 risks were identified and evaluated which were recorded in the Risk Register of the Company.

More specifically, the risk categories are: Profitability and Liquidity, Reputation and Ethics, Society and People, Regulatory Compliance, Strategy, Customers, Health and Safety, Growth and Competition, Technology and Functions. The most important risks that have been identified for the Group are:

- *Risk related to Sustainability Category:* The possibility of confronting difficulties in the attraction, development (including the training) and maintenance of the required skills and talents (including the new skills on digital technologies) and the related impact on the Group's performance.



- *Risk related to Strategy*: The probability of failure to clearly define the strategy and to align it with the business objectives and the relevant effects on the Group's development.
- *Risk related to the Profitability and Liquidity*: The possibility of inefficient liquidity management, as well as the unclear liquidation strategy and the related effects on the Group's profits and liquidity.
- *Risk related to the Strategy category*: The possibility of misalignment of the business strategy with the ESG obligations (Environmental, Social and Corporate Governance), such as Climate & Sustainability, and the expectations of the corporate governance and the relevant effects on the financial results and the reputation of the Group.
- *Risk related to the Strategy category*: The possibility of failure to adopt state-of-the-art technology / align the IT strategy with the business strategy and new business models as well as the relative impact on the Group's reputation and revenue.
- *Risk related to the category Development and Competition*: The possibility of the emergence of new competitors (e-shop or physical stores) and the relative impact on the loss of market share.
- *Risk related to the category Development and Competition*: The possibility of entering international digital markets (marketplaces) and the relative impact on the loss of market share.
- *Risk related to the Technology and Security of Information Systems category*: The possibility of high cost of information systems platforms and the impact on the Group's profits.
- *Risk related to the Technology and Security of Information Systems category*: The possibility of attack in cyberspace and the relative impact on the profits, performance and reputation of the Group.
- *Risk related to the category Operations*: The possibility of mismanagement of inventories and the relevant effects on the Group's performance and income.

The Board of Directors provides written instructions and guidelines for general risk management as well as specific instructions for the management of specific risks, such as foreign exchange risk and interest rate risk.

The Group is exposed to financial risks such as foreign exchange risk, interest rate risk and liquidity risk. The Finance Department identifies, assesses and hedges the financial risks in cooperation with the Group's subsidiaries.

#### **Foreign Exchange Risk:**

The Group is exposed to foreign exchange risks arising from transactions in foreign currencies (RON, USD, SEK) with suppliers who invoice the Group in currencies other than the local. The Group, in order to minimize the foreign exchange risk, according to the needs, in certain cases, evaluates the need to pre - purchase foreign currencies.

#### **Interest rate risk and liquidity:**

The Group is exposed to cash flow risk which in the case of possible variable interest rates fluctuation,

may affect positively or negatively the cash inflows or/and outflows related to the Group's assets or/and liabilities.

Liquidity risk is minimized via the availability of adequate credit lines and significant cash (treasury). The Group has entered into Forward Interest Rate Swap (IRS) contracts in order to face these risks.

**Property price and lease risk:**

The Group is exposed to property price and lease risks as regards the possibility of a decrease in the commercial value of the real estate and/or leases, which may come from developments in the real estate market in which it operates, the general conditions of the Greek and international macroeconomic environment, from the characteristics of the Company's portfolio real estate and from events concerning the Company's existing tenants.

To reduce property price risk, the Group carefully selects properties that are located in excellent position and promoted in commercial areas so as to reduce its exposure to this risk. It seeks to enter into long-term operating lease contracts, with tenants of high credibility, in which are foreseen annual adjustments of the lease related to the Consumer Price Index, while in case of negative inflation there is no negative impact on the leases.

**Risks due to inflationary pressures**

The Group carefully monitors the news and developments regarding the inflationary pressures, in order to adjust in the special conditions arising. It harmonizes with the current legislation and continues its commercial transactions in physical stores according to the instructions.

**Non-financial risks:**

In addition to the financial risks, the Group also focuses on non-financial risks related to specific issues, which have been identified as essential in the context of sustainable development. These issues concern the full compliance with the legislation and the implementation of corporate governance policies, human resources, the environmental impact of the companies' activity, the supply chain, and the evolution of the companies in the market in which they operate. Risk management presupposes the definition of objective goals based on which the most important events that can affect the Group are identified, the relevant risks are assessed, and the response to them is decided.

**b) Significant Pending Court Cases**

There are no litigations or legal issues that might have a material impact on the Group's or the Company's Annual Financial Statements for the period 1/1 - 31/12/2023.

## 5. Segment Information

The Group is active on the following two operating segments:

- Retail Trading of Home Furniture and Households Goods (IKEA stores).
- Retail Trading of Sporting Goods (INTERSPORT stores).

The Retail Trading of Home Furniture and Household Goods (IKEA Stores) also includes investments in real estate through the Group's subsidiary under the name TRADE ESTATES REIC, which was established in July 2021, the date on which it acquired the Group's properties through a contribution of the specific sector. In November 2023, TRADE ESTATES REIC was listed on the Athens Stock Exchange.

The main financial reporting interest focuses on the business distribution of the Group's activity in the above operating segments, where the different operating environments are accompanied by different risks and benefits. In addition, the Group operates mainly in one geographic segment, that of South-Eastern Europe, with Greece as the main country of activity and additionally Romania, Bulgaria and Cyprus.

The Group's sales revenue in 2023 arise 59% from activities in Greece (58% in 2022) with the remaining 41% arising from the other countries of Southeastern Europe (42% in 2022) which is analyzed as follows: 17% from Bulgaria (2021: 16%), 15% from Cyprus (2022: 14%), 9% from Romania (2022: 9%). Revenue of the Company concern intrasegment transactions and are eliminated at the Consolidated Financial Statements.

Historically, the consumers' demand for the Group products increases during the last four months of the year.

Group results by operating segment for the year 2023 are analysed below:

	<b>Retail Home Furnishings</b>	<b>Retail Sporting Goods</b>	<b>Fourlis Holdings SA</b>	<b>Elim - Cons Entries</b>	<b>Fourlis Group</b>
Revenue	358,407	176,328	4,994	(4,617)	535,112
Cost of Goods Sold	(195,250)	(96,453)	(4,821)	4,374	(292,150)
<b>Gross Profit</b>	<b>163,157</b>	<b>79,875</b>	<b>173</b>	<b>(243)</b>	<b>242,962</b>
Other income	10,077	4,307	2,781	(2,293)	14,872
Distribution expenses	(111,030)	(70,939)	(1)	988	(180,982)
Administrative expenses	(26,147)	(8,703)	(6,877)	(607)	(42,334)
Net gain from the fair value adjustment of investment property	22,351	0	0	0	22,351
Other operating expenses	(833)	(552)	(7)	26	(1,366)
<b>Operating Profit / (Loss)</b>	<b>57,574</b>	<b>3,987</b>	<b>(3,931)</b>	<b>(2,129)</b>	<b>55,501</b>
<b>Total finance income</b>	<b>612</b>	<b>367</b>	<b>3</b>	<b>0</b>	<b>983</b>
<b>Total finance cost</b>	<b>(16,400)</b>	<b>(6,503)</b>	<b>(28)</b>	<b>(127)</b>	<b>(23,058)</b>
Contribution associate companies profit and loss	2,177	0	0	0	2,177
Profit/loss on sale of subsidiaries	0	(5,211)	34,504	(33,972)	(4,679)
Dividends	0	0	9,147	(9,147)	0
<b>Profit / (Loss) before Tax</b>	<b>43,962</b>	<b>(7,360)</b>	<b>39,695</b>	<b>(45,374)</b>	<b>30,924</b>
Depreciation/Amortisation/Net gain/loss from fair value adj. of invest property	(8,555)	20,629	870	140	13,083

Respectively, the results of the operating segments during the year ended December 31, 2022 for the Group are analyzed in the table below:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	317,558	184,257	4,764	(5,201)	501,379
Cost of Goods Sold	(178,122)	(97,473)	(4,687)	4,685	(275,597)
<b>Gross Profit</b>	<b>139,436</b>	<b>86,784</b>	<b>77</b>	<b>(516)</b>	<b>225,782</b>
Other income	9,130	1,862	2,221	(2,088)	11,124
Distribution expenses	(105,158)	(73,241)	0	1,868	(176,530)
Administrative expenses	(19,453)	(9,192)	(5,275)	307	(33,614)
Goodwill arising from valuation	0	(151)	0	0	(151)
Net gain from the fair value adjustment of investment property	8,453	0	0	0	8,453
Other operating expenses	(848)	(446)	(21)	0	(1,316)
<b>Operating Profit / (Loss)</b>	<b>31,560</b>	<b>5,615</b>	<b>(2,999)</b>	<b>(429)</b>	<b>33,747</b>
Total finance income	307	1,144	0	0	1,451
Total finance cost	(10,344)	(7,128)	(43)	(2)	(17,517)
Contribution associate companies profit and loss	2,325	0	0	0	2,325
Dividends	0	0	38,056	(38,056)	0
<b>Profit / (Loss) before Tax</b>	<b>23,849</b>	<b>(369)</b>	<b>35,014</b>	<b>(38,487)</b>	<b>20,007</b>
Depreciation/Amortisation/Net gain/loss from fair value adj. of invest property	4,410	20,382	669	(128)	25,333

Respectively, the structure of assets and liabilities as at 31 December 2023 and 31 December 2022 in the above operating segments is analyzed as follows:

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
	31/12/2023	31/12/2023	31/12/2023	31/12/2023	31/12/2023
Property plant and equipment	48,203	24,376	160	623	73,363
Right of use assets	76,206	67,267	863	(10,119)	134,217
Other Non-current Assets	44,879	5,377	97,833	(87,700)	60,390
<b>Total non-current assets</b>	<b>169,289</b>	<b>97,020</b>	<b>98,857</b>	<b>(97,196)</b>	<b>267,970</b>
Assets classified as held for sale	485,246	0	63,103	(70,893)	477,456
<b>Total Assets</b>	<b>739,808</b>	<b>165,773</b>	<b>164,833</b>	<b>(167,680)</b>	<b>902,734</b>
Non - current loans	4,221	21,738	31	0	25,990
Lease liabilities	58,956	61,348	640	(10,821)	110,122
Other Non-current Liabilities	6,485	796	776	34	8,091
<b>Total non current Liabilities</b>	<b>69,662</b>	<b>83,882</b>	<b>1,447</b>	<b>(10,787)</b>	<b>144,204</b>
Liability arising from assets held for sale	240,656	0	0	0	240,656
<b>Total liabilities</b>	<b>466,035</b>	<b>153,939</b>	<b>4,751</b>	<b>(8,465)</b>	<b>616,261</b>

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
	31/12/2022	31/12/2022	31/12/2022	31/12/2022	31/12/2022
Property plant and equipment	46,716	26,119	214	292	73,340
Right of use assets	77,822	66,117	1,347	(11,409)	133,877
Other Non-current Assets	49,182	3,226	94,368	(93,462)	53,314
<b>Total non-current assets</b>	<b>173,720</b>	<b>95,462</b>	<b>95,929</b>	<b>(104,579)</b>	<b>260,531</b>
Assets classified as held for sale	300,186	17,641	32,025	(32,025)	317,827
<b>Total Assets</b>	<b>576,987</b>	<b>190,166</b>	<b>135,067</b>	<b>(150,117)</b>	<b>752,102</b>
Non - current loans	70,080	33,704	36	0	103,820
Lease liabilities	63,918	58,776	645	(11,771)	111,567
Other Non-current Liabilities	7,635	751	837	(3)	9,220
<b>Total non current Liabilities</b>	<b>141,633</b>	<b>93,230</b>	<b>1,519</b>	<b>(11,775)</b>	<b>224,607</b>
Liability arising from assets held for sale	133,223	12,683	0	0	145,906
<b>Total liabilities</b>	<b>390,834</b>	<b>173,561</b>	<b>11,639</b>	<b>(25,017)</b>	<b>551,016</b>

It is noted that the consolidation entries column includes transactions between the parent company and operating segments of the Group.

## 6. Analysis of expenses and other operating income

(a) The expenses are presented in the financial statements as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Distribution expenses	149,183	143,754	1	0
Administrative expenses	38,699	32,755	6,008	4,607
Depreciation/Amortisation (Distribution)	31,799	32,776	0	0
Depreciation/Amortisation (Administration)	3,635	1,010	870	669
Expenses embedded on cost of sales	0	0	4,821	4,687
Net gain/loss from fair value adj. of invest property	(22,351)	(8,453)	0	0
Other operating expenses	1,366	1,316	7	21
<b>Total</b>	<b>202,332</b>	<b>203,158</b>	<b>11,706</b>	<b>9,984</b>

The main categories of expenses are analyzed below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Payroll Expenses	87,725	78,795	7,631	6,117
Third party services	54,753	54,633	1,072	1,277
Taxes-duties	3,384	3,277	2	3
Depreciation/Amortisation/Net gain/loss from fair value adj. of invest property	13,083	25,333	870	669
Other operating expenses	39,157	36,870	2,131	1,918
Credit Card fees	4,229	4,250	1	0
<b>Total</b>	<b>202,332</b>	<b>203,158</b>	<b>11,706</b>	<b>9,984</b>

For the year ended 31/12/2023, the other expenses of the Company include Auditors fees amounting

to euro 3 thousand relating to services beyond financial statements audit (excluding services of regular control and issuance of tax certificate, which amount to euro 44 thousand). Therefore, the percentage of non-audit services in relation to the audit services provided by the statutory auditor is 6%.

Payroll expenses are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Salaries and wages	68,049	61,320	5,714	4,401
Social security contributions	11,817	11,139	884	785
Miscellaneous grants	7,858	6,336	1,033	931
<b>Total</b>	<b>87,725</b>	<b>78,795</b>	<b>7,631</b>	<b>6,117</b>

(b) Other operating income is analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Revenue from non-use of provisions	1,127	978	309	82
Fixed Assets Gain	2	33	0	0
Other income	13,743	10,113	2,472	2,139
<b>Total</b>	<b>14,872</b>	<b>11,124</b>	<b>2,781</b>	<b>2,221</b>

Other income for the financial year 2023 includes an amount of EUR 2,998 thousand (2022: EUR 2,553 thousand), mainly relating to order dispatch income, services to customers of EUR 5,381 thousand (2022: EUR 4,382 thousand), photovoltaic income of EUR 363 thousand (2022: EUR 344 thousand) and other income of EUR 2,687 thousand (2022: EUR 2,603 thousand), in other income. A gain amounting to EUR 2.2 million relating to property subleases was recognised in other income (see note 8).

In addition, the Company's other income for the financial year 2023 includes income from invoicing maintenance of software licenses to subsidiaries of EUR 1,548 thousand (2022: EUR 1,555 thousand), income from subleasing of real estate, proportion of common charges and other invoicing to subsidiaries in the amount of EUR 403 thousand (2022: EUR 315 thousand) and income from invoicing of travel expenses in the context of administrative support services in the amount of EUR 145 thousand (2022: EUR 39 thousand).

(c) Net Financial Results are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Interest - expenses	(15,396)	(7,794)	0	0
Foreign exchange differences (expense) - realized-	(475)	(1,891)	0	0
Interest of lease liabilities	(6,414)	(6,415)	(25)	(41)
Other financial expenses	(772)	(1,417)	(3)	(2)
<b>Total finance cost</b>	<b>(23,058)</b>	<b>(17,517)</b>	<b>(28)</b>	<b>(43)</b>
Interest and related income	135	246	3	0
Foreign exchange differences (income) - realized-	251	1,018	0	0
Other financial income	596	186	0	0
<b>Total finance income</b>	<b>983</b>	<b>1,451</b>	<b>3</b>	<b>0</b>

(d) Consolidated financial statements include, through equity method, the associated companies VYNER LTD and SW SOFIA MALL ENTERPRISES LTD, SEVAS TEN SA. and RETS SA.

## 7. Property, plant and equipment

Property, plant and equipment for the Group are analyzed as follows:

	Group					
	Buildings and installations	Machinery / Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2022	36,412	11,867	878	17,702	6,482	73,340
<b>1.1 - 31.12.2023</b>						
Additions	5,944	3,967	123	4,731	458	15,224
Other changes in acquisition cost	(573)	(79)	132	(351)	(90)	(961)
Acquisition costs	0	0	0	0	(2,500)	(2,500)
Depreciation/ amortization	(5,513)	(2,185)	(213)	(4,840)	0	(12,751)
Other changes in depreciation	596	75	(132)	471	0	1,011
<b>Acquisition cost at 31.12.2023</b>	<b>97,849</b>	<b>25,793</b>	<b>6,140</b>	<b>71,550</b>	<b>4,350</b>	<b>205,682</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(60,984)</b>	<b>(12,147)</b>	<b>(5,352)</b>	<b>(53,837)</b>	<b>0</b>	<b>(132,319)</b>
<b>Net book value at 31.12.2023</b>	<b>36,865</b>	<b>13,646</b>	<b>789</b>	<b>17,713</b>	<b>4,350</b>	<b>73,363</b>

	Group					
	Buildings and installations	Machinery / Installations	Vehicles	Furniture	Assets under construction	Total
Net book value at 31.12.2021	35,362	3,822	913	15,533	14,775	70,404
<b>1.1 - 31.12.2022</b>						
Additions	6,314	2,303	155	6,801	770	16,343
Other changes in acquisition cost	(395)	7,160	19	(1,284)	(9,063)	(3,564)
Transfer of acquisition cost to assets held for sale	(2,072)	0	0	(1,680)	0	(3,752)

Depreciation/ amortization	(5,342)	(1,854)	(213)	(4,601)	0	(12,010)
Other changes in depreciation	1,193	437	5	1,844	0	3,478
Transfer of accumulated depreciation to assets held for sale	1,351	0	0	1,089	0	2,440
<b>Acquisition cost at 31.12.2022</b>	<b>92,478</b>	<b>21,904</b>	<b>5,885</b>	<b>67,170</b>	<b>6,482</b>	<b>193,919</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(56,067)</b>	<b>(10,037)</b>	<b>(5,007)</b>	<b>(49,468)</b>	<b>0</b>	<b>(120,579)</b>
<b>Net book value at 31.12.2022</b>	<b>36,412</b>	<b>11,867</b>	<b>878</b>	<b>17,702</b>	<b>6,482</b>	<b>73,340</b>

Additions in the Property, Plant and Equipment for the period refer to construction and purchase of equipment for retail stores (new and existing) regarding segments of home furniture and household goods and sporting goods.

In sporting goods segment, three (3) new INTERSPORT Stores in Greece started their operation on 17/3/2023 in Serres, on 8/4/2023 in Katerini and on 14/7/2023 in Pagrati, Athens.

While on 1/11/2023 one (1) new store in Romania started its operation.

In the household equipment and furniture sector, in February 2023 the store in Komotini was closed, while in May 2023 one (1) new store in Alexandroupoli started operating.

Most considerable additions in property, plant and equipment in the year 2023 refer to:

- a) Property, plant and buildings installations of amount euro 2.6 million for IKEA Stores and euro 2.2 million for INTERSPORT.
- b) Machinery – installations, furniture and miscellaneous equipment of amount euro 2.8 million for IKEA Stores and euro 1.9 million for INTERSPORT.

Other changes in the acquisition value include exchange rate differences resulting from the difference in exchange rates for the translation of figures relating to the fixed assets of foreign companies amounting to EUR 69 thousand, destruction of assets amounting to EUR 1,259 thousand and sales of fixed assets amounting to EUR 238 thousand, reduced by an amount of EUR 606 thousand relating to additions from the acquisition of subsidiaries. Also included in other changes in depreciation and amortization are exchange rate differences arising from the difference in exchange rates for the translation of figures relating to the fixed assets of foreign companies amounting to EUR 40 thousand, destruction of EUR 1,333 thousand and sales of fixed assets of EUR 131 thousand, less EUR 493 thousand relating to depreciation on the acquisition of subsidiaries

Depreciation/Amortization of Property, Plant and Equipment for the year 2023 amounted to euro 12,751 thousand (2022: euro 12,010 th.). Total depreciation/amortization of property, plant and equipment and intangible assets of amount euro 15,092 th. (2022: euro 14,193 th.) which are registered in distribution expenses by euro 12,539 th. (2022: euro 11,734 th.) and in administrative expenses by euro 2,553 th. (2022: euro 2,459 th.).



As at 31/12/2023, the Group reviewed the value of property, plant and equipment and no indication of impairment was found.

Net book value of property, plant and equipment regarding IKEA and INTERSPORT stores amounts to euro 55,689 thousand (2022 amount of euro 54,777 thousand).

For the Company property, plant and equipment for the years 2023 and 2022 are the following:

	<b>Buildings and installations</b>	<b>Company Furniture</b>	<b>Assets under construction</b>	<b>Total</b>
Net book value at 31.12.2022	57	156	0	214
<b>1.1 - 31.12.2023</b>				
Additions	0	18	5	24
Depreciation/ amortization	(22)	(55)	0	(77)
<b>Acquisition cost at 31.12.2023</b>	<b>322</b>	<b>514</b>	<b>5</b>	<b>841</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(287)</b>	<b>(394)</b>	<b>0</b>	<b>(681)</b>
<b>Net book value at 31.12.2023</b>	<b>35</b>	<b>120</b>	<b>5</b>	<b>160</b>

	<b>Buildings and installations</b>	<b>Company Furniture</b>	<b>Assets under construction</b>	<b>Total</b>
Net book value at 31.12.2021	71	123	0	194
<b>1.1 - 31.12.2022</b>				
Additions	9	83	0	91
Depreciation/ amortization	(22)	(49)	0	(71)
<b>Acquisition cost at 31.12.2022</b>	<b>322</b>	<b>495</b>	<b>0</b>	<b>818</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(265)</b>	<b>(339)</b>	<b>0</b>	<b>(604)</b>
<b>Net book value at 31.12.2022</b>	<b>57</b>	<b>156</b>	<b>0</b>	<b>214</b>

## 8. Right of use assets and subleases

Right of use assets of the Group for the years 2023 and 2022 are analysed as follows:

	<b>Leasing Buildings</b>	<b>Group Leasing Machinery / Installations</b>	<b>Leasing Vehicles</b>	<b>Total</b>
<b>Net book value at 31.12.2022</b>	<b>132,387</b>	<b>7</b>	<b>1,484</b>	<b>133,877</b>
<b>Other changes</b>				
Additions	22,448	0	812	23,260
Other changes in acquisition cost	(6,320)	(63)	(232)	(6,615)
Depreciation/ amortization	(19,758)	(7)	(578)	(20,342)
Other changes in depreciation	3,777	63	196	4,035
<b>Acquisition cost at 31.12.2023</b>	<b>215,605</b>	<b>0</b>	<b>3,573</b>	<b>219,178</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(83,070)</b>	<b>0</b>	<b>(1,891)</b>	<b>(84,961)</b>
<b>Net book value at 31.12.2023</b>	<b>132,535</b>	<b>0</b>	<b>1,681</b>	<b>134,217</b>

	Leasing Buildings	Group Leasing Machinery / Installations	Leasing Vehicles	Total
<b>Net book value at 31.12.2021</b>	<b>119,820</b>	<b>21</b>	<b>1,223</b>	<b>121,064</b>
<b>Other changes</b>				
Additions	40,637	5	874	41,516
Other changes in acquisition cost	(2,284)	0	(21)	(2,305)
Classification of assets held for sale				
Acquisition cost	(9,694)	0	(113)	(9,807)
Depreciation/ amortization	(19,196)	(20)	(526)	(19,742)
Other changes in depreciation	687	0	8	694
Classification of assets held for sale in depreciation	2,418	0	39	2,457
<b>Acquisition cost at 31.12.2022</b>	<b>199,477</b>	<b>63</b>	<b>2,993</b>	<b>202,533</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(67,090)</b>	<b>(56)</b>	<b>(1,509)</b>	<b>(68,655)</b>
<b>Net book value at 31.12.2022</b>	<b>132,387</b>	<b>7</b>	<b>1,484</b>	<b>133,877</b>

Additions of right to use assets of the period relate to changes in existing contracts due to an increase in the price and duration of the lease in the stores for retail stores of the home furniture amounting to euro 6 million and for the sporting goods segment of euro 17 million.

The depreciated value of the Group's right-of-use assets relating to the Ikea, INTERSPORT and HOLLAND BARRET stores as at 31/12/2023 amount to EUR 131 million (2022: EUR 138 million).

On 31/12/2023, the Group examined the value of right to use assets of its stores (Cash Generating Units) and an impairment test was implemented. No impairment loss occurred.

Right of use assets of the Company for the years 2023 and 2022 are analysed as follows:

	Company		
	Leasing Buildings	Leasing Vehicles	Total
<b>Net book value at 31.12.2022</b>	<b>1,024</b>	<b>323</b>	<b>1,347</b>
<b>Other changes</b>			
Additions	0	266	266
Other changes in acquisition cost	0	(29)	(29)
Depreciation/ amortization	(617)	(104)	(721)
<b>Acquisition cost at 31.12.2023</b>	<b>2,178</b>	<b>763</b>	<b>2,940</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(1,770)</b>	<b>(308)</b>	<b>(2,077)</b>
<b>Net book value at 31.12.2023</b>	<b>408</b>	<b>455</b>	<b>863</b>

	Company		
	Leasing Buildings	Leasing Vehicles	Total
<b>Net book value at 31.12.2021</b>	<b>802</b>	<b>224</b>	<b>1,026</b>
<b>Other changes</b>			
Additions	1,375	181	1,556
Other changes in acquisition cost	(705)	(2)	(707)

Depreciation/ amortization	(449)	(80)	(529)
<b>Acquisition cost at 31.12.2022</b>	<b>2,178</b>	<b>526</b>	<b>2,704</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(1,153)</b>	<b>(204)</b>	<b>(1,357)</b>
<b>Net book value at 31.12.2022</b>	<b>1,024</b>	<b>323</b>	<b>1,347</b>

## 9. Assets held for sale

### 9.1 Generaly

The Group continues to exploit new investing opportunities regarding the establishment of a company "TRADE ESTATES REAL ESTATE INVESTMENT COMPANY SA (REIC)", for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. Under the same context, the actions of the Group for the establishment of companies operating in real estate management in Cyprus and Bulgaria (TRADE ESTATES CYPRUS LTD, H.M. ESTATES CYPRUS LTD, TRADE ESTATES BULGARIA EAD) and for the strategic plan of TRADE ESTATES R.E.I.C. which includes an increase in the share capital of TRADE ESTATES REIC through the Athens Stock Exchange as well as private placements prior to the listing on the Athens Stock Exchange, with the final result that the Group's shareholding drops to 50% after the end of the mandatory holding period due to the listing on the Athens Exchange and in any case within 2024.

Therefore, on 31/12/2019 the Group classified its assets related to TRADE ESTATES R.E.I.C. of amount euro 176.1 mil. as held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arisen. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was stopped. If they were not classified as held for sale, the net depreciation of these assets would be approximately euro 3.4 million for the year 2023 and euro 3.4 million respectively for the year 2022 and year 2021, which will decrease net profits of the corresponding periods.

The assets that have been classified for sale constitute a single cash generating unit (CGU) since all of them were contributed on 12/7/2021 to TRADE ESTATES REIC and the approval received to TRADE ESTATES REIC from the Hellenic Capital Market Commission for operating license was implemented. These assets were measured at the lowest value between book value and fair value minus the sale expenses occurred.

Assets held for sale include:

- IKEA Store in Thessaloniki (mostly Group owner-occupied),
- IKEA Store in Ioannina (mostly Group owner-occupied),
- IKEA Store in Nicosia, Cyprus (Group owner-occupied),
- IKEA Store in Sofia, Bulgaria (Group owner-occupied),
- Real Estate company RENTIS owner of the shopping center in Piraeus Street, Athens,
- Logistics center in Schimatari (Group owner-occupied),
- Logistics center in Inofyta (Group owner-occupied),
- IKEA Store in Larissa, (Group owner-occupied),
- Property in the subsidiary TRADE ESTATES REIC in Elefsina,
- Property in the subsidiary BERSENCO SA in Piraeus Street in Athens,
- Property in the subsidiary VOLYRENCO SA in Chalandri..
- Property in the subsidiary MANTENKO SA which was acquired on 11/12/2023. The total cost of the investment amounted to EUR 8,027 thousand and the net assets of the company were: EUR 119 thousand Current Assets, EUR 7.9 million Non-Current Assets and EUR 1 thousand Total Liabilities).
- Property of the subsidiary POLIKENCO SA in Patras, which was acquired on 29/5/2023. The total cost of the investment amounted to EUR 6,803 thousand and the net assets of the company were: Current Assets in the amount of EUR 497 thousand, Non Current Assets in the amount of EUR 7.3 million and Total Liabilities in the amount of EUR 1 million.
- Property of the subsidiary company YALOU SA in Spata, which was acquired on 30/11/2023. The total cost of the investment amounted to EUR 96,578 thousand against EUR 96,578 thousand and the net assets of the company were: EUR 16.3 million Current Assets, EUR 112.3 million Non-Current Assets and EUR 32 million total Liabilities.
- Property of the retail park in Thessaloniki of 100% of the share capital of the subsidiary company KTIMATODOMI SA.
- The investment in the real estate management company SEVAS TEN AE with a property in Spata,
- Investment of 50% of the share capital of the real estate management company RETS CONSTRUCTIONS SA with a property in Elefsina.

- The long-term loan granted to the related company RETS CONSTRUCTION SA.
- The receivables relating to the recognition of the valuation of the interest rate swap contract of the subsidiary TRADE ESTATES REIC,
- The advances paid by the subsidiary TRADE ESTATES REIC for the acquisition of real estate,
- The VAT debit receivable of the subsidiaries BERSENCO SA, POLIKENCO SA and MANTENKO SA.
- The blocked deposits of the subsidiary YALOU SA,
- The receivables from customers of the subsidiaries YALOU SA, TRADE ESTATES REIC, BERSENCO SA, KTIMATODOMI SA, RENTIS SA and VOLIRENCO SA.

## **9.2 Fair value measurement of assets held for sale**

The Group's investment properties are measured at fair value and categorised at level 3.

The fair value assessment as at 31/12/2023 was carried out in February 2024 by certified valuers, namely by the company "KENTRIKI - EKTIMITES - REAL ESTATE CONSULTANTS P.C." with the registered office of "SAVILLS HELLAS P.C.", the company "AXIES S.A." and "P.DANOS - CONSULTANTS S.A." in accordance with the provisions of Law 2778/1999.

According to the valuers, the data used and analysed in the valuation reports are derived from various sources and recent real estate market data and general financial information and are adjusted to reflect the general economic trends and characteristics of the property at the valuation date. However, they highlight the volatile economic environment due to geopolitical risks arising from the conflict in Ukraine and the war in Gaza which is a new source of regional turbulence. In addition, the supply chain problem that has led to price increases in the cost of goods, energy and services is affecting markets globally and creating inflationary pressures that have led to an unprecedented high interest rate environment affecting almost all economic sectors. In this context, they note that at the valuation date, real estate markets are mostly operating with transaction volumes and other relevant data at levels where there is sufficient market data to base opinions of value on for the appraisal work at hand. It is also evident that the Greek property market is on a positive trajectory, unlike the other mature Eurozone markets that have taken the hit from high interest rates. The cost of government borrowing is improving, but still remains higher than other Eurozone economies, with the exception of Italy. Greek government bond (GGB) yields have started to compress as a result of Greece receiving an investment grade rating from international rating agencies. This, together with political stability, will lead to further stabilisation of the macroeconomic environment and will strengthen the effort for sustainable economic growth. The only constraint to this situation is the stable inflationary environment that undermines consumer confidence due to persistent structural inflation that creates a vicious cycle in terms of wages and goods prices. On the other hand, Greek banks continue to strengthen their financial position and to this end they have

largely resolved issues related to NPLs that until recently caused significant risks to their operation. In this context, given the circumstances, the chartered surveyors state for their part that they have closely monitored the real estate market and have formulated the best possible valuation approach given the prevailing market conditions. However, the situation continues to change in the international economic environment and fears have begun to diminish regarding the maintenance of the high inflationary environment; Therefore, as central banks are no longer expected to continue their policy of raising interest rates, it is only the turmoil caused by the conflicts in Ukraine and Gaza and the US presidential elections that are currently being watched by financial analysts and investors. Therefore, for their part, they will continue to monitor global trends that will develop in the coming months and how they may affect the local economic scene with particular attention to the real estate market. In this light, and for the avoidance of doubt, their valuation is not stated to be subject to 'valuation uncertainty' as defined in VPS 3: Valuation reports and VPGA 10: Valuations in markets susceptible to change: certainty and uncertainty (VPGA 10: Valuations in markets susceptible to change: certainty and uncertainty). The above explanatory comments have been included to ensure transparency and to provide information on the market context on which the assessment process was based. Recognising the potential for market conditions to move rapidly in response to changes due to the geopolitical risks described above, together with high inflation and possible increases in energy costs, the importance of the assessment date is highlighted.

The valuation resulted in a net gain on revaluation of investment properties at fair value of EUR 22,351 thousand for the Group (8,453 thousand in 2022).

- The increase in the fair value of investment properties as a result of the increase in income due to indexation. We note that all of the leases of investment properties include a clause for revaluation based on the Consumer Price Index, as announced by the National Statistics Office. The revaluation clause is taken into account by independent valuers when calculating the fair value of each property.
- The signing of new lease contracts with more favourable income conditions for the Lessor (properties in Florida<sup>1</sup> and Spata).
- The diversification of the valuation scope due to the increase in the surface area of building volumes acquired in the interim period as well as the commercial exploitation of new surfaces formed in the interim period and which were vacant in the previous period.
- The intensification of construction activity on a property under development (Patras property).
- To reflect the increase in fair value compared to the acquisition cost of properties acquired in 2023 (see the case of the Spata property, increase of EUR 19.4 million).

In addition, there were no significant differences in key assumptions and valuation assumptions in determining the fair value of the Company's and its subsidiaries' property portfolio between the reporting periods, as evidenced by the relevant sections of the valuation reports prepared by the certified valuers.

**Information regarding the valuation methods of investment properties by operating segment and geographical area as at 31 December 2023**

The determination of the fair values of the properties required the use of a combination of the Market Approach (Comparative Method) and the Income Approach (Investment Method).

(Amounts in thousands of euro)

Country	Use	Fair value	Valuation method	Basic assumptions and valuation data	
				Prepayment Rate %	Rate of return at%
Greece	Warehouses	8,283	80% discount method of Futures (DCF) - 20% method of comparative sales data	9.85%	8.35%
Greece	Stores	61,662 (2022: 56,162)	80% discount method of Futures (DCF) - 20% method of comparative sales data	8.90% (2022: 9.50%)	7.40% (2022: 7.50%)
Greece	Stores	31,635 (2022: 31,500)	80% discount method of Futures (DCF) - 20% method of comparative sales data	8.55% (2022: 8.45%)	7.55% (2022: 7.45%)
Greece	Stores	14,146 (2022: 14,800)	80% discount method of Futures (DCF) - 20% method of comparative sales data	8.60% (2022: 8.50%)	7.60% (2022: 7.50%)
Greece	Stores	8,825 (2022: 8,800)	80% discount method of Futures (DCF) - 20% method of comparative sales data	8.90% (2022: 8.85%)	7.40% (2022: 7.35%)
Greece	Stores under construction	15,372	Residual method	-	-
Greece	Stores	7,939	80% discount method of Futures (DCF) - 20% method of comparative sales data	-	-
Greece	Stores	129,720	80% discount method of Futures (DCF) - 20% method of comparative sales data		7.85% και 8.35%

It is noted that the monthly rent has been incorporated into the Discounted Cash Flow (DCF) method as a significant input used to measure the fair value of the Company's and the Group's investment properties as at 31/12/2023 and 31/12/2022.

### **9.3 Meeting the criteria for classification of assets held for sale**

As at 31/12/2023 the criteria for classification of assets held for sale under IFRS 5 continue to be met as:

- their depreciable value will be recovered primarily from their sale rather than from their continuing use,
- the assets are available for immediate sale in their present condition,
- there is a management commitment and a share capital increase through the Athens Exchange and private placements prior to listing on the Athens Exchange have been completed. More specifically, as of 31/12/2023, the shareholding amounts to 63.27% of the share capital of TRADE ESTATES SA and actions are being taken by the Group's Management in order for the shareholding to reach 50% after the expiry of the mandatory retention period due to the listing on the Athens Exchange and in any case within 2024. In more detail:

As of 31/12/2023 AUTOHELLAS ATEE has exercised its right and held 9.73% of the share capital of TRADE ESTATES SA, which was formulated as follows:

On 20/6/2023, the General Commercial Register (G.C.R.) registered the registration number 2979243AP, in which it was decided to increase the share capital of TRADE ESTATES REIC by the amount of 6,003,108. 80 euros through a contribution in kind and the issue of 3,751,943 new common registered shares with voting rights, with a nominal value of 1.60 euros each and an issue price of 2.13222 euros each (Reg.Cod.No 3656710). The difference of 0.53222 euro cents per share, between the share price and the nominal value of each share, amounts to one million nine hundred and ninety-six thousand eight hundred and fifty-nine euros and ten cents (1,996,859.10). The above increase in share capital was covered exclusively by "AUTOHELLAS" through a contribution in kind of real estate, namely a contribution of a plot of land of 45,408.04 sq.m. within a Business Park in the area of Vamvakia in the Municipality of Elefsina and the complex of commercial buildings and commercial warehouses thereon, with a surface area of 16,655 sq.m. After the completion of the above mentioned increase, following the relevant approval of the Executive Committee of the Capital Market Commission, "AUTOHELLAS" now participates in the share capital of the Company TRADE ESTATES REIC at a percentage of 11,9172%. The property contributed by "AUTOHELLAS" further strengthens the real estate portfolio of TRADE ESTATES REIC, which currently amounts to approximately EUR 330 million. On this land TRADE ESTATES REIC will develop a modern logistics centre.

On September 8, 2023, at the meeting of the Extraordinary General Meeting of the Shareholders of TRADE ESTATES REIC, it was decided to increase the share capital of TRADE ESTATES REIC by the total



amount of Forty-Eight Million Twenty-One Thousand Twenty-Two and Forty-Two Thousand Euros (48,021,022. 40), through the issue of Thirty Million Thirteen Thousand Thirteen Thousand One Hundred and Thirty-Nine (30,013,139) new ordinary registered shares with voting rights, with a nominal value of one euro and sixty cents (1.60), as follows:

(a) by cash payment in the total amount of Euro Forty Six Million Five Hundred and Seventy Two Thousand Seven Hundred and Seventy Two and Eighty Two Thousand (46,572,772. 80), through the issue of Twenty Nine Million One Hundred and Seven Thousand Nine Hundred and Eighty Three (29,107,983) new ordinary registered shares with voting rights, with a nominal value of one euro and sixty cents (1. 60) each, through a public offer and private placement, while the difference of 0.32 euro leptons per share between the share price and the nominal value of each share, amounting to a total of nine million three hundred and thirteen thousand five hundred and fifty-four and fifty-six euro leptons (9,314,554), was paid by the public offer and private placement, and the difference of 0.32 euro leptons per share between the share price and the nominal value of each share, amounting to a total of nine million three hundred and thirteen thousand five hundred and fifty-four and fifty-six euro leptons (9,314,554). 56), shall be paid into the Special Account "SPECIAL ACCOUNT FOR THE ISSUE OF SHARES FOR THE ARTICLE", and

(b) by capitalizing distributable reserves in the amount of one million four hundred forty-eight thousand two hundred forty-nine and sixty cents (1,448,249.60) and issuing nine hundred five thousand one hundred fifty-six (905,156) new common shares with voting rights, in accordance with the provisions of article 114 of Law 4548 /2018 and the Company's free share allocation plan, ("Founders' Grant"), which was approved and resolved by the Extraordinary General Meeting of TRADE ESTATES REIC at its meeting held on 31/7/2023. The amendment of the Articles of Association of TRADE ESTATES REIC Company was approved by the Securities and Exchange Commission by the decision of the Head of the Directorate of Entities no. 494 /23.10.2023, pursuant to article 21 par. 5 of Law 2778/1999.

On 03/11/2023, the Public Offer on the Athens Exchange and the allocation through it of 28,169,015 New Shares of TRADE ESTATES SA was successfully completed. In addition, 938,968 New Shares were allocated through the Private Placement to the existing shareholder "AUTOHELLAS ANONYMOS TOURISTIC AND TRADE COMPANY". The total raised funds of the Offering, before deduction of the issue costs, amount to EUR 55,887,327.36, of which EUR 54,084,508.80 was raised through the Public Offering (i.e. EUR 1.92\*28,169,015 New Shares) and EUR 1,802,818.56 was raised through the Private Placement (i.e. EUR 1.92\*938,968 New Shares). Issue expenses amounted to EUR 4.5 million. Due to the listing of the shares on the Athens Exchange, the issue of 905,156 free shares was completed in the context of the share capital increase of the Company with capitalization of distributable reserves.

It is noted that the amounts of both the share capital increase and the share premium were recorded directly under minority interests. In addition, the results of EUR 8.9 million were recorded under Minority Rights.

Management monitors and will continue to monitor the correct classification of the specific assets as

held for sale in each reporting period.

It is noted that the FOURLIS Group and Latsco Family Office announced on 21/9/2023 the conclusion of an agreement for the participation of Latsco Hellenic Holdings Sarl in the share capital of the subsidiary TRADE ESTATES SA. Specifically, Latsco Hellenic Holdings Sarl acquired 3.12% of the company's share capital from the subsidiary TRADE LOGISTICS ABEE, for a consideration of EUR eight million (8,000,000).

Moreover, on 31/12/2022 the Group classified assets related to the subsidiaries INTERSPORT ATLETİK (INTERSPORT and TAF stores in Turkey) and Sneakers Market S.A. (TAF stores in Greece) which worth 703 thousand and 3,755 thousand euros respectively in the category held for sale because on this date all criteria are met regarding their classification based on IFRS 5. Before classification time, as defined by provisions of IAS 36, an impairment test was made at these specific assets before their classification as assets held for sale and no impairment loss arisen. At the date of their classification as held for sale and in accordance with the requirements of IFRS 5, depreciation on the specific assets was stopped.

The Group announced on 26/1/2023 the agreement to sell the "Intersport" activity in Turkey.

Sales of the Turkish business for the financial year 2022 were EUR 12.8 million with sales for the financial year 2023 only in January of EUR 0.9 million and a loss before tax of EUR 350 thousand with a loss before tax of EUR 68 thousand (PBT) in January 2023. The above transaction resulted in a loss of EUR 5,142 thousand, of which approximately EUR 4.9 million relates to the accumulated loss from exchange rate differences in respect of Intersport Atletik's net position, which was reclassified to the Income Statement as of 31/12/2023.

On 30/12/2022 the Group announced the sale agreement of the retail trading "The Athlete's Foot (TAF)" in Greece. The agreement provides for the sale of total shares of the subsidiary company Sneakers Market SA, which has the right to use the trademark "The Athlete's Foot" and operates a network of 14 stores in Greece. The acquiring company is TAF Global Holding AG, a subsidiary of Arklyz Group AG, which has acquired the rights to the trademark "The Athlete's Foot" worldwide. The price of the transaction amounts to euro 4.1 million, which was finalized with the closing of the transaction at the end of February 2023. The above transaction resulted in a profit of EUR 462 thousand.

It is noted that the sales of TRADE ESTATES Group in the financial year 2023 amounted to EUR 26,687 thousand (2022: 20,805 thousand) and the profit before taxes amounted to EUR 37,710 thousand (2022: 24,006 thousand).

#### 9.4 Assets and liabilities held for sale

Assets and liabilities which are included in category held for sale on 31/12/2023 and 31/12/2022 respectively are as follows:

Assets	31/12/2023		31/12/2022			
	Group TRADE ESTATES	Total	Group TRADE ESTATES	INTERSPORT ATLETİK	SNEAKERS SA	Total

PROPERTIES	449,935	449,935	277,054	1,867	7,692	286,613
INVESTMENTS	5,136	5,136	11,143	0	0	11,143
LONG TERM RECEIVABLES	12,342	12,342	8,782	287	261	9,330
OTHER RECEIVABLES	10,042	10,042	3,207	2,658	4,876	10,741
<b>TOTAL ASSETS</b>	<b>477,455</b>	<b>477,455</b>	<b>300,186</b>	<b>4,812</b>	<b>12,829</b>	<b>317,827</b>
<b>LIABILITIES</b>						
NON-CURRENT LOANS	(172,696)	(172,696)	(111,283)	0	0	(111,283)
LEASE LIABILITIES	(13,899)	(13,899)	(14,263)	(749)	(5,626)	(20,638)
OTHER NON-CURRENT LIABILITIES	(10,125)	(10,125)	(5,280)	(66)	(26)	(5,372)
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>(196,720)</b>	<b>(196,720)</b>	<b>(130,826)</b>	<b>(815)</b>	<b>(5,652)</b>	<b>(137,293)</b>
SHORT TERM LOANS FOR WORKING CAPITAL	(40,111)	(40,111)	(2,033)	(1)	0	(2,034)
CURRENT PORTION OF NONCURRENT LOANS AND BORROWINGS	(3,428)	(3,428)	0	0	0	0
LEASE LIABILITIES	(396)	(396)	(364)	(378)	(856)	(1,599)
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	0	0	0	(2,415)	(2,565)	(4,980)
<b>TOTAL CURRENT LIABILITIES</b>	<b>(43,935)</b>	<b>(43,935)</b>	<b>(2,398)</b>	<b>(2,794)</b>	<b>(3,422)</b>	<b>(8,613)</b>
<b>TOTAL LIABILITIES</b>	<b>(240,656)</b>	<b>(240,656)</b>	<b>(133,223)</b>	<b>(3,609)</b>	<b>(9,074)</b>	<b>(145,906)</b>
<b>NET ASSETS</b>	<b>236,799</b>	<b>236,799</b>	<b>166,962</b>	<b>1,203</b>	<b>3,755</b>	<b>171,921</b>

As far as the Company is concerned, the assets and liabilities included in the assets and liabilities held for sale category as at 31/12/2023 are the direct interest in TRADE ESTATES REIC of 21.81% (31/12/2022: 15.32%) in the amount of EUR 63,103 thousand (31/12/2022: 32,000 thousand).

It is noted that as at 31/12/2022 the Company's assets also included a direct participation in the company marketing sports goods, designed for both everyday use and exercise currently practiced under the brand name SNEAKERS MARKET with a 100% interest of EUR 25 thousand.

The Company has included in its income in the line "Profit from distribution of subsidiary" an amount of EUR 30,587 thousand, and it concerns a capital reduction in kind, through the distribution of twelve million seven hundred and six thousand five hundred and forty-seven (12,706,547) shares issued by the company "TRADE ESTATES REIC", the subsidiary HOUSEMARKET SA, the transaction had no impact on the Group's financial statements. Following the decision of the Extraordinary General Meeting of the shareholders of the subsidiary HOUSEMARKET SA, held on 31/12/2022, the share capital was reduced by a total amount of EUR 30,587,200, by cancelling 30,587,200 registered shares of the Company, with a nominal value of one (1) euro per share, and the aforementioned reduction was partly carried out in kind, in the amount of 30,587,199.94 euros, through the distribution to the sole shareholder FOURLIS S.A. 12,706,547 shares of the Company's share issue under the name TRADE ESTATES REIC, with an

equal total valuation, and partly in kind by the amount of 0.6 euro cents, through a cash refund to the sole shareholder, for rounding purposes.

Changes in the value of the Group's assets and liabilities held for sale during the period 1/1-31/12/2023 mainly include:

- the acquisition and additions of a property in Ioannina worth EUR 3.5 million,
- the acquisition and additions of real estate in Larissa for the amount of EUR 10.7 million,
- the additions and the hypo value of the property of the indirect subsidiary RENTIS INVESTMENTS REAL ESTATE SA for the amount of EUR 654 thousand,
- the additions and goodwill of the property of the indirect subsidiary KTIMATODOMI SA for an amount of EUR 5.5 million,
- the additions and goodwill of the property of the indirect subsidiary BERSENCO SA for an amount of EUR 135 thousand,
- the additions and goodwill of the indirect subsidiary VOLYRENCO SA of the amount of EUR 25 thousand,
- the acquisition and the goodwill of a property in Elefsina amounting to EUR 8.3 million through a contribution in kind by AUTOHELLAS for its participation in a share capital increase of TRADE ESTATES REIC,
- the reduction of the long-term receivable relating to the costs of issuing a bond loan by the subsidiary TRADE ESTATES SA for an amount of EUR 1.2 million,
- the acquisition, additions and depreciation of a property in Patras amounting to EUR 15.4 million,
- the acquisition and goodwill of a property in Heraklion for an amount of EUR 7.9 million,
- the acquisition and goodwill of a property in Spata for the amount of EUR 129.7 million,
- the increase of the blocked deposits of the subsidiary YALOU SA for the amount of EUR 10.4 million,
- the reduction of assets from the divestment of INTERSPORT ATLETİK and SNEAKERS MARKET amounting to EUR 17.6 million,
- the reduction in receivables relating to the recognition of the valuation of the interest rate swap contract of the subsidiary TRADE ESTATES REIC.

In order to protect itself against interest rate risk, the subsidiary TRADE ESTATES REIC has entered into Interest Rate Swaps:

A. A. Interest rate swap contract with a nominal value of EUR 75 million (forward interest rate swap with cap) under which it will pay a fixed interest rate of 0.88% and receive a variable interest rate of Euribor 3-month and 0.50% (interest rate cap). The hedged cash flows are the 3-monthly interest payments under a bond issue of up to EUR 150,000 thousand with a 12-year maturity, which will start to be hedged for interest rate risk after 28/2/2023, with the first interest payment (which will be part of the hedging relationship) taking place on 31/3/2023 and the last on 31/3/2028.

The transaction took place on 24/2/2022 for zero consideration. The hedging relationship (using a forward cash flow derivative) was assessed as sufficiently effective (using for hedge ineffectiveness measurement purposes a derivative with terms related to the critical terms of the hedged item - this is commonly referred to as a 'hypothetical derivative'). The hedge ratio was set at 1:1. The Company will reassess the hedge ratio at the end of each reporting period as part of its hedge effectiveness testing. The valuation of the forward interest rate swap amounted to EUR 3,579 thousand as at 31/12/2023 (31/12/2022: EUR 7 million). The cash flow hedge reserve amounting to EUR 3,318 thousand (31/12/2022: amount of EUR 6.8 million) was recorded in equity under the column Reserves and will be transferred to the results in proportion to future interest payments, while an amount of EUR 75 thousand was recorded in the results of the year under the item financial income. An amount of EUR 412 thousand relating to income from the forward interest rate swap has also been entered in the financial income heading in the profit and loss account.

Financial assets also include a loss of EUR 0.5 million of the initial recognition (day 1 loss) of the above interest rate swap contract that will be transferred to the results at the expiry of the derivative. The valuation techniques applied to measure the fair value of this derivative are based on the use of observable market data and include swap models using present value calculations. The interest rate swap is classified within Level 2 of the fair value measurement hierarchy. There were no transfers between Levels 1, 2 or 3 within 2023.

B. An interest rate swap contract with a notional value of EUR 70 million (interest rate swap) under which the Bank will pay a fixed interest rate of 2.40% and receive a variable interest rate of Euribor 3-month. The hedged cash flows are the 3-monthly interest payments under a bond issue of up to EUR 70,000 thousand with an eight-year maturity, which for current interest rate risk, with the first interest payment (which will be part of the hedging relationship) taking place on 28/3/2024 and the last on 29/12/2028. The transaction took place on 21/12/2023 for zero consideration. The valuation of the forward interest rate swap amounted to EUR 277 thousand at 31/12/2023. Current financial assets include EUR 551 thousand and other long-term liabilities EUR 828 thousand. The cash flow hedge reserve of EUR 277 thousand was recorded in equity under the column Reserves and will be transferred to the income statement in proportion to future interest payments.

- the increase of the advances given by the subsidiary TRADE ESTATES REIC for the acquisition of real estate for the amount of EUR 517 thousand,
- the increase in receivables from customers of the subsidiaries YALOU SA, TRADE ESTATES REIC, BERSENCO SA, KTIMATODOMI SA, RENTIS SA and VOLIRENCO SA for a total amount of EUR 3.3 million,
- the reduction of the participation in associated companies for an amount of EUR 3.4 million due to the acquisition of the remaining 50% of the shares of MANTENKO SA,
- the sale of shares in TRADE ESTATES SA to LATSCO HELLENIC HOLDING SARL for a net price of EUR 7.8 million

- the reduction of liabilities from the divestment of INTERSPORT ATLETİK and SNEAKERS MAE for an amount of EUR 12,7 million.
- the increase of the long-term liabilities of the subsidiary company YALOU SA for the amount of EUR 1.5 million and of the subsidiary company TRADE ESTATES REIC for the amount of EUR 0.9 million.
- the change in the following loans of the subsidiaries of TRADE ESTATES REIC, as detailed below:

<b>31/12/2023</b>		<u>Amount in thousand of euro</u>	<u>Issuing Date</u>	<u>Duration</u>
TRADE ESTATES REIC	Bond	73,807	29/05/2023	12 years from the date of issue
	Bond	66,377	14/06/2022	7,5 years from the date of issue (euro 2,385 thousand payable next year)
		<b>140,184</b>		
POLIKENCO	Bond	10,468	31/10/2023	15 years from the date of issue
		<b>10,468</b>		
YALOU	Bond	27,834	26/1/2023	12 years from the date of issue (euro 1,043 thousand payable next year)
		<b>27,834</b>		
<b>Σύνολο</b>		<b>178,486 *</b>		

<b>31/12/2022</b>		<u>Amount in thousand of euro</u>	<u>Issuing Date</u>	<u>Duration</u>
TRADE ESTATES REIC	Bond	44,905	21/2/2022	2 years from the date of issue
	Bond	68,411	14/06/2022	7,5 years from the date of issue (euro 2,033 thousand payable next year)
<b>Total</b>		<b>113,316</b>		

\* The above table as at 31/12/2023 includes an amount of EUR 2,361 thousand relating to an indirect subsidy (under IFRS 9 and IAS 20) of the subsidiary POLIKENCO, as calculated from the difference between the contractual co-financing interest rate and the interest rate of the Recovery and Resilience Facility (RRF).

The subsidiary company TRADE ESTATES REIC has issued a bond loan of euro 150,000 thousand with a twelve-year duration. The purpose of the above loan is to repay the balance of the company's existing issue and to finance its investment plans. The loan contains restrictive conditions and an amount of EUR 75 million has been disbursed until 31/12/2023.

The repayment period of non - current loans varies between 1 to 15 years and the average weighted interest rate of the Group's non - current loans was 5.4% during the period 1/1 – 31/12/2023 (1/1 – 31/12/2022: 2.92%). Some of the loans contain restrictive covenants. On 31/12/2023 the subsidiaries was in compliance with the terms of its loans. It is noted that as of 31/12/2023 the balance of the Trade Estates Group's open credit lines was EUR 61 million (31/12/2022: EUR 53 million).

- the price for the acquisition of 100% of the shares of the company YALOU SA in the amount of EUR 95,813 thousand reduced by the amount of its cash on acquisition in the amount of EUR 3,950 thousand and increased by the amount of the expenses incurred in its acquisition in the amount of EUR 765 thousand,
- the price paid for the acquisition of the remaining 50% of the shares of the company MANTENKO SA in the amount of EUR 4,133 thousand,
- the price for the acquisition of the remaining 50% of the shares of POLIKENCO SA in the amount of EUR 3,148 thousand, reduced by the amount of its cash on acquisition in the amount of EUR 133 thousand and increased by the amount of the expenses incurred on acquisition in the amount of EUR

37 thousand,

- an amount of EUR 1,110 thousand paid by TRADE ESTATES REIC for the participation in the share capital increase of POLIKENCO SA and an amount of EUR 2 thousand of expenses incurred by TRADE ESTATES REIC for POLIKENCO SA. It is noted that the above were incurred during the period when POLIKENCO AE was a related company,
- an amount of EUR 165 thousand paid by TRADE ESTATES REIC when participating in the share capital increase of SEVAS TEN SA,
- the amount of EUR 70 thousand paid by TRADE ESTATES REIC for the participation in the share capital increase of MANTENKO SA and the amount of EUR 9 thousand of expenses incurred by TRADE ESTATES REIC for MANTENKO SA. It should be noted that the above were incurred during the period when MANTENKO SA was a related company.
- the acquisition and the additions made to the property in Ioannina, amounting to EUR 3.5 million,
- the acquisition and the additions to the property in Larissa, the settlement of advances paid in previous years for the acquisition of the properties in Larissa amounting to EUR 5,6 million,
- the additions made to the property in Elefsina amounting to EUR 137 thousand,
- the advances made by the company TRADE ESTATES REIC for the acquisition of real estate, amounting to EUR 481 thousand,
- the additions made to the property in Patras amounting to EUR 9,2 million,
- the additions made to the property in Heraklion amounting to EUR 172 thousand,
- the additions made to the property of the subsidiary company KTIMATODOMI SA in Thessaloniki, amounting to EUR 453 thousand,
- the additions made to the property of the subsidiary BERSENCO SA in Halandri, amounting to EUR 50 thousand.

### **9.5 Related companies in assets held for sale**

Assets held for sale include affiliated companies SEVAS TEN SA and RETS CONSTRUCTION SA which have been recognised in the line assets held for sale of the Group with a value at 31/12/2023 of EUR 5,136 thousand (2022: EUR 11,143 thousand).

An impairment test was performed on 31/12/2023 for associates and no impairment loss was incurred.

The financial information of SEVAS TEN SA is as follows:



Company	Country of establishment	Non current Assets	Current Assets	Long term Liabilities	Short term Liabilities	Income	Profit/ (Loss)	% Shareholding
2023	Greece	4,304	361	97	19	0	(185)	50.00%
2022	Greece	4,091	415	125	3	0	239	50.00%

The financial information of RETS CONSTRUCTIONS SA is as follows:

Company	Country of establishment	Non current Assets	Current Assets	Long term Liabilities	Short term Liabilities	Income	Profit/ (Loss)	% Shareholding
2023	Greece	9,445	578	4,172	129	0	(333)	50.00%
2022	Greece	9,430	90	3,437	49	0	(185)	50.00%

## 10. Intangible assets

Intangible assets are analyzed as follows:

	Group			
	Royalties	Software	Miscellaneous	Total
Net book value at 31.12.2022	3,074	6,945	172	10,191
<b>1.1 - 31.12.2023</b>				
Additions	0	2,496	60	2,556
Other changes in acquisition cost	0	(6)	0	(6)
Depreciation/ amortization	(278)	(1,978)	(85)	(2,341)
Other changes in depreciation	0	8	0	8
<b>Acquisition cost at 31.12.2023</b>	<b>8,983</b>	<b>24,073</b>	<b>633</b>	<b>33,689</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(6,187)</b>	<b>(16,608)</b>	<b>(485)</b>	<b>(23,280)</b>
<b>Net book value at 31.12.2023</b>	<b>2,797</b>	<b>7,465</b>	<b>148</b>	<b>10,409</b>

	Group			
	Royalties	Software	Miscellaneous	Total
Net book value at 31.12.2021	3,241	6,762	123	10,126
<b>1.1 - 31.12.2022</b>				
Additions	111	2,795	125	3,032
Other changes in acquisition cost	0	(268)	(140)	(408)
Classification of assets held for sale	0	(814)	(535)	(1,349)
Acquisition cost	(278)	(1,844)	(61)	(2,183)
Depreciation/ amortization	0	78	(57)	21
Other changes in depreciation	0	235	717	952
<b>Acquisition cost at 31.12.2022</b>	<b>8,983</b>	<b>21,583</b>	<b>572</b>	<b>31,138</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(5,909)</b>	<b>(14,638)</b>	<b>(400)</b>	<b>(20,947)</b>
<b>Net book value at 31.12.2022</b>	<b>3,074</b>	<b>6,945</b>	<b>172</b>	<b>10,191</b>

Royalties include the use of brand names (IKEA). Other changes in acquisition cost as well as other depreciation changes regard foreign exchange differences. Additions in intangible assets are related to software licenses.

Depreciation of intangible assets of the Group for the year 2023, amounted to euro 2,341 thousand (2022: euro 2,183 thousand).

On 31/12/2023, the Group examined the value of intangible assets of its stores (Cash Generating Units), an impairment test was implemented and no impairment loss occurred.

Intangible assets for the Company for the year 2023 are as follows:

	Company		
	Software	Miscellaneous	Total
Net book value at 31.12.2022	96	42	138
<b>1.1 - 31.12.2023</b>			
Additions	35	0	35
Depreciation/ amortization	(53)	(19)	(72)
<b>Acquisition cost at 31.12.2023</b>	<b>732</b>	<b>129</b>	<b>862</b>
<b>Accumulated depreciation at 31.12.2023</b>	<b>(654)</b>	<b>(107)</b>	<b>(760)</b>
<b>Net book value at 31.12.2023</b>	<b>79</b>	<b>23</b>	<b>101</b>

	Company		
	Software	Miscellaneous	Total
Net book value at 31.12.2021	110	61	172
<b>1.1 - 31.12.2021</b>			
Additions	36	0	36
Depreciation/ amortization	(50)	(19)	(70)
<b>Acquisition cost at 31.12.2022</b>	<b>697</b>	<b>129</b>	<b>827</b>
<b>Accumulated depreciation at 31.12.2022</b>	<b>(601)</b>	<b>(87)</b>	<b>(688)</b>
<b>Net book value at 31.12.2022</b>	<b>96</b>	<b>42</b>	<b>138</b>

## 11. Investments in subsidiaries and associates

Investments of the Company are analyzed as follows:

	COUNTRY	COMPANY			
		% SHAREHOLDING 2023	31/12/2023	% SHAREHOLDING 2022	31/12/2022
<b>SUBSIDIARIES</b>					
GENCO TRADE SRL	Romania	1.57%	367	1.57%	367
HOUSEMARKET SA	Greece	100%	61,956	100%	61,956

	COUNTRY	COMPANY			
		% SHAREHOLDING 2023	31/12/2023	% SHAREHOLDING 2022	31/12/2022
SUBSIDIARIES					
INTERSPORT ATHLETICS SA	Greece	100%	25,664	100%	25,664
WELLNESS MARKET SA	Greece	100%	2,500	100%	1,000
STOCK OPTION			6,866		4,839
TOTAL			97,353		93,826

The movement of the account "Investments in subsidiaries" is as follows:

<b>Balance on 01/01/2023</b>	<b>93,826</b>
Participation in share capital increase WELLNESS MARKET SA	1,500
Stock Option Change	2,027
<b>End balance on 31/12/2023</b>	<b>97,353</b>

On 31/12/2023 an impairment test was performed on subsidiaries and associates as the companies had operating profits and no impairment loss was incurred.

The Group's investments in associates are analysed as follows:

	COUNTRY	GROUP			
		PARTICIPATION % 2023	31/12/2023	PARTICIPATION % 2022	31/12/2022
ASSOCIATES					
VYNER LTD	Cyprus	50%	30,378	50%	28,351
Total			30.378		28.351

The consolidated financial statements include, using the equity method, the associates VYNER LTD and SW SOFIA MALL ENTERPRISES LTD whose value in the line investments in subsidiaries and associates of the Group as at 31/12/2023 was EUR 30,378 thousand (2022: EUR 28,351 thousand). During the consolidation using the equity method, an amount of EUR 2,028 thousand (2022: gain of EUR 1,151 thousand) was recorded in the profit and loss account as a gain in the account participation in the results of affiliated companies with a corresponding increase in the value of Investment in Subsidiaries and Associates. In addition, the account participation in the results of associates includes an amount of EUR 149 thousand from the share of profits of equity-method associates (2022: EUR 1,174 thousand) shown

in assets held for sale.

The consolidated financial information of VYNER LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2023	Cyprus	150,310	84,957	14,429	4,057	50.00%
2022	Cyprus	150,217	88,973	12,926	2,331	50.00%

The consolidated financial information of SW SOFIA MALL ENTERPRISES LTD is as follows:

Company	Country of establishment	Total Assets	Total Liabilities	Income	Profit/ (Loss)	% Shareholding
2023	Cyprus	40	217	0	(28)	50.00%
2022	Cyprus	47	254	0	(30)	50.00%

In relation to the associate SW SOFIA MALL ENTERPRISES LTD we note that according to IAS 28, if the investor's share of losses of an associate equals or exceeds the carrying amount of the investment, the investor ceases to recognise its share of further losses.

With regard to the associate VYNER LTD, the share in the net position of the Company at the end of the current financial year amounts to EUR 2,028 thousand and the previous financial year to EUR 1,151 thousand.

## 12. Long Term Receivables

Long Term Receivables are analysed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Guarantees given to Property Lease Holders	1,898	4,170	174	174
Guarantees given to third party	178	190	0	0
Other Guarantees given	52	46	0	0
Other Long term claims	635	88	0	0
<b>Total</b>	<b>2,764</b>	<b>4,493</b>	<b>174</b>	<b>174</b>

Guarantees for property lease are directly related to the operation of the Group's companies as they relate to trading property. Also, guarantees have been given for public services and organizations.

## 13. Inventory

Inventory is analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Inventory	91,077	92,384	0	0
Advances for purchases of merchandise	(1,411)	(581)	0	0
<b>Total</b>	<b>89,666</b>	<b>91,803</b>	<b>0</b>	<b>0</b>

From the total inventory amounting to euro 89,666 thousand in 2023, the inventory in the retail trading of home furniture and households goods segment is of amount euro 42,851 thousand and in the retail trading of sporting goods segment is of amount euro 46,085 thousand and 730 thousand for the health and well-being activity. The inventory cost of the Group which was recorded as an expense under cost of goods sold amounts to euro 292,150 thousand (2022: euro 275,597 thousand). The inventory value that was written off within the financial year was euro 1,850 thousand (2022: euro 2,243 thousand). Within the current period impairment provisions of amount euro 1,159 thousand (2022: euro 527 thousand) were made for unmoved, slow moving and obsolete inventory that will be written off within the next year. The total provision for inventory on 31/12/2023 for the Group amounts to euro 6,097 th. (2022: euro 4,169 th.).

#### 14. Trade receivables

Trade receivables are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade receivables	12,376	12,003	480	472
Cheques receivables	18	18	0	0
Bad Debt Provisions	(7,713)	(7,714)	0	0
<b>Total</b>	<b>4,681</b>	<b>4,307</b>	<b>480</b>	<b>472</b>

The above balance is formed by numerous customers and there is not a single customer with a significant balance in the Group.

As at 31/12/2023 and 31/12/2022, the breakdown of loans and advances from customers into neither past due nor impaired and between past due and impaired for the Group is as follows:

	Total	Not due trade receivables	Overdue trade receivables
<b>31/12/2023</b>	<b>4,681</b>	3,366	1,315
<b>31/12/2022</b>	<b>4,307</b>	2,990	1,317

Not due receivables and unimpaired receivables include amounts from sales of goods and other receivables of EUR 2,617 thousand (2022: EUR 2,960 thousand), from e-shop sales of EUR 302 thousand (2022: EUR 1 thousand), from electricity invoicing to LAGIE of EUR 220 thousand (2022: EUR 512

thousand) and from administrative services of EUR 227 thousand (2022: EUR 130 thousand).

For the Company, all receivables amounting to EUR 480 thousand (2022: EUR 472 thousand) are not past due and not impaired and relate to administrative support services.

## 15. Other receivables

Other receivables are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Debited VAT	2,782	2,658	0	0
Credit Cards receivable	7,040	6,076	0	0
Accruals	5,105	3,363	219	72
Suppliers advances	1,831	1,410	0	0
Other debtors	4,651	4,743	793	6,061
<b>Total</b>	<b>21,410</b>	<b>18,249</b>	<b>1,011</b>	<b>6,133</b>

Other debtors as at 31/12/2023 include mainly an amount of EUR 482 thousand related to a credit card discounting program of a subsidiary through factoring (31/12/2022: EUR 559 thousand), an amount of EUR 2,559 thousand relating to a municipal fees receivable (31/12/2022: EUR 1,271 thousand), EUR 12 thousand relating to escrow accounts (31/12/2022: EUR 8 thousand) and EUR 155 thousand relating to purchases under collection (31/12/2022: EUR 578 thousand).

For the Company in fiscal year 2023, other debtors include a receivable for the collection of dividends from a subsidiary in the amount of EUR 0 thousand (2022: EUR 6,000 thousand).

## 16. Cash

Cash represents the Group's and the Company's cash in hand as well as bank deposits available on demand and is analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Cash in hand	2,738	2,160	3	2
Bank Deposits	37,949	56,239	1,374	502
<b>Total</b>	<b>40,687</b>	<b>58,399</b>	<b>1,377</b>	<b>504</b>

The decrease in cash is due to the investment program. The temporary unallocated amounts of the Group's companies are invested in short-term deposits in euro. The average weighted deposit interest rate for the year 2023 is 0.34% (2022: 0.01%).

## 17. Share Capital

On on 31 December 2023 the share capital amounted to euro 52,131,944.00 divided into 52,131,944

shares of nominal value euro 1.00 per share (Note 1). On 31/12/2022 the share capital amounted to euro 52,131,944.00 divided into 52,131,944 shares of nominal value euro 1.00 per share.

Evolution and coverage of share capital of the Company for the year 2023 are analyzed as follows:

Date of General Assembly	Government Gazette No.	Amount of increase		Amount of decrease	New shares total	Shares total	Share Capital after the increase/decrease	Nominal value per share
		Cash Payments	By capitalization of reserves-goodwill assets Difference of share premium account	By decrease of nominal value of the share and capital return with cash payment to shareholders				
21/12/2020	2448494/13.01.21	-	9.880.942,59	-	-	52.004.961	52.004.961,00	1
28/12/2020	2450940/15.01.21	87.040,00	-	-	87.040	52.092.001	52.092.001,00	1
20/12/2021	2773271/11.01.22	39.943,00	-	-	39.943	52.131.944	52.131.944,00	1
<b>Total</b>						<b>52.131.944</b>	<b>52.131.944,00</b>	<b>1</b>

## 18. Reserves

The reserves are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Statutory Reserves	22,752	20,391	8,627	6,907
Revaluation Reserves	722	722	0	0
Foreign exchange diff. from Statement of Financial Position transl. reserves	(5,015)	(9,810)	0	0
Extraordinary /Taxfree Reserves	15,372	16,367	6,970	6,970
Purchase of own shares	(6,331)	(6,331)	(6,331)	(6,331)
SOP Reserve	8,067	5,574	7,936	5,349
IRS Reserve	1,995	6,290	0	0
<b>Total</b>	<b>37,561</b>	<b>33,204</b>	<b>17,202</b>	<b>12,895</b>

*Statutory Reserves:* In accordance with the provisions of Greek company law, the creation of a statutory reserve, through the transfer of the 5% of the annual after tax profits, is mandatory up until the reserve reaches 1/3 of the share capital. The statutory reserve is only distributable upon dissolution of the Company, it may however be used to set - off accumulated losses.

*Extraordinary / Tax-free Reserves:* The Group has Extraordinary/Tax-free Reserves of amount euro 15,372 thousand (2022: euro 16,367 thousand), which was mainly derived from disposal of shares listed in Athens Stock Exchange, dividends, interests and income from bad debt provision of L. 3296/04. In case of distribution or capitalisation, the reserves will be taxed with the official tax rate declared by article 71B of L.4172/2013 (Note 26).

*Foreign Exchange Differences from subsidiaries accounts conversion:* This reserve is comprised from the

foreign exchange differences arising from the retranslation of the financial statements of Subsidiaries which have a different functional currency from the parent company.

*Cash Flow Hedging reserve:* The hedging reserve comprises of the effective portion of the cumulative net change in the fair value of cash flow hedging instruments (IRS) (Note 22).

*SOP Reserves:* This reserve is created with the General Assembly approval of the SOP for employees of the Company and Group. After the exercise of the options or waive of beneficiaries, the remaining amount of the reserve can be transferred to Retained Earnings.

*Revaluation Reserves:* This reserve is created from revaluation on land and buildings. According to Greek Law, revaluation reserves cannot be distributed to shareholders.

*Share Buy Back:* For Share Buy Back see see Note 28.

## **19. Dividends**

According to the decision of the Annual General Meeting of the shareholders of June 16th, 2023, it was decided to distribute a total dividend of eleven euro cents ( 0.11) per share. This dividend amount is subject to 5% withholding tax and therefore shareholders will receive a net amount of EUR 0.1045 per share The dividend payment date is 29/6/2023. The beneficiaries of the dividend are the shareholders of the Company who will be registered in the records of the Securities Exchange System on 30/6/2023. The dividend was paid on Wednesday 5/7/2023 and amounts to EUR 5,540 million.

It is noted that in the cash flow statement, in addition to the dividend paid by the Company, a dividend was paid by the subsidiary TRADE ESTATES REIC in the amount of EUR 891 thousand to AUTOHELLAS SA.

The Company recorded in its income dividends from subsidiaries in the amount of EUR 9,147 million in the financial year 2023, which is also shown in the cash flow statement, plus an amount of EUR 6 million relating to the dividend of the previous financial year.

At the Annual General Meeting of Shareholders for the 2024 financial year, scheduled to be held on 21/6/2024, a dividend distribution in the amount of twelve euro cents (0.12) will be proposed.

## **20. Employee retirement benefits**

### **20.1 Liabilities due to termination of service**

The liability for severance pay (Law 2112/20, 4093/12 for Greek Companies, Bulgarian Labour Law for Bulgarian Companies) is reflected in the Financial Statements in accordance with IAS 19 and is based on an actuarial study prepared by AON Hewitt as of 31 December 2023.

Basic assumptions of the actuarial study for Greece are the following:



<b>Greek Companies</b>	<b>2023</b>	<b>2022</b>
Average annual payroll increase	2.50%	3.00%
Discount interest rate	3.30%	3.80%
Inflation	2.50%	2.50%
Plan duration (years)	12.8	13.1

In case of an average annual payroll increase by 0.50% (namely 3.00%), the amount of liabilities due to termination of service of Greek companies would increase from 5.76% to 10.13%. In case of a discount rate increase by 0.50%, the amount of liabilities due to termination of service of Greek companies would decrease from 5.23% to 8.77%.

<b>Bulgarian Companies</b>	<b>2023</b>	<b>2022</b>
Average annual payroll increase	3.70%	3.90%
Discount interest rate	3.37%	3.76%
Inflation	2.20%	2.40%
Plan duration (years)	19-25	20-26

In case of an average annual payroll increase by 0.50% (namely 4.20%), the amount of liabilities due to termination of service of Bulgarian companies would increase from 9.73% to 12.70%. In case of a discount rate increase by 0.50% (namely 3.87%), the amount of liabilities due to termination of service of Bulgarian companies would decrease from 8.72% to 11.15%.

The expense derived from the compensation to employees due to retirement, that was recorded in the Income Statement is analyzed as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Service Cost	295	418	20	23
Interest Cost	211	78	25	9
Cost reduction/settlement/termination service	(255)	193	83	(77)
<b>Total amount allocated in Income statement</b>	<b>251</b>	<b>689</b>	<b>128</b>	<b>(46)</b>
<b>Balance of liability at the beginning</b>	<b>5,775</b>	<b>7,405</b>	<b>756</b>	<b>914</b>
Compensation due to retirement	251	689	128	(46)
Paid amounts	(304)	(655)	(254)	0
Actuarial gains/losses	496	(1,554)	64	(112)
Foreign exchange difference	0	(17)	0	0
Classification of assets held for sale	0	(92)	0	0
<b>Balance of liability in the end</b>	<b>6,218</b>	<b>5,775</b>	<b>695</b>	<b>756</b>

Amounts in Actuarial gains/losses regarding employee retirement defined benefits programs appear in Statement of Comprehensive Income.

## 20.2 Share based payments

The Extraordinary General Meeting of the Company on 22 July 2021, within the framework of the Share Option Plan, approved the allocation of a maximum of 1,597,000 options of one share, i.e. 3.07% of the

number of shares in the SA and the granting of authorization to the Board of Directors for the regulation of the procedural issues and details. The offering price of the aforementioned shares is the nominal value of the share on the day of the resolution of the General Meeting on the plan. The plan will be implemented in one series. The term of the Plan is until the year 2028, in the sense that the rights granted to the beneficiaries of the Plan with a grant date of 22/11/2021 may be exercised from 24/11/2024 to 15/12/2028.

<b><u>Variable</u></b>	<b><u>Value</u></b>
Exercise Price	€ 1.00
Grant Date	22/11/2021
Stock Volatility	27.11%
Dividend Yield	2.101%
Attrition Rate	0%
Risk Free Rate	0%

The fair value of each of the 1,597,000 options is estimated at EUR 2.71 per option. Their cost for 2023 is approximately EUR 1.4 million ( as is the unrecognized cost as of 12/31/2023), none of the above options had matured as of 12/31/2023 ( or 12/31/2022).

The Annual General Meeting of the shareholders of the Company "FOURLIS HOLDINGS SOCIETE ANONYME " held on 16/6/2023 approved a Share Allocation Plan (hereinafter: "the Plan 2"), to executives of the Company and its affiliated companies, in the forms of a) granting of stock options (article 113 of Law no. 4548/2018) and b) free allocation of shares (stock grants) (article 114 of Law 4548/2018), and authorized the Board of Directors to regulate the procedural issues and details. The aforementioned Plan 2 is a revision of the stock option plan approved by the Ordinary General Meeting of Shareholders of 16/6/2017 for the distribution of shares to executives of the Company and its affiliated companies in the form of stock options (Stock Options Program), which was established in accordance with the provisions of paragraph 13 of article 13 and paragraphs 3 and 4 of article 29 and paragraph 2 of article 31 of the Code of Law 2190/1920.

Programme 2 is divided into two sub-programmes:

A) A plan for the orderly succession of senior executives of the Company and its affiliated companies (hereinafter referred to as "Plan A"):

Plan A provides selected senior executives of the Company and its affiliated subsidiaries with the right to purchase shares (stock options) at a fixed price and to exercise this right within a certain period of time in the future. The beneficiary exercising this right gains if, at the time of exercising the right, the stock market price of the share is higher than the purchase price. Schedule A will be implemented through a single series for all of the rights granted (up to a maximum of 850,000 rights of one (1) share).

The beneficiaries are senior executives of the Company and its affiliated companies, in particular the CEOs of these companies with fifteen (15) years of service in the FOURLIS Group, who were selected

by the Board of Directors' decision of 4/9/2023, as a reward and recognition of their long-term contribution and contribution to the development of the FOURLIS Group. The duration of Plan A is until the year 2029, in the sense that the rights granted to the beneficiaries of Plan A may be exercised until December 2029 in accordance with the specific terms of the Plan. During the term of the Plan A and in accordance with its terms, the Board of Directors shall issue to the beneficiaries who have exercised their right certificates of right to acquire shares and shall issue and deliver the shares to the aforementioned beneficiaries, increasing the share capital of the Company and certifying the increase in capital. These increases in the share capital do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the financial year in which the capital increases took place, to adjust, by resolution, the article of the Articles of Association concerning the capital, so as to provide for the amount of the capital, as it emerged after the above-mentioned increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

B) Program for attracting, retaining and motivating senior executives of the Company and its affiliated companies (hereinafter referred to as "Program B"):

Plan B provides the selected senior executives of the Company and its affiliated subsidiaries with free common registered shares with voting rights (stock grants) through the capitalization of the Company's reserves, in accordance with the provisions of article 114 of Law 4548/2018 as currently in force, for the achievement of specific objectives. Plan B will be implemented in three (3) annual series, with a maximum number of 1,300,000 shares being granted in total. The beneficiaries will be senior executives of the Company and its affiliated companies, selected at the reasonable discretion of the Board of Directors, after taking into account their contribution to the achievement of the strategic plans of the FOURLIS Group for the period 2025 - 2027. The duration is forty-eight (48 months), starting in March 2024.

During the course of Plan B and in accordance with its terms, the Board of Directors will increase the share capital by capitalizing reserves and issuing new shares, which will be delivered to the beneficiaries. These increases in share capital do not constitute amendments to the Articles of Association. The Board of Directors is obliged, during the last month of the financial year in which capital increases have taken place, to adjust, by resolution, the article of the Articles of Association concerning the capital, so as to provide for the amount of capital as it has arisen after the aforementioned increases, in compliance with the publicity formalities of article 13 of Law 4548/2018.

None of the above options (850,000) or stock grants (1,300,000) have matured as of 31/12/2023. The fair value of the options ( amount of EUR 3.1 per option) was determined with the main criteria Exercise price a EUR 1 , grant date 16/06/2023, grant price amount of EUR 4,375 volatility 24.4% , dividend yield 3.4%, Risk Free Rate 3%. The fair value of the stock grants (EUR 4.05 amount, EUR 3.98 amount and EUR 3.88 amount per series) has been calculated with the following parameters :

Grant date 16/06/2023, share price 4.375 volatility 29.4%, dividend yield 3.4%, Risk Free Rate 3.2%, 3.09% or 3.02%.

The total fair value of A and B of EUR 7.8 million less the fair value of the 2017 plan at the date of the General Meeting (EUR 1.2 million), i.e. EUR 6.7 million, is charged to the Group's results until March 2028. The charge for 2023 is EUR 1.1 million, the remaining EUR 5.6 million will be charged in later years.

The charge in 2023 from the 2017 plan amounted to approximately EUR100 thousand.

In addition, the Ordinary General Meeting of the shareholders of the subsidiary TRADE ESTATES REIC held on 30/6/2022, decided to establish a Plan for the free allocation of common registered shares with voting rights to executive members of the Board of Directors and to Directors and other selected Executives of the Company. In more detail:

The Annual General Meeting of the Company's shareholders approved a One Time Reward Plan for the admission of the Company's shares for trading on the regulated market of the Athens Exchange.

The Program includes executive members of the Board of Directors and Directors and other selected Executives of the Company (hereinafter the "Beneficiaries"), in the form of free allocation of common registered shares with voting rights to the Beneficiaries, through capitalization of the Company's reserves in accordance with the provisions of article 114 of Law 4548/2018 as currently in force, as a one-time reward for the listing of the Company's shares for trading on the regulated market of the Athens Exchange. The Board of Directors, after the completion of the listing of the Company's shares for trading in the regulated market of the Athens Exchange and after obtaining the relevant authorization from the Hellenic Capital Market Commission, if required by the applicable legislation, will allocate to the Beneficiaries, free of charge, new shares, the number of which will be equal to 1% of the Company's shares as they will have been formed after the listing of the Company on the Athens Exchange and before the decision of the free allocation to the Beneficiaries.

The same Annual General Meeting of the shareholders of the subsidiary TRADE ESTATES REIC approved a four-year Long-Term Incentive Plan for executive members of the Board of Directors, Directors and other selected Executives of the Company (hereinafter the "Beneficiaries"), in the form of granting of free ordinary registered shares with voting rights to the Beneficiaries for the achievement of specific targets and upon completion of the admission of the Company's shares for trading in the regulated market of the Athens Exchange.

By the decision of the Extraordinary General Meeting of the shareholders of the subsidiary company TRADE ESTATES REIC of 31/7/2023, it was decided to adjust the Share Concession Plan decided by the Ordinary General Meeting of the shareholders of the company of 30/6/2022 and revised/updated by the Extraordinary General Meeting of the shareholders of the company of 20/1/2023 as follows:

- By replacing the current A. "One-time Reward Program for the admission of the Company's shares for trading on the organized (regulated) market of the Athens Exchange", by the "Free Share Placement Program ("FOUNDERS'S GRANT"), as a One-time Reward for the admission of the Company's shares to the Stock Exchange".

- With the removal of B. Long Term Incentive Plan. It is noted that the abolition had no impact on the Financial Statements of the Company and the Group.

In the period 1/1 - 31/12/2023 an amount of euros 2.6 million (2022: euros 2.1 thousand) was recorded as an expense in the consolidated results.

### 20.3 Benefit contributions under the private insurance program

During the year 2023, a contribution for employee retirement benefits of euros 283 thousand (2022: euros 342 thousand) from the Parent Company and euros 804 thousand (2022: euros 836 thousand) from the Group was recorded in expenses in accordance with the applicable private defined contribution pension plan.

## 21. Financial Instruments and Risk Management Policies

### 21.1 Credit Risk

#### *Exposure to Credit Risk*

The maximum exposure to credit risk at the date of the Statement of Financial Position, without taking into consideration any hedging or insurance strategies, was as follows:

	Book Value	
	31/12/2023	31/12/2022
€000s		
Trade receivables	4,681	4,307
Other Debtors	11,588	9,515
Credit Cards receivable	7,040	6,076
Cash and cash equivalent	40,687	58,399
<b>Total</b>	<b>63,996</b>	<b>78,297</b>

The maximum exposure to credit risk on trade receivables of the Group without taking into consideration any hedging or insurance strategies at the date of the Statement of Financial Position, per geographic segment was as follows:

	Book value		Southeastern Europe Countries	
	Greece			
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
€000s				
Trade receivables	3,515	3,765	1,166	542
Other Debtors	9,562	7,904	2,026	1,611
Credit Cards receivable	4,148	2,953	2,892	3,123
Cash and cash equivalent	25,653	36,728	15,034	21,672
<b>Total</b>	<b>42,878</b>	<b>51,351</b>	<b>21,118</b>	<b>26,946</b>

The maximum exposure to credit risk at the date of the Statement of Financial Position, per customer type was:

	<b>Book Value</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>
€000s		
Wholesale trade customers	2,942	3,765
Retail trade customers	1,739	542
<b>Total</b>	<b>4,681</b>	<b>4,307</b>

## 21.2 Liquidity Risk

Liquidity risk is retained at low levels by maintaining adequate bank credit lines and significant cash and cash equivalents which on 31/12/2023 amounted to euro 51 million for the Group versus euro 58 million on 31/12/2022.

The contractual loan dues including interest payments, excluding the net - off agreements, are as per paragraph Borrowings, while for Accounts Payable and Other Liabilities have a contractual maturity of less than 12 months.

	<b>Immediate termination</b>	<b>3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
<b>31/12/2023</b>						
Credit lines	40,139	6,733	7	0	0	46,879
Long-term loans	0	2,439	74,668	51,304	149,744	278,155
<b>Total</b>	<b>40,139</b>	<b>9,172</b>	<b>74,675</b>	<b>51,304</b>	<b>149,744</b>	<b>325,034</b>
<b>31/12/2022</b>						
Credit lines	0	10,000	5,010	0	0	15,010
Short-term loans	0	0	9,989	0	0	9,989
Long-term loans	0	2,430	19,254	143,328	71,775	236,787
<b>Total</b>	<b>0</b>	<b>12,430</b>	<b>34,253</b>	<b>143,328</b>	<b>71,775</b>	<b>261,785</b>

The above table as at 31/12/2023 also includes the loans of the TRADE ESTATES Group companies for a total amount of EUR 218,597 (2022 respectively 113,316 thousand) (see Note 9).

## 21.3 Foreign Exchange Risk

### *Foreign exchange risk exposure*

The Group is exposed to foreign exchange risk arising from its transactions in foreign currencies (RON, USD, SEK). The Group, in order to minimize the foreign exchange risk, in certain cases pre - purchases foreign currencies.

The Group has investments in companies overseas, the net assets of which are exposed to foreign

exchange risk. This type of foreign exchange risk (translation risk) arises due to the operations in Romania (RON), Bulgaria (BGN). The Management has managed to reduce foreign exchange risk, given the strong capital structure of the companies and to decrease borrowings in currencies other than the local.

More particularly, approximately 90% of GENCO TRADE SRL loans, which is located in Romania, are in local currency (RON) in an effort to avoid the exchange difference charges resulting from RON devaluating vs. the Euro. In Bulgaria the local currency is pegged to the Euro (EUR/ BGN = 1.95583) a fact which can not guarantee that economic problems and consequences of the global crisis on Bulgaria, will not increase the risk that this conversion ratio will remain constant. In Turkey, the financing for commercial activity is in local currency, while for investments is in euro.

	<b>(Trade creditors and other liabilities)</b> <b>(Foreign currency in thousands euros)</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>
USD	31	382
SEK	124	174
RON	2,710	3,422
Euro	29,372	20,011

### ***Sensitivity Analysis***

A Euro revaluation of 10% at December 31, versus the below currencies would increase (decrease) the Net Equity and the Operating Results as per the amounts indicated at the below summary. It is assumed that the other variables (Interest Rates) would remain constant. The analysis was performed in a similar manner for 2022.

Impact in thousand euros	<u>Net Equity</u>	<u>Operating Result</u>
<b>Dec 31 , 2023</b>		
USD	3.1	3.1
SEK	12.4	12.4
RON	271	271
<b>Dec 31 , 2022</b>		
USD	38.2	38.2
SEK	17.4	17.4
RON	344.2	344.2

A Euro devaluation of 10% at December 31 versus the aforementioned currencies would have an equal but opposite impact in comparison to the ones presented above, based on the assumption that all the other variables would remain constant.

The exchange rates of foreign currencies used for the conduction of the financial statements of the year 2023, are presented at the table below:

<b>Financial Position</b>	<b>31/12/2023</b>
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.9756
<b>Profit and Loss</b>	<b>1/1/2023 - 31/12/2023</b>
BGN - Bulgarian Lev	1.95583
RON - Romanian New Leu	4.9467176471

## 21.4 Interest Rate Fluctuation Exposure

### **Profile**

The Group is subject to cash flow risks which in the case of possible variable interest rates fluctuation, may affect positively or negatively the cash inflows or outflows related to the Group's assets or liabilities. Despite of the fact that we believe that in an environment of prolonged global slowdown, the risk of rising interest rates remains low, the group has entered into Interest Rate Swap (IRS) contracts effectively converting part of the loans from floating to fixed interest rate for a period of three to five years.

The profile of Group's loan liabilities at the date of the Statement of Financial Position is analysed in paragraph Borrowings.

### ***Sensitivity Analysis of fair value for financial instruments with a variable interest rate***

A 1% fluctuation of the Group's borrowing rate at December 31, would increase (decrease) equally the Net Equity and the Operating Results by euro 3,250.34 thousand for the year 2022 and euro 2,618.15 thousand for the year 2022.

### ***Sensitivity Analysis of fair value for financial instruments with a fixed interest rate***

No such Instruments (Assets/Liabilities) valued at fair value through income statement exist for the Company.

## 21.5 Fair value of financial instruments

There is not any difference between the fair value and the carrying amounts of the financial instruments of assets and liabilities (i.e. trade and other receivables, cash and cash equivalents, trade and other payables, derivative financial instruments, borrowings and finance leases). The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between two market participants at the valuation date. The fair values of the financial instruments as of 31 December 2023 represent management's best estimate. In cases that there is not available data, or if data is limited in market activity, the fair value measurement reflects the Group's own judgments about the assumptions according to the available information.

The three levels of the fair value hierarchy are as follows:



- Level 1: Market values from active financial markets for exactly the same tradable assets,
- Level 2: Values that are not Level 1 but can be identified or identified directly or indirectly through quoted prices from active financial markets,
- Level 3: Values for assets or liabilities that are not based on quoted prices from active financial markets.

The following methods and assumptions were used to estimate fair value for each class of financial asset:

- Cash and cash equivalents, trade and other receivables, trade and other payables: the carrying amount is almost the same as the fair value because either the maturity of these financial assets is short-term or there is no foreign exchange risk affecting the fair value.
- Loans: The carrying amount is almost the same as the fair value because these loans are denominated in local currency and interest-bearing with variable interest rates.
- Derivative financial instruments: The valuation method was determined by taking into account all factors in order to determine fair value accurately, such as current and future interest rate movements and maturity and is level 2.

During the year there were no transfers between Level 1 and Level 2 and no transfers in and out of Level 3 in measuring fair value. Also during the same financial year, there was no change in the purpose of a financial asset that would result in a different classification of that asset.

## 21.6 Capital Management

The primary objective of the Group's capital management is to ensure and maintain strong credit ratings and healthy capital ratios in order to support the investment projects and maximizing the return of invested capital for the shareholders.

The Group monitors its capital management through the use of a gearing ratio - net debt divided by equity plus net debt - where net debt includes interest bearing loans and borrowings minus cash. The Group's strategic objective is to maintain the above ratio between 30% and 45%. On 31/12/2023 the ratio stood at 16% (2022: 31%).

## 22. Borrowings

Borrowings on 31/12/2023 and 31/12/2022 are analyzed as follows:

	<b>Group</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Non - current loans</b>	<b>99,670</b>	<b>123,470</b>
Current portion of non-current loans and borrowings	73,679	19,650
Non - current loans	25,990	103,820
Short term loans for working capital	6,768	24,999
<b>Total loans and borrowings</b>	<b>106,437</b>	<b>148,469</b>

On 31/12/2023 the Company had non-current loan liabilities amounted euro 31 th. (2022: euro 36 th).

The repayment period of long-term loans ranges from 1 - 15 years and the weighted average interest rate of the Group's long-term borrowings was 5.3% in the period from 1/1/2023 to 31/12/2023 (2.6% in the corresponding period of 2022). The weighted average interest rate of the Group's short-term borrowings was 6.2% in the period from 1/1/2023 to 30/12/2023 (3.7% in the corresponding period of 2022). Loan repayments and recoveries in the current period amounted to EUR 127,046 thousand (234,378 thousand in the corresponding period of 2022) and 161,459 thousand (236,778 thousand in the corresponding period of 2022) respectively. Long-term loans, including the portion payable within 12 months, mainly cover the Group's development needs and are broken down into bond, syndicated and other long-term loans for 31/12/2023 and 31/12/2022 respectively, as follows:

31/12/2023		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
FOURLIS HOLDINGS SA	Refundable down payment	31	16/6/2020	5 years from the issuing date
		<b>31</b>		
TRADE LOGISTICS SA	Refundable down payment	46	16/6/2020	5 years from the issuing date
		<b>46</b>		
INTERSPORT SA	Refundable down payment	33	31/07/2020	5 years from the issuing date
	Bond	27,856	21/2/2022	8 years from the issuing date (euro 1,975 th. payable forthcoming period)
	Bond	9,979	17/7/2020	4 years from the issuing date (euro 9,979 th. payable forthcoming period)
		<b>37,868</b>		
HOUSE MARKET	Bond	39,840	30/09/2021	3 years from the issuing date
	Bond	9,975	17/7/2020	4 years from the issuing date (euro 9,975 th. payable forthcoming period)

31/12/2023		<u>Amount</u>	<u>Issuing Date</u>	<u>Duration</u>
	Bond	11,908	31/7/2020	4 years from the issuing date (euro 11,908 th. payable forthcoming period)
		<b>61,724</b>		
<b>Σύνολο</b>		<b>99,670</b>		

<b>31/12/2022</b>		<b><u>Amount</u></b>	<b><u>Issuing Date</u></b>	<b><u>Duration</u></b>
FOURLIS HOLDINGS SA	Refundable down payment	36	16/6/2020	5 years from the issuing date
		<b>36</b>		
TRADE LOGISTICS SA	Refundable down payment	53	16/6/2020	5 years from the issuing date
		<b>53</b>		
HOUSE MARKET BULGARIA EAD	Syndicated	6,160	11/7/2016	9 years from the issuing date (euro 1,959 th. payable forthcoming period)
		<b>6,160</b>		
INTERSPORT SA	Bond	28,834	21/2/2022	8 years from the issuing date (euro 976 th. payable forthcoming period)
	Bond	13,930	17/7/2020	4 years from the issuing date (euro 3,951 th. payable forthcoming period)
	Refundable down payment	38	31/07/2020	5 years from the issuing date
		<b>42,803</b>		
HOUSEMARKET SA	Bond	39,770	30/09/2021	3 years from the issuing date
	Bond	13,926	17/7/2020	4 years from the issuing date (euro 3,951 th. payable forthcoming period)
	Bond	15,750	31/7/2020	4 years from the issuing date (euro 3,842 th. payable forthcoming period)
	Bond	4,972	24/9/2020	3 years from the issuing date (euro 4,972 th. Payable forthcoming period)
		<b>74,418</b>		
<b>Total</b>		<b>123,470</b>		

In the current period, interest rate swap hedging products continue to exist, with the aim of covering subsidiaries against the risk of interest rate increases in the interbank market.

The terms of the compensation are as follows:

- Seven-year interest rate swap financial product (IRS) through a fixed/floating interest rate swap for an amount of euro 8.6 million negative fair value for HOUSE MARKET BULGARIA EAD on 31/12/2022 an amount of euro (0) thousand (31/12/2022: euro 48 thousand).

Non-current loans include loans with a guarantee of 80% of their value from the Hellenic Development Bank with the financing of the Hellenic State and the European Union:

- Bond loan issued on 17/7/2024 by NATIONAL BANK for the subsidiary HOUSEMARKET SA of euro 10 million with maturity on 30/6/2024.
- Bond loan issued on 29/7/2020 by EUROBANK for the subsidiary HOUSEMARKET SA of euro 12 million with maturity on 31/7/2024.
- Bond loan issued on 22/9/2021 by PIRAEUS BANK for the subsidiary HOUSEMARKET SA of euro 40 million with maturity on 30/9/2024

Current portion of non-current loans and borrowings includes:

- Part of a bond loan of amount EUR 10 million maturing on 30/6/2024 issued by NATIONAL BANK on 16/7/2020 of the subsidiary INTERSPORT S.A. for a total amount of EUR 10 million.
- Part of a bond loan of EUR 2 million due 31/12/2029 issued by ALPHA BANK on 21/12/2022 of the subsidiary INTERSPORT S.A. for a total amount of EUR 28 million.
- Part of a EUR 10 million bond loan issued by NATIONAL BANK of the subsidiary HOUSEMARKET S.A. with a four-year maturity expiring on 30/6/2024 for a total amount of EUR 10 million.
- Part of a EUR 12 million bond loan issued by EUROBANK to the subsidiary HOUSEMARKET S.A. for a four-year term expiring on 31/7/2024 for a total amount of EUR 12 million.

Short term loans of the Group include current loans and overdraft bank accounts which are used for the Group's working capital needs. During the current period, Interest Rate Swaps or IRSs continue to exist, in order to mitigate the risk of subsidiaries of a sudden increase in interest rates in the interbank market.

Some of Group's loans include loan covenants. On 31/12/2023 the Group was in compliance with its loan terms or had received waiver in their measurements.

The Group, having centralized its capital management, has the ability to directly identify, quantify, manage and hedge, if necessary, its financial risks created by its operational activities so as to be consistent to the changes in the economic environment. The Group continuously observes and budgets its cash flow and acts appropriately in order to ensure open credit lines for covering current capital needs. The Group has adequate open credit lines with domestic and foreign financial institutions in order to cover the needs of the companies in working capital. On 31/12/2022, the open balance of credit lines

amounted to euro 68 million (31/12/2022: euro 105 million).

On 22/3/2024 a bond loan of EUR 50 million with a term of (3) three years was issued by the subsidiary HOUSEMARKET SA.

In the Statement of Cash Flows of the Financial Statements (Consolidated and Company) for the financial year 2023, the changes arising from financing activities are as follows (in accordance with para. 44A of IAS, the Statement of Cash Flows includes changes from both cash and non-cash transactions):

For the financial year 1/1 - 31/12/2023

- An amount of EUR 55,887 thousand relates to a receipt from a share capital increase of a subsidiary.
- An amount of EUR 4,537 thousand relates to payment of expenses for share capital increase of subsidiaries.
- An amount of EUR 161,459 thousand relates to loan collections from subsidiaries.
- An amount of EUR 5 thousand relates to repayments of loans of the Company and an amount of EUR 127,041 thousand relates to repayments of loans of subsidiaries.
- An amount of EUR 849 thousand relates to repayments of capital on leases of the Company and an amount of EUR 18,018 thousand relates to repayments of capital on leases of subsidiaries (Note 23).
- An amount of EUR 5,538 thousand relates to the distribution of dividends for the financial year 2022 of the Company and an amount of EUR 891 thousand relates to the distribution of dividends for the financial year 2022 of the subsidiary TRADE ESTATES AEEAP to AUTOHELLAS ATEE (Note 19).

For the financial year 1/1 - 31/12/2022

- An amount of EUR 1,072 thousand relates to payments for the purchase of treasury shares of the Company.
- An amount of EUR 51 thousand relates to payment of expenses for share capital increase of subsidiaries.
- An amount of EUR 236,778 thousand relates to receipts of loans from subsidiaries.
- An amount of EUR 41 thousand relates to repayments of loans of the Company and an amount of EUR 234,337 thousand relates to repayments of loans of subsidiaries.
- An amount of EUR 450 thousand relates to capital repayments of leases of the Company and an amount of EUR 18,435 thousand relates to capital repayments of leases of subsidiaries (Note 23).
- An amount of EUR 5,579 thousand relates to the distribution of dividends for the financial year 2021 of the Company and an amount of EUR 422 thousand relates to the distribution of dividends for the financial year 2021 of the subsidiary TRADE ESTATES AEAP to AUTOHELLAS ATEE (Note 19).

## 23. Leasing Liabilities

On 31/12/2023, leasing liabilities for the Group and Company are analyzed as follows:

	Lease liabilities			
	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>Opening balance</b>	<b>143,232</b>	<b>129,858</b>	<b>1,483</b>	<b>1,084</b>
Additions	23,260	41,516	266	1,556
Other changes	91	(1,662)	(29)	(707)
Held for Sales	0	(7,609)	0	0
Repayment of leasing	(18,867)	(18,871)	(849)	(450)
<b>Total</b>	<b>147,716</b>	<b>143,232</b>	<b>871</b>	<b>1,483</b>

Additions in lease obligations of the period concern changes to existing contracts due to an increase in the price and duration of the lease in the stores and amounted to euro 6 million for the household equipment segment and euro 17 million for the sporting goods segment.

In particular, in the sporting goods sector, during the period 1/1-31/12/2023, three new INTERSPORT stores were opened in Serres, Katerini and in Attica in Pangrati.

Maturities of leasing liabilities are presented below:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Up to 1 year	37,593	31,665	231	838
Between 1-5 years	27,330	20,398	640	640
More than 5 years	82,792	91,169	0	5
<b>Total</b>	<b>147,716</b>	<b>143,232</b>	<b>871</b>	<b>1,483</b>

## 24. Other Non-Current Liabilities

Other Non-Current Liabilities are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Received Guarantees	140	1,303	82	82
Other Long term Liabilities	0	902	0	0
<b>Total</b>	<b>140</b>	<b>2,205</b>	<b>82</b>	<b>82</b>

## 25. Trade and other payables

Trade and other payables are analyzed as follows:

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade payables	69,557	70,157	275	1,397
Accrued expenses	15,802	13,432	1,722	973
Dividends payable	5	3	5	3
Taxes liability	13,351	11,910	263	286
Customers advances	5,242	1,940	552	6,369
Insurance Organizations	3,045	2,901	207	213
Other payables	5,337	2,841	48	42
<b>Total</b>	<b>112,340</b>	<b>103,183</b>	<b>3,073</b>	<b>9,282</b>

## 26. Tax

The nominal tax rates in the countries that the Group is operating vary between 10% and 22% for the year 2023, as follows:

Country	Income Tax Rate (31/12/2023)	Income Tax Rate (31/12/2022)
Greece (*)	22.0%	22.0%
Romania	16.0%	16.0%
Bulgaria	10.0%	10.0%
Cyprus	12.5%	12.5%

The parent company and its subsidiaries have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
FOURLIS HOLDINGS SA	2018-2023 (*)
INTERSPORT ATHLETICS SA	2021 – 2023 (*)
GENCO TRADE SRL	2017 – 2023
GENCO BULGARIA EOOD	2017- 2023
TRADE LOGISTICS SA	2018 – 2023 (*)
HOUSEMARKET SA	2018 – 2023 (*)
HM HOUSEMARKET (CYPRUS) LTD	2016 – 2023
HOUSE MARKET BULGARIA EAD	2016 – 2023
RENTIS SA	2018 – 2023 (*)
INTERSPORT ATHLETICS (CYPRUS) LTD	2012, 2014-2023
WYLDES LTD	2019-2023
TRADE ESTATES REIC	2021-2023(*)
TRADE ESTATES CYPRUS LTD	2019-2023
TRADE ESTATES BULGARIA EAD	2019-2023



COMPANY	YEARS
H.M. ESTATES CYPRUS LTD	2019-2023
BERSENCO SA	2021-2023(*)
KTIMATODOMI SA	2017-2023(*)
MANTENKO SA	2019-2023 (*)
VOLYRENCO SA	2022-2023 (*)
POLIKENCO SA	2020-2023 (*)
YALOU SA	2018-2023 (*)

Associate companies have not been audited by the tax authorities for the years noted below:

COMPANY	YEARS
VYNER LTD	2019-2023
SW SOFIA MALL ENTERPRISES LTD	2019-2023
SEVAS TEN SA	2021-2023
RETS CONSTRUCTIONS SA	2020-2023

(\*) For the fiscal years 2011, 2012 and 2013 all companies of the Group located in Greece, have been subjected to tax audit by Certified Audit Accountants in compliance with the provisions of Article 82 par. 5 of Law 2238/1994 and for the fiscal years 2014, 2015, 2016 and 2017 in compliance with the provisions of Article 65 a of Law 4174/2013. The companies received a Tax Compliance Certificate for fiscal years 2011 to 2022 while tax audit for the fiscal year 2023 is in progress. Upon completion of the audit, the management of the Company and the Group does not expect any material liabilities to arise beyond those recorded and reflected in the Financial Statements. The financial years up to 2018 are perpetual for the Greek companies. For the subsidiaries INTERSPORT ATHLETICS SA a tax audit is in progress for the financial years 2019 and 2020 and YALOU SA for the financial years 2018 and 2019 for which the subsidiaries have a tax certificate and their managements do not expect to incur significant liabilities, beyond those registered and reflected in their Financial Statements.

The investment tax that has come from the subsidiary TRADE ESTATES REIC and its subsidiaries in Greece is an amount of euro 1,593 thousand (2022: euro 413).

From the profits before taxes 31/12/2023 amounting to euro 30,924 thousand of the Group, the relevant income tax amounts to euro 2,779 thousand (expense) and results:

- an amount of euro 30,502 million concerns profits that are taxed with special provisions of Real Estate Tax and the relevant real estate tax amounts to an amount of euro 1,593 thousand (expense)
- an amount of euro 422 thousand concerns to losses for which a deferred tax of euro 1,186 thousand

has been recognized (income).

The income tax expense of the year 1/1 - 31/12/2023 compared to the period 1/1 - 31/12/2022 is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Income tax</b>	<b>(4,324)</b>	<b>(3,226)</b>	<b>0</b>	<b>0</b>
<b>Deferred Taxes:</b>				
Differences of fixed assets	(406)	(313)	3	0
Provisions for employee benefits (IAS 19)	(25)	(14)	(28)	(10)
Differences from the application of IFRS 16	11	515	(28)	24
Provisions	310	72	14	11
Deferred tax from tax loss recognition	1,448	2,769	0	0
Inventory Write Off Provision	207	(45)	0	0
<b>Total Deferred taxes</b>	<b>1,545</b>	<b>2,984</b>	<b>(39)</b>	<b>25</b>
<b>Income Tax Expense</b>	<b>(2,779)</b>	<b>(242)</b>	<b>(39)</b>	<b>25</b>

The reconciliation between the nominal tax rate and the effective tax rate is analyzed as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Profit Before Taxes</b>	<b>30,924</b>	<b>20,007</b>	<b>39,695</b>	<b>35,014</b>
Income tax based on nominal tax rate	(6,803)	(4,401)	(8,733)	(7,703)
Tax rate differences between the group tax rate (Greek rate) and the corporate tax rate	2,177	2,026	0	0
Tax on tax free income	62	0	2,012	8,372
Tax on non deductible expenses	(330)	(936)	6,721	(805)
Income tax difference of previous year	(44)	(127)	0	0
Tax on tax losses	(281)	223	0	0
Tax related on sales of subsidiaries	(1,053)	0	0	0
Tax differences for Real Estate	4,426	2,927	0	0
Miscellaneous timing differences	(933)	45	(39)	160
<b>Tax in statement of comprehensive income</b>	<b>(2,779)</b>	<b>(242)</b>	<b>(39)</b>	<b>25</b>

The deferred taxes as at 31/12/2023 shown in the Statement of Comprehensive Income and relating to tax income due to defined benefit plans are EUR 103 thousand (2022 EUR 319 thousand) for the Group. The deferred taxes as at 31/12/2023 shown in the Statement of Comprehensive Income and relating to income tax due to defined benefit plans for the Company are EUR 14 thousand (31/12/2022: EUR 25 thousand).

The deferred taxes shown as at 31 December 2023 and 31 December 2022 in the Financial Statements are analysed as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Liabilities:</b>				
Depreciation Difference	1,755	1,240	0	0
Employee retirement benefits (IAS 19)	(2)	0	0	0
Personnel expenses provision	2	0	0	0
Lease Differences (IFRS 16)	79	0	0	0
Interest of lease liabilities (IFRS 16)	(21)	0	0	0
Reclass of Revenue account	1	0	0	0
Provision Expenses	(2)	0	0	0
Differences from the application of IFRS 16	(79)	0	0	0
<b>Total</b>	<b>1,733</b>	<b>1,240</b>	<b>0</b>	<b>0</b>
<b>Assets:</b>				
Depreciation calc. difference	(1,218)	(1,287)	10	7
Employee retirement benefits (IAS 19)	1,265	1,207	149	184
Stock devaluation	834	632	0	0
Provisions	667	409	38	24
Provision for doubtful debts	825	825	0	0
Deferred income tax	7,489	5,860	0	0
Reclass of Revenue account	271	149	0	(21)
Differences from the application of IFRS 16	2,266	2,276	8	36
<b>Total</b>	<b>12,398</b>	<b>10,072</b>	<b>206</b>	<b>230</b>

Deferred income taxes result from temporary differences between assets and liabilities tax recognition and financial statements composition.

On 31/12/2023, the Group had accumulated carried forward tax losses in its subsidiaries on part of which a provision was made for deferred tax asset of amount euro 1,609 thousand (31/12/2022: euro 5,976 thousand) as the Management considered that the recognition criteria were met, ending in year 2026 amount of euro 1,609 thousand. For the part of tax losses on which a deferred tax asset has been recognized, the Management estimates that they will be covered against taxable profits before their expiration date.

Given the fact that some of the Group companies have not been audited by the tax authorities for a few years, as mentioned above, based on the approach and interpretation of the tax authorities for the determination of the final tax, it is considered by the Group that adequate provisions for current and future tax audit differences have been made. On 31/12/2023, the cumulative Group's provision for unaudited tax years amounts to euro 94 thousand (euro 94 th. on 31/12/2022) and to euro 0 thousand (euro 0 th. on 31/12/2022) for the Company which is displayed in Income Tax Payable.

## 27. Earnings/Losses per share

The basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares during the period. The weighted average number of shares as at 31 December 2023 is 52,131,944 (31/12/2022: 52,131,944).

	<b>Group</b>	
	<b>31/12/2023</b>	<b>31/12/2022</b>
Profit / (Loss) after tax attributable to owners of the parent	19,238	19,165
Number of issued shares	52,131,944	52,131,944
SOP Impact	828,534	1,721,872
Effect from purchase of own shares	(1,766,602)	(1,530,030)
<b>Weighted average number of shares</b>	<b>51,193,876</b>	<b>52,323,786</b>
Basic Earnings per Share (in Euro)	0.3820	0.3791
Diluted Earnings per Share (in Euro)	0.3758	0.3777

## 28. Treasury Shares

The Annual General Meeting of the shareholders of the Company "FOURLIS S.A." on 16/6/2023 approved the purchase by the Company of its own (treasury) shares, up to the number of 2,606, 597 shares including the shares previously acquired and retained by the Company, i.e. up to 5% of the paid-up share capital, within 24 months of the approval, i.e. until 16/6/2025, with a minimum acquisition threshold of one euro (1. 00) per share and a maximum acquisition limit of eight euros (8.00) per share, in accordance with article 49 of the law. 4548/2018 and authorized the Board of Directors of the Company to determine, within the aforementioned framework, the exact time, number and price of the shares to be acquired.

Pursuant to the above resolutions of 18/6/2021 and 16/6/2023 of the General Meeting, on 31/12/2023 the Company had purchased and still held 1,766,702 treasury shares (2022: 1,766,702), corresponding to 3.3889% (2022: 3.3889%) of the total number of its shares.

## 29. Commitments and Contingencies

### 29.1 Commitments

Commitments of the Group on 31/12/2023 are:

- The parent Company has issued letters of guarantee for its subsidiaries guaranteeing liabilities amounting to euro 92,260 thousand.
- Subsidiary companies have issued letters of guarantee for indirect subsidiaries guaranteeing liabilities amounting to euro 157,263 thousand.
- The parent Company has contracted as a guarantor with the amount of euro 2,100 th. for future leases and loan liabilities from investment of an associate company.
- A guarantee has been provided by the subsidiary company TRADE ESTATES S.A. to the Bond Lender in favour of the subsidiary company POLIKENCO DEVELOPMENT AND EXPLOITATION OF REAL ESTATE SA for securing loan obligations, amounting to EUR 10,541 thousand.
- A guarantee has been provided by the subsidiary company TRADE ESTATES SA to the Bond Lender in favour of the subsidiary company YALOU SINGLE MEMBER SOCIETE ANONYME FOR

COMMERCIAL, TOURIST ACTIVITIES AND REAL ESTATE DEVELOPMENT to secure liabilities, of the amount of EUR 27,834 thousand.

- The subsidiaries KTIMATODOMI MAE and TRADE ESTATES BULGARIA EAD have provided guarantees to the representative of the bondholders in favour of the parent company TRADE ESTATES S.A. to secure loan obligations, amounting to EUR 66,271 thousand.
- Guarantees have been provided by the subsidiaries REDIS INVESTMENTS REAL ESTATE S.A. and BERSENCO MAE to the representative of the bondholders' creditors in favour of the parent company TRADE ESTATES S.A. to secure liabilities, amounting to EUR 75,000 thousand.
- The subsidiary TRADE ESTATES S.A. has established a first class pledge to the representative of the bondholders' creditors to secure the obligations arising from the issued bond loan, on the claims arising from certain bank accounts and certain lease contracts entered into as lessor.
- The subsidiary YALOU SINGLE MEMBER SOCIETE ANONYME FOR COMMERCIAL, TOURIST ACTIVITIES AND REAL ESTATE DEVELOPMENT has established a first class pledge to the representative of the bondholders' creditors to secure obligations arising from the issued bond loan, on claims arising from certain bank accounts and certain lease agreements for which it has contracted as lessor.
- The subsidiaries KTIMATODOMI SA, BERSENCO SA and TRADE ESTATES BULGARIA EAD, in order to secure obligations arising from an issued bond loan for which they have provided a corporate guarantee, have established first-class pledges to the representative of the bondholders' creditors on claims arising from specific bank accounts and on the lease contracts for which they have been contracted as lessors.
- The property owned by the subsidiary company TRADE ESTATES BULGARIA EAD has been registered as a class A mortgage lien for the amount of EUR 70 million.
- A mortgage lien of EUR 91 million has been registered on the property owned by the subsidiary company KTIMATODOMI SA, which was registered pursuant to the decision of the Athens Magistrates' Court No 3486S/2022, in favour of Eurobank, as Representative of the Bondholders, on behalf and for the benefit of the Bondholders.
- A mortgage lien of EUR 180 million has been registered on the property owned by the subsidiary company BERSENCO SA, which was registered under the decision of the Athens Magistrate Court No 2286S/2023 in favour of ALPHA BANK, as the Bondholders' Representative, for the account and benefit of the Bondholders.
- A mortgage lien of EUR 180 million has been registered on the property owned by the subsidiary company RENTIS INVESTMENTS REAL ESTATE SA, which was registered under the decision of the Athens Magistrate Court No. 2287S/2023, in favour of ALPHA BANK, as Representative of the Bondholders, for the account and benefit of the Bondholders.

- On the property owned by the subsidiary company TRADE ESTATES REIC in Thessaloniki, a mortgage lien of EUR 180 million has been registered by virtue of the decision of the Athens Magistrate Court No. 2289S/2023 in favour of ALPHA BANK, as the Bondholders' Representative, for the account and benefit of the Bondholders.
- On the property owned by the subsidiary company TRADE ESTATES REIC in Ioannina, a mortgage lien of EUR 180 million has been registered under the decision of the Athens Magistrate Court No. 2290S/2023, in favour of ALPHA BANK, as Representative of the Bondholders, for the account and benefit of the Bondholders.
- A mortgage lien of EUR 180 million has been registered on the real estate owned by the subsidiary company TRADE ESTATES REIC in Oinofita and Schchittari, Boeotia, which was registered pursuant to the decision of the Athens Magistrate Court No. 2292S/2023 in favour of ALPHA BANK, as Representative of the Bondholders, for the account and benefit of the Bondholders.
- On the property owned by the subsidiary company POLIKENCO DEVELOPMENT AND EXPLOITATION SA in Patras, a mortgage lien of EUR 29.4 million has been registered under the decision of the Athens Magistrate Court No. 3931S/2023 in favour of the National Bank of Greece, as the representative of the Bondholders, for the account and benefit of the Bondholders.
- A mortgage lien of EUR 85,7 million has been registered on the property owned by the subsidiary company YALOU SINGLE MEMBER SOCIETE ANONYME FOR COMMERCIAL, TOURIST ACTIVITIES AND REAL ESTATE DEVELOPMENT in Spata, by virtue of the notarial mortgage assignment document no. 28.835/29.11.2023 in favour of the NATIONAL BANK OF GREECE and registered in the land registry books of the Attica Land Registry Office on 29/11/2023 with registration number 31068.

It is noted that there are no capital obligations.

## 29.2 Operating Lease

### Group as Lessor

The future leasing contracts of the Group as a lessor are as below:

	Group	
	31/12/2023	31/12/2022
Up to 1 year	18,626	13,796
Between 1-5 years	69,600	55,502
More than 5 years	55,104	75,395
<b>Total</b>	<b>143,330</b>	<b>144,693</b>

### 29.3 Litigation

There are no litigation or arbitration proceedings as well as resolutions of judicial institutions that might have a material impact on the assets of the Group's companies.

### 30. Related parties

Related parties of the Group include the Company, subsidiary and associated companies, the management and the first line managers and the companies controlled by them. The company provides advice and services all kind of companies in the areas of general management, financial management and IT.

The analysis of the related party receivables and payables as at 31 December 2023 and 2022 are as follows:

		Group		Company	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
<b>Receivables from:</b>	HOUSE MARKET SA	0	0	0	6,000
	H.M. HOUSE MARKET (CYPRUS) LTD	0	0	13	28
	INTERSPORT (CYPRUS) LTD	0	0	4	4
	RENTIS SA	0	0	1	2
	GENCO TRADE SRL	0	0	19	115
	GENCO BULGARIA	0	0	5	6
	HOUSE MARKET BULGARIA EAD	0	0	102	38
	WYLDES	0	0	17	31
	INTERSPORT ATLETIK	0	0	0	33
	SNEAKERS MARKET	0	0	0	2
	TRADE LOGISTICS SA	0	0	39	32
	TRADE ESTATES ΑΕΕΑΠ	0	0	16	22
	TRADE ESTATES CYPRUS LTD	0	0	3	3
	TRADE ESTATES BULGARIA EAD	0	0	5	5
	H.M. ESTATES CYPRUS LTD	0	0	3	3
	BERSENCO SA	0	0	11	15
	VOLIRENCO	0	0	11	0
	WELLNESS GR	0	0	4	2
	TRADE STATUS SA	184	123	181	123
	RECON	3,061	2,326	0	0
	<b>TOTAL</b>	<b>3,245</b>	<b>2,448</b>	<b>434</b>	<b>6,464</b>
<b>Payables to:</b>	HOUSE MARKET SA	0	0	42	6,369
	INTERSPORT SA	0	0	512	1,227
	TRADE ESTATES ΑΕΕΑΠ	0	0	1	0
	WELLNESS GR	0	0	0	3
	TRADE STATUS SA	3	0	0	0
	SOFIA SOUTH RING MALL AED	3	5	0	0
	<b>TOTAL</b>	<b>6</b>	<b>5</b>	<b>555</b>	<b>7,599</b>

Related party transactions as at 31 December 2023 and 2022 are as follows:

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Revenue	42	55	4,833	4,764
Other income	22	23	2,064	1,837
Interest income	0	41	0	0
Dividends	0	0	9,147	38,056
<b>Total</b>	<b>64</b>	<b>119</b>	<b>16,044</b>	<b>44,657</b>

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Administrative expenses	6	1	6	10
Distribution expenses	209	192	0	0
<b>Total</b>	<b>215</b>	<b>193</b>	<b>6</b>	<b>10</b>

Transactions and fees of management members for the years 2023 and 2022 are as follows:

	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Transactions and fees of management members	3,393	3,073	590	636

It is noted that with the listing of the shares of the subsidiary company TRADE ESTATES REIC on the Athens Exchange, 407,320 free shares were granted to executives and members of the management under the subsidiary's free share allocation plan ("Founders' Grant").

There are no other transactions, receivables - payables between the Group and the Company with the directors and management members. Transactions with related parties are conducted on commercial terms and mainly include sales and purchases of goods and services in the ordinary course of the Group's operations.

### 31. Transactions with Subsidiaries

During financial years 2023 and 2022, between the parent company and its subsidiaries the following transactions occurred:



	Group		Company	
	1/1- 31/12/2023	1/1- 31/12/2022	1/1- 31/12/2023	1/1- 31/12/2022
Revenue	63,983	64,771	4,792	4,709
Cost of sales	(35,318)	(36,917)	0	0
Other income	3,543	3,420	2,042	1,821
Administrative expenses	(9,096)	(8,759)	(6)	(9)
Distribution expenses	(23,080)	(22,505)	0	0
Other operating expenses	(32)	(11)	0	0
Dividends	43,804	65,894	9,147	38,056
Interest income	2,053	566	0	0
Interest expense	(2,053)	(566)	0	0

	Group		Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Trade receivables	61,965	68,121	253	6,341
Inventory	281	281	0	0
Creditors	61,965	68,121	555	7,599

In June 2023 the sale of properties in Larissa and Ioannina from the subsidiary HOUSE MARKET SA to the subsidiary TRADE ESTATES REIC amounted to EUR 13.5 million.

The Group has issued letters of guarantee for its subsidiary and associated companies guaranteeing liabilities. The analysis of such letters of guarantee is disclosed in which appears in Note «Commitments and Contingencies».

### 32. Subsequent events

There are no other subsequent events as of 31/12/2023 that may significantly affect the financial position and results of the Group other than the following:

- On 22/3/2024 a bond loan of EUR 50 million with a term of (3) three years was issued by the subsidiary HOUSEMARKET SA.

**Web site for the publication of the Annual Financial Statements**

The Annual Financial Report of the Group (Consolidated and Separate), The Independent Auditors Report and the Board of Directors Report for the year 1/1- 31/12/2023 have been published by uploading on the internet at the web address <http://www.fourlis.gr>. At the same web address, all Annual Financial Statements, Audit Reports and Board of Directors Reports of the companies which are consolidated and they are not listed and which cumulatively represent a percentage higher than 5% of consolidated revenues or assets or operating results after the deduction of minority shares proportion, are published.