



Sustainability Report for the financial year from  
1/1/2024 to 31/12/2024

# 1. General information

## 1.1 Reporting Principles

### 1.1.1 Sustainability statement reporting principles

#### Basic Information

{ESRS ESRS-BP1-5 / GRI 2-2}

Fourlis Holdings S.A. ("Company"), along with its direct and indirect subsidiaries, form the Fourlis Group ("Group") which is mainly operating Retail Trading of Home Furniture and Household Goods (IKEA Stores), Retail Trading of Sporting Goods (INTERSPORT Stores) and Retail Trading of Health and Wellness Goods (Holland & Barrett stores). The report covers the entire Group, including the parent company Fourlis Holdings S.A. and all companies in which the Group directly or indirectly holds more than 50% of the voting rights.

The Sustainability Statement has been prepared on a consolidated basis and the scope of consolidation is the same as in the financial statements.

The direct and indirect subsidiaries of the Group, included in the 2024 consolidated figures by sector and country of activity, are the following:

	Parent	Location	Holding Percentage (%)
Direct subsidiaries			
HOUSEMARKET SA	FOURLIS HOLDINGS SA	Greece	100
SPORTSWEAR MARKET SA	FOURLIS HOLDINGS SA	Greece	100
GENCO TRADE SRL	FOURLIS HOLDINGS SA	Romania	1.57
WELLNESS SA	FOURLIS HOLDINGS SA	Greece	100
TRADE ESTATES REIC	FOURLIS HOLDINGS SA	Greece	21.85
Indirect subsidiaries			
HOUSE MARKET BULGARIA EAD	HOUSEMARKET SA	Bulgaria	100
HM HOUSEMARKET (CYPRUS) LTD	HOUSEMARKET SA	Cyprus	100
TRADE LOGISTICS SA	HOUSEMARKET SA	Greece	100
WYLDES LIMITED LTD	HOUSEMARKET SA	Cyprus	100
TRADE ESTATES CYPRUS LTD	H.M. ESTATES CYPRUS LTD	Cyprus	63.31
TRADE ESTATES BULGARIA EAD	TRADE ESTATES R.E.I.C.	Bulgaria	63.31

	Parent	Location	Holding Percentage (%)
H.M. ESTATES CYPRUS LTD	TRADE ESTATES R.E.I.C.	Cyprus	63.31
GENCO TRADE SRL	SPORTSWEAR MARKET SA	Romania	98.43
GENCO BULGARIA EOOD	SPORTSWEAR MARKET SA	Bulgaria	100
SPORTSWEAR MARKET (CYPRUS) LTD	SPORTSWEAR MARKET SA	Cyprus	100
TRADE ESTATES R.E.I.C.	HOUSEMARKET SA	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
KTIMATODOMI SA	TRADE ESTATES R.E.I.C.	Greece	63.31
VOLYRENCO SA	TRADE ESTATES R.E.I.C.	Greece	63.31
POLIKENCO SA	TRADE ESTATES R.E.I.C.	Greece	63.31
MANTENKO SA	TRADE ESTATES R.E.I.C.	Greece	63.31
YALOU SA	TRADE ESTATES R.E.I.C.	Greece	63.31
Affiliates			
VYNER LTD	WYLDES LIMITED LTD	Cyprus	50,00
SW SOFIA MALL ENTERPRISES LTD	WYLDES LIMITED LTD	Cyprus	50,00
RETS CONSTRUCTIONS SA	TRADE ESTATES R.E.I.C.	Greece	50,00
EVITENCO SA	TRADE ESTATES R.E.I.C.	Greece	44,69

*Table 1*

In the Sustainability Statement, the report focuses mainly on the Group's retail companies and does not include Trade Estates S.A., as its shareholding in the company fell below 50% on 05/02/2025, resulting in its deconsolidation. No other subsidiaries, apart from Trade Estates SA, are excluded from the consolidation of the Sustainability Statement.

The Sustainability statement is published annually. The reporting period coincides with that of financial reporting, that is, the financial period from 1 January 2024 to 31 December 2024.

This report includes information on the material impacts, risks and opportunities associated with the company through its direct and indirect business relationships up and/or down the value chain in sections 2.2, 2.3, 3.1, 3.2, 4.1.

#### Basis for preparation

{ESRS ESRS2-BP2-9-10-15-16}

Fourlis Group is bound by the EU's Corporate Sustainability Reporting Directive (CSRD) and its reporting requirements, which have guided the content and structure of this 2024 report. It incorporates metrics of the Athens Stock Exchange ESG Reporting Guide, published in 2024 and GRI, published in 2021, metrics. It also complies with the requirements of the Financial Reporting Law for the submission of non-financial information in accordance with the EU's Non-Financial Reporting Directive (NFRD) and the Greek Law No.5164/2024 regarding the incorporation of the CSRD Directive on corporate sustainability reports.

The disclosed sustainability matters and key figures are based on Fourlis group's double materiality assessment. The reporting requirements of the European Standard ESRS that are material to the company's activities, products and stakeholders were selected based on the materiality assessment. The material topics and sustainability targets based on the materiality assessment were approved in 2024 and reporting based on them started in the year 2024 and was completed with attention to the requirements of the EU sustainability reporting standards. More information on the double materiality assessment and its results is provided in [section 1.2 Double materiality assessment](#).

The Group is committed to expanding its measurement framework and mapping its activities to enable targeted actions not only within its own operations but across its entire value chain. The timeline for its targets is structured into short-term (less than one year), medium-term (1–5 years), and long-term (over five years) objectives.

The metrics and indicators presented in this report cover all of the Group's activities, as described in the Key Information in this section 1.1.1. In cases where specific metrics relate to only part of the activities, this is explicitly stated in the sub-section "Reporting Principles for Metrics" of each topic. The sub-sections 'Reporting Principles for Metrics' of each Topical shall provide clear guidance on uncertainty, omissions, any deviations from previous measurement periods and the level of accuracy of the reported data, ensuring transparency and comparability of the data. While the majority of the metrics primarily focus on the Group's own operations, certain indicators extend to the broader value chain.

Fourlis Group has a total of 4436 employees and therefore, the exemption for entities or groups with fewer than 750 employees under Appendix C of ESRS 1 does not apply.

### 1.1.2 Risk management and internal controls over sustainability reporting

{ESRS ESRS2-GOV5-34-35-36 / GRI 2-14}

Fourlis Group integrates risk management and internal control into the sustainability reporting process through an integrated Internal Control System (ICS) and a clear sustainability strategy and policy, as well as through the due diligence process. The ICS focuses on risk management, the assessment of compliance with regulatory requirements and the effective cooperation of the relevant teams. The company uses the Enterprise Risk Management (ERM) Methodology that follows the COSO Framework, enabling the identification, assessment and management of sustainability risks in an organized framework.

Internal Audit ensures that the timing of the information is correct and the integrity of the source of the data, while the integrity, accuracy and correctness of the data are verified through external assurance after the completion of the sustainability report.

In preparing this report, as the first year of implementation of the new ESRS standards, it is expected that findings on the relevant risks will emerge during the preparation of this report. These risks will be identified and assessed, and the necessary procedures for managing them will be established, with the aim of continuously improving the process of preparing and submitting the report in the future.

### 1.1.3 Composition and diversity of the administrative, management and supervisory bodies

{ESRS ESRS2-GOV1-21,a,c,d,e, GOV1-20 / GRI 2-9 / ATHEX ESG C-G1}

The Board of Directors serves as the highest governing body overseeing sustainability across the entire Group. On 31/12/2024, the Board of Directors consists of nine members, with independent directors comprising the majority at 56% (five out of nine). Gender representation within the Board is balanced, with 44% female and 56% male members. Additionally, executive members account for 44% of the Board, with four out of the nine members holding executive roles.

To further enhance the governance of sustainability-related matters, a Sustainability Committee was established on November 25, 2024. Comprising two executive members and one independent member, the committee holds primary responsibility for overseeing the management of the Group's significant impacts, risks, and opportunities related to sustainability.

The Fourlis Group recognizes the importance of employee participation in governance and is examining the possibility of incorporating their representation on the Board of Directors as part of the strategic planning for the next five years.

The expertise and skills of the Board of Directors and the Sustainability Committee are listed in the detailed CVs of members of the Board of Directors and senior executives on the Fourlis Group website ([Board of Directors - fourlis.gr](https://www.fourlis.gr) & [Management - fourlis.gr](https://www.fourlis.gr) ).

#### 1.1.4 Board of Directors and Board Committees

{ESRS ESRS2-GOV1-22, GOV2-26 / GRI 2-9, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-16}

The Furlis Group Board of Directors serves as the highest governing body overseeing sustainability, responsible for approving the Group's policies that guide its operations and internal control. Additionally, a three-member Board Committee, chaired by the Sustainable Development and CSR Director, is responsible for supervising impacts, risks, and opportunities related to sustainability.

The Furlis Group has established a clear Sustainable Development Policy and Strategy. The Sustainable Development and CSR Department is responsible for designing the Group's sustainability strategy, ensuring its implementation, and monitoring compliance with related policies, procedures, practices, and programs. It also coordinates the Group's companies in sustainability-related initiatives and actions.

As part of its commitment to continuous improvement, Furlis Group conducts double materiality analysis to refine its approach to sustainability and corporate responsibility. For the identified material issues, a due diligence process is implemented to assess significant impacts, risks, and opportunities.

The Sustainability Committee, is responsible for overseeing the Group's material impacts, risks, and opportunities. The Committee is informed twice per year on the implementation of due diligence processes, as well as the results and effectiveness of the Group's policies, actions, metrics, and targets. In addition, the Risk Management Unit monitors and reports on sustainability risks to business operations 4 times per year to the Board of Directors. This information enables the Board to make informed decisions regarding the Group's sustainability strategy.

When overseeing the Group's strategy, major transactions, and risk management process, the Board of Directors considers relevant impacts, risks, and opportunities. The Sustainability Committee's oversight ensures that sustainability-related considerations are integrated into the decision-making process. This approach aims to balance business objectives with environmental and social commitments, contributing to the Group's long-term resilience and responsible growth.

During the reporting period, the Board of Directors, following a recommendation from the Group's Corporate Governance Department, examined significant impact and risk issues related to the Sustainability category according to the list below:

- The possibility of failure to comply with relevant sustainability agenda imposed by EU or Local regulations and /or corporate policy and the associated impact on earnings and reputation
- The possibility of maintaining an inefficient CSR strategy and the associated impact on earnings and reputation

- The possibility of non-sufficient protection of staff and assets against hazardous events and the associated impact on reputation
- The possibility of unethical business practices and the associated impact on reputation and earnings
- The possibility of violation of Human rights e.g. discrimination/non equal opportunities and treatment and the associated impact on reputation and earnings
- The possibility of not meeting corporate social responsibilities and the associated impact on reputation and growth
- The possibility of not maintaining an effective succession plan and inability to attract and retain top talent and the associated impact on performance and growth
- The possibility of not aligning business strategy with ESG obligations (e.g. Climate & Sustainability) and governance expectations and the associated impact on finance and reputation
- The possibility of climate change, natural disasters and increasingly extreme weather conditions and the associated impact on growth, profitability and reputation
- The possibility of setting a GHG (Green House Gass) reduction action plan which is not aligned with the international targets or any scientific sources (ie SBTi, IPCC etc) would increase the risk of non-compliance.
- The possibility of increasing energy prices due to any reason would negatively affect financial indexes within the group.

The findings that emerged through the double materiality analysis carried out in 2024 were incorporated into the Group's risk list and are included in the above list.

#### 1.1.5 Sustainability Due Diligence process and sustainability working groups

{ESRS ESRS2-GOV4}

The Fourlis Group's due diligence process for sustainability matters is structured into four key stages: identification, assessment, management, and monitoring of risks, opportunities, and impacts across its operations and value chain. The process begins with a double materiality assessment, mapping the value chain, and collecting data from internal and external sources. Identified sustainability risks and opportunities are then evaluated based on their magnitude and likelihood, aligned with international standards such as European Sustainability Reporting Standards (ESRS). Following this assessment, the Group implements mitigation strategies, prioritizes actions, and develops targeted programs in areas such as sustainable technology investments and stakeholder engagement. The effectiveness of these measures is continuously tracked through KPIs/KRIs, quarterly progress reports to the Board of Directors, and periodic reviews to align with evolving regulatory and business requirements.

Governance and oversight of this process is ensured through multiple sustainability teams. The sustainability committee of the board of directors has approval and oversight of due

diligence implementation, while the sustainability team, made up of company representatives, is responsible for developing and monitoring sustainability initiatives with oversight and guidance from the group's Sustainability and Social Responsibility Division. The Sustainability Team meets twice a year to assess progress, ensure alignment with sustainability goals and implement corrective actions when necessary.

The Group's Procurement and Corporate Governance Department is responsible for the annual Sustainability reports.

Sustainability data is collected through a specialized ESG platform, which enables automated performance indicators tracking, data management and the creation of the Sustainability Report. At the same time, employees participate in training programs to enhance the Group's sustainability expertise. The full mapping of the due diligence process and its integration into the Group's sustainability statement is reflected in the structured governance framework, reporting mechanisms and ongoing engagement with stakeholders.

#### 1.1.6 Integration of sustainability-related performance in incentive schemes

{ESRS ESRS2-GOV3-27,28,29 / GRI 2-19, GRI 2-20}

Fourlis Group applies a Remuneration Policy for the members of the Board of Directors, remunerating both executive and non-executive members, as well as for its Management. The policy is based on the principle of fair and reasonable remuneration, taking into account the level of responsibility, knowledge and experience required to perform their duties. At the same time, it ensures the alignment of remuneration with the Group's short-term and long-term business plan, maintaining the ability to create value for customers, shareholders, employees and the economy of the countries in which it operates.

The Remuneration Policy of the executive members of the Board of Directors contributes to the Company's business strategy, long-term interests and sustainability.

The Nomination and Remuneration Committee and the Board of Directors are periodically informed about the structure of the remuneration and the practices followed within the Company, as well as about market trends in this particular issue.

The Group has implemented incentive schemes for members of its administrative, management, and supervisory bodies, with performance evaluations linked to specific sustainability-related targets. The Nomination and Remuneration Committee is responsible for recommending to the Board of Directors the assessment of sustainability goal achievement for the corporate fiscal year from January 1, 2024, to December 31, 2024. The Board has approved this recommendation, and based on the evaluation results, executive members of the Board and senior management are granted common registered voting shares (stock grants). The defined sustainability targets focus on the Group's carbon footprint, specifically



the measurement of Scope 1 and Scope 2 emissions, with third-party independent assurance ensuring the accuracy and reliability of these assessments.

### 1.1.7 Strategy, business model and value chain

{ESRS ESRS2-SBM1- 38,39,40,42 / GRI 2-6}

Fourlis Group integrates sustainability into its business strategy, ensuring that environmental, social, and governance (ESG) principles are embedded across all its operations. The Group's core mission is to deliver high-quality, affordable, and sustainable products and services in the home furnishings, sporting goods, and health & wellness sectors, leveraging long-term franchise agreements with leading global brands. In August 2024, the Group expanded its licensing rights for the Foot Locker brand across multiple Southeast European countries, reinforcing its commitment to sustainable growth. Additionally, its logistics subsidiary play a crucial role in optimizing operational efficiency and enhancing long-term value creation.

The following table presents a breakdown of Fourlis Group's total revenues for the reporting year 2024, by operating segment, in accordance with the financial statements and in line with the requirements of IFRS 8 "Operating segments". Group sales amounted to EUR 529,692 thousand, of which EUR 346,132 thousand came from the Home and Furnishing segment, which includes the revenues of the logistics company, and EUR 181,151 thousand from the Sporting Goods segment. The parent company reported sales of EUR 5,116 thousand, while consolidation entries amount to EUR (3,827) thousand, which includes the sales of the wellness products company.

	Retail Home Furnishings	Retail Sporting Goods	Fourlis Holdings SA	Elim - Cons Entries	Fourlis Group
Revenue	346.132	181.151	5.116	(2.706)	529.692
Cost of Sales	(184.078)	(96.031)	(5.004)	3.827	(281.285)
Gross Profit	162.054	85.120	112	1.122	248.407
Other income	16.134	1.722	2.847	(2.878)	17.825
Distribution expenses	(127.387)	(71.085)	0	(874)	(199.345)
Administrative expenses	(21.023)	(10.143)	(8.393)	104	(39.455)
Net gain from the fair value adjustment of investment property	0	0	0	0	0
Other operating expenses	(220)	(287)	(181)	(3)	(690)
Operating Profit / (Loss)	29.559	5.328	(5.615)	(2.530)	26.742
Total finance income	51	222	3	0	276
Total finance cost	(15.497)	(5.610)	(175)	(159)	(21.441)
Other operating expenses	2.083	0	0	206	2.289
Profit/loss on sale of subsidiaries	0	(125)	0	0	(125)
Dividends	(0)	0	14.080	(14.080)	(0)
Profit / (Loss) before Tax	16.196	(186)	8.294	(16.563)	7.741

Depreciation/Amortisation/Net gain/loss from fair value adj. of invest property	(23.803)	(21.370)	(975)	(116)	(46.264)
---	----------	----------	-------	-------	----------

*Table 2*

Fourlis Group establishes clear sustainability goals across its product and service categories, customer segments, and geographic presence. The Group continuously assesses its existing product offerings and market operations against sustainability objectives, ensuring alignment with its commitment to reducing its environmental footprint, supporting local communities, and fostering responsible business practices. As part of this commitment, the Group conducts a double materiality assessment to identify and address significant sustainability risks and opportunities, integrating them into its strategic planning and due diligence processes.

The Group's business model is designed to deliver sustainable value through a combination of retail operations and supply chain services.

### **Value Chain**

The Group's business model is designed to deliver sustainable value through a combination of retail operations and logistics.

Fourlis's group **upstream activities** involve sourcing home furnishings, sporting goods, and health & wellness products. The home furnishings (IKEA) and health & wellness (Holland & Barrett) subsidiaries procure their inventory directly from their franchise brand suppliers, while the sporting goods subsidiaries (Intersport) independently sources products from multiple suppliers. The logistics subsidiary oversees warehousing and inventory management, though transportation is outsourced to third-party providers. Additionally, Fourlis Holdings, as the parent company, provides IT infrastructure, HR, accounting, and procurement services across all subsidiaries, ensuring operational consistency and efficiency.

Within its **own operations**, Fourlis Group manages a diverse portfolio of retail stores, warehouses, and corporate offices. The home furnishings, sporting goods, and health & wellness subsidiaries operate large-scale physical retail stores and online sales platforms, supported by centralized logistics operations. The logistics company (Trade Logistics) oversees inventory management and distribution but collaborates with external carriers for transportation. Meanwhile, Fourlis Holdings provides corporate governance, technology solutions, and shared service functions, ensuring standardization and operational synergy across all subsidiaries.

On the **downstream side**, Fourlis group focuses on enhancing customer experience through multi-channel retail strategies, including physical stores, online platforms, and click-and-collect services. The subsidiary Trade logistics ensures the stock replenishment of the stores and the delivery of orders. Outsourced to a third party company, the specialized customer service teams operate and provide customer support. The Fourlis Group prioritises customer

feedback mechanisms to promote continuous improvement and alignment with consumer expectations.

<b>Supply Chain (Upstream)</b>	<b>Activities (Own Operations)</b>	<b>Entities Post- Operations (Downstream)</b>
Merchandise Suppliers	The activities of the Group as described in the section "Business Model"	Customers/Consumers
Non- merchandise Suppliers (materials, services, assets)	Retail Sales - Logistic Services - Real Estate Investment	Partners (post-sale)
Contractors		Tenants
Partners		
Lessors		

*Table 3*

End-of- product lifecycle initiatives promote responsible disposal and recycling, reinforcing the Group's commitment to the principles of the circular economy.

By integrating sustainability aspects into its business model, strategy and value chain, the Furlis Group ensures long-term resilience and creates a positive environmental and social impact, while responding to evolving market demands and stakeholder expectations.

### 1.1.8 Interests and views of stakeholders

{ESRS ESRS2-SBM2 / GRI 2-29 / ATHEX ESG C-S1}

Furlis Group interacts with its key stakeholders and develops its operations based on stakeholder feedback. 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 Furlis Group are the following:



Image 1

This table includes a summary of Furlis group's key stakeholders, and of how themes important to them are considered in the company's strategy and business model.

Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
<b>Employees (Own Workforce + BoD)</b>			
Employee Insight Survey	Biennially	<ul style="list-style-type: none"> <li>- Health and safety</li> <li>- Diversity, equality and inclusion</li> <li>- Training and skills development</li> <li>- Competence development and good leadership</li> <li>- Working conditions and other work-related rights</li> <li>- Job Security</li> <li>- Work-life balance</li> <li>- Additional Benefits</li> </ul>	<ul style="list-style-type: none"> <li>- Safety management systems</li> <li>- Recruitment and retention practices</li> <li>- Furlis Group's academy and other training</li> <li>- Development of leadership and key capabilities</li> <li>- Code of Conduct Line and Whistleblowing System</li> <li>- Aligns governance and strategic objectives</li> <li>- Improves productivity</li> </ul>
Corporate Events	Annually or on the occasion of a specific event		
Announcement Boards	Continuous		
F2F Mobile application	Continuous		
Workshops organisation	Within the framework of specific actions (e.g., following the Employee Insight Survey)		
Update via e-mails	Continuous		

Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
Update via SMS	Within the framework of specific actions (e.g., following the Employee Insight Survey)	- Fair compensation - Corporate governance	
360o Evaluation process	Implemented annually (with biennially periodicity per grade)		
Employee Performance and Development Review	Annually		
Meetings	- One to One: when a relevant need occurs - Statutory: at intervals specified by each Division/Department based on their needs		
Shareholders/ Institutional Investors & Financial Analysts			
General Assembly	Annually	- Profitability and sustainability - Profitable and competitive profit-sharing models and member benefits - Leadership in sustainable development - Risk management - Business Continuity - Personal data	- New investments - Economic performance - Influences capital allocation - strategic direction - reputational management
Announcements	Depending on briefing needs		
Ad hoc communication	Continuous		

Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
		protection - Climate change and greenhouse gas emissions - Stakeholders value creation - Corporate governance and business ethics - Financial performance - Transparency and anti-corruption - ESG (Environmental, Social, Governance) progress - long-term value creation - Stakeholders value creation - Business Continuity	
<b>Customers</b>			
Contact and communication within the stores and ad hoc (telephone/emails/website/Apps)	Continuous	- Sustainable products - Product safety and quality	- Product safety and quality - Consumer preferences for sustainable products
Satisfaction Surveys	Continuous	- Product information - price fairness	- Communication channels with end users for co-creation, complaints
Newsletter Dispatch/SMS/Viber/Social Media Use	Continuous	- Consumer privacy and data protection	

Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
Issuance of digital catalogues and publications	Continuous	<ul style="list-style-type: none"><li>- Security of electronic systems</li><li>- Corporate governance and business ethics</li><li>- Climate change and greenhouse gas emissions</li><li>- Human Rights Protection</li><li>- Sustainability</li><li>- Innovation</li><li>- Safety</li><li>- Customer service</li></ul>	<ul style="list-style-type: none"><li>&amp; feedback</li><li>- Ethical marketing practices</li><li>- customer experience initiatives</li><li>- pricing strategies</li></ul>
Partners/Suppliers			
Meetings	Continuous	<ul style="list-style-type: none"><li>- Responsible procurement management</li></ul>	<ul style="list-style-type: none"><li>- Joint sustainability targets with partner suppliers</li></ul>
Participation in industry associations	According to relevant planning	<ul style="list-style-type: none"><li>- Personal data protection</li></ul>	<ul style="list-style-type: none"><li>- Assessment of suppliers' sustainability as part of the supplier selection process and during cooperation</li></ul>
Joint programs implementation	According to relevant planning	<ul style="list-style-type: none"><li>- Corporate governance and business ethics</li><li>- supply chain sustainability</li><li>- fair contract terms</li><li>- innovation collaboration</li></ul>	<ul style="list-style-type: none"><li>- Impacts procurement strategies</li><li>- supply chain efficiency</li><li>- compliance</li></ul>
Civil Society			
Meetings	According to relevant planning	<ul style="list-style-type: none"><li>- ethical operations</li><li>- transparency</li></ul>	<ul style="list-style-type: none"><li>- shapes corporate responsibility strategies</li></ul>
Active participation in initiatives	Continuous		<ul style="list-style-type: none"><li>- builds public trust</li></ul>
Local Communities (Areas where the Group's companies operate.)			

Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
Contact with local authorities	Continuous	<ul style="list-style-type: none"><li>- Social Contribution</li><li>- Connectivity</li><li>- Local employment</li><li>- Local supply chain</li><li>- Implementation of actions for the promotion of local communities</li><li>- Protection of the environment</li><li>- Corporate governance and business ethics</li><li>- Employment opportunities</li><li>- environmental impact</li><li>- community development</li></ul>	<ul style="list-style-type: none"><li>- Enhances sustainability practices</li><li>- Influences local operational</li></ul>
Events	According to relevant planning		
Implementation of Social Responsibility programs and actions	Continuous		
Official & Supervisory, Authorities/State			
Regular reporting	Every 3 months	<ul style="list-style-type: none"><li>- Public Health &amp; safety</li><li>- Human Rights Protection</li><li>- Alignment with Climate and social policies</li><li>- Transparency and anti-corruption</li><li>- Corporate governance and business ethics</li><li>- Compliance with the current legislative framework</li></ul>	<ul style="list-style-type: none"><li>- Ensures operational compliance</li><li>- reduces risks of penalties</li><li>- Enhances policy influence</li></ul>
Discussions/mailling with national and local Authorities' representatives	Continuous		
Participation in organizations and unions	Continuous		
Business Community			



Communication Methods	Themes important to stakeholders	Themes important to stakeholders	Impacts on operations, business model and strategy
Participation in organizations, associations and unions	Continuous	<ul style="list-style-type: none"><li>- Knowledge sharing</li><li>- innovation</li><li>- competitive benchmarking</li></ul>	<ul style="list-style-type: none"><li>- Encourages collaboration</li><li>- Fosters innovation</li><li>- Drives thought leadership</li></ul>
Media			
Press Conferences	According to relevant planning	<ul style="list-style-type: none"><li>- Transparency</li><li>- Timely information</li><li>- Reputation management</li></ul>	<ul style="list-style-type: none"><li>- Enhances public perception</li><li>- Manages brand reputation</li><li>- Mitigates misinformation risks</li></ul>
Dispatch of digital brochures/ Press Kits	Continuous		
Corporate publications	Continuous		
Meetings	Continuous		
NGOs			
Meetings	Continuous	<ul style="list-style-type: none"><li>- Social contribution</li><li>- Environmental and social impact</li><li>- Human rights</li><li>- Corporate transparency</li></ul>	<ul style="list-style-type: none"><li>- Shapes sustainability goals</li><li>- Increases accountability</li><li>- Improves community relations</li></ul>
Collaborations	Continuous		

*Table 4*

The Group's senior management, management and supervisory bodies are regularly informed of the views and interests of stakeholders affected by the impacts on sustainability matters of the business. This information is provided through scheduled Management Meetings (management meetings, Execo meetings, Opeco meetings and operation workshops), where key stakeholder concerns and expectations are discussed.

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.

## 1.2 Double Materiality Assessment

### Sustainability-related impacts, risks and opportunities

#### 1.2.1 The identification and assessment of material impacts, risks and opportunities

{ESRS ESRS2-IRO-1 / GRI 3-1}

Fourlis Group has performed double materiality analysis to identify sustainability-related impacts, risks and opportunities and to assess their materiality issues for 2024. Top management from across the companies of the Group systematically identified, examined and revisited impacts over a series of workshops, following the methodology and guidance provided by the European Directive (CSRD). The Double Materiality Assessment (DMA) comprises identification of impacts, risks and opportunities (IROs), an impact materiality as well as a financial materiality. Those impacts that are identified as risks or opportunities are further assessed through financial materiality. Fourlis Group applied a structured methodology to assess impact materiality, focusing on the Group's actual or potential, positive or negative effects on the environment and society. The key goal is to identify and assess the risks, threats and opportunities potentially significant to the implementation of the company's values and strategy and to the achievement of long-term targets, as well as to identify and assess the company's impacts on society and the environment. In addition to the company's own operations, the identification and assessment of impacts, risks and opportunities encompasses the upstream and downstream value chain and any other parties that the company's operations affect.

The process of the materiality assessment proceeded in two phases and different workshops, involved the participation of senior executives, managers and representatives responsible for sustainability issues from all the group's subsidiaries, as well as the participation of the directors of the financial departments of each subsidiary. The workshops's participants paid attention to Fourlis Group's impacts on the environment, society, employees and other stakeholders, as well as on the qualitative and financial risks and opportunities for Fourlis Group's business related to sustainability matters. Also, in the process the group tried to align and update the risks that had already identified on sustainability issues following the company's risk management registry.

#### 1.2.2 Material sustainability topics

{ESRS ESRS2-GOV2-26,c, ESRS2-SBM3/ GRI 2-16}

Following a detailed review of the (Impacts, Risks and Opportunities - IROs), the substantive topics are outlined in the table below aligned with the corresponding topics, themes and sub-themes of the ESRS standards. These themes form the basis of the thematic sections of this report.

Topical ESRS	ESRS Topics, Sub-topics & Sub-sub-Topics	Double Materiality Assessment 2024 – Fourlis Group Material Issues
E – ENVIRONMENT		
ESRS E1 Climate change	— Climate change adaptation	1. Energy & Emissions
	— Climate change mitigation	
	— Energy	
ESRS E5 Circular economy	— Resources inflows, including resource use	2. Waste Management
	—Resource outflows related to products and services	
	— Waste	
S – SOCIAL RESPONSIBILITY		
ESRS S1 Own workforce	— Working conditions	5. Working Conditions
	— Health and safety	
	— Equal treatment and opportunities for all	
	— Training and skills development	
	— Diversity	
ESRS S3 Affected communities		4. Social Contribution
G – GOVERNANCE		
ESRS G1 Business conduct	— Corporate culture	5. Corporate culture & Governance
	— Protection of whistle-blowers	
	— Corruption and bribery	

Table 5

### 1.2.3 Assessment scale for impacts, risks and opportunities (IROs)

The framework of the EU's sustainability reporting standards (ESRS) was used to classify sustainability themes. The materiality assessment was initiated in 2024 and the goal being to include the classification of impacts, risks and opportunities in line with the ESRS (topics, sub-topics and sub-sub-topics) and consider the directive's guidelines on the prioritization of impacts, risks and opportunities in the materiality assessment. The scale standardized for Fourlis Group's risk management process was used to assess likelihood. Impacts are assessed based on their scale, scope, duration and remediability. Risks and opportunities to Fourlis Group's business were assessed based on the monetary values defined in the risk management process, as well as on reputational impacts and remediability. Remediability was assessed on the following scale: short-term (less than one year), medium-term (1–5 years), long-term (5–10 years), very long-term (10–30years) and irremediable.

Sub-topics classified as moderate (a value of 5–9) or high (a value of 10–25) were determined as material sub-topics. The above table does not include sub-topics of low materiality.

#### Assessment scale for IROs matrix

Likelihood	High	Very likely	<b>5</b>	5	10	15	20	25
	Medium-							
	High	Likely	<b>4</b>	4	8	12	16	20
	Medium	Possible	<b>3</b>	3	6	9	12	15
	Low-							
	Medium	Unlikely	<b>2</b>	2	4	6	8	10
	Low	Very unlikely	<b>1</b>	1	2	3	4	5
				<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Magnitude/ Severity	Financial Impact (Magnitude)			Very Limited	Limited	Moderate	Significant	Very Significant
	Impact on Society and Environment (Severity)			Very Limited	Limited	Moderate	Significant	Very Significant

Table 6

The work carried out in 2024 did not lead to major differences from the material issues that emerged from the materiality analysis conducted in 2023 (Climate Stability and Air Pollutants, Waste and Resource Intensity, Data Privacy, Employment, Health & Safety, Education and Business Conduct). Based on the results of the materiality assessment, Fourlis Group's key sustainability matters include climate change, Waste management, working conditions of the company's own workforce, social contribution and Corporate Culture and Governance. The assessment of impacts, risks and opportunities was expanded from the previous year to cover the sub-topics and sub-subtopics specified in the EU's sustainability reporting standards.

The following table (Table 7) presents the Group's Impact, Risk and Opportunities (IROs) as identified through the materiality assessment. These IROs are aligned with the Group's material topics and mapped to the relevant themes of the ESRS framework. Additionally, the table provides a description of where each IRO manifests within the Group's business activities (value chain), as well as the expected time horizon of its impact.

Fourlis Group Material Issues	Topical ESRS	IROs			Value Chain	Time Horizon
E - ENVIRONMENT						
1. Energy & Emissions	ESRS E1 Climate change	Climate related physical risks			upstream/own operations/downstream	short (<1 year)
		Transition risks related to climate change			own operations	medium (< 5 years)
		Greenhouse gas emissions reduction			upstream/Own operations	short (<1 year)
		Energy consumption in retail stores	-		own operations/downstream	short (<1 year)
		Investment on renewables			upstream/own operations/downstream	short (<1 year)
		Increasing energy prices			upstream/own operations/downstream	short (<1 year)
2.Waste Management	ESRS E5 Circular economy	Circular business practices for packaging			upstream/downstream	medium (< 5 years)
		Total waste generation			upstream/downstream	short (<1 year)
S - SOCIAL RESPONSIBILITY						
3.Working Conditions	ESRS S1 Own workforce	Health and Safety Management System (or H&S Due Diligence)			own operations	short (<1 year)
		Wellbeing Initiatives for Employees and their families			own operations	short (<1 year)
		Grievance Mechanisms for Workers	+		own operations	short (<1 year)
		Lack of Employee Required Skills and			own operations	short (<1 year)

Fourlis Group Material Issues	Topical ESRS	IROs		Value Chain	Time Horizon
		Talents (including soft and digital skills)			
		Workforce diversity and inclusion	+	own operations	short (<1 year)
4.Social Contribution	ESRS S3 Affected communities	Local community engagement	+	downstream	short (<1 year)
		Job creation and economic growth		downstream	long (>5 years)
<b>G – GOVERNANCE</b>					
5.Corporate culture & Governance	ESRS G1 Business conduct	Regulatory changes & Non-compliance		own operations/downstream	short (<1 year)
		Access to sustainable investment		upstream/own operations/downstream	short (<1 year)
		Governance structure & composition		own operations	short (<1 year)
		Code of conduct (anticorruption, anti-harassment, human rights, health & safety)		own operations/downstream	short (<1 year)

Table 7

	Actual Impact (Positive +, Negative -)
	Risk
	Opportunity

The current and expected impact of the Group's significant impacts, risks and opportunities on the business model, value chain, strategy and decision-making, as well as the Group's actions or planned actions to address these impacts, including any strategic or business adjustments undertaken or planned to address specific significant impacts or risks or to take advantage of specific significant opportunities, are discussed in detail in sections 2.2, 2.3, 3.1, 3.2 and 4.1 of the present report.

## 1.2.4 Metrics and targets

{ESRS ESRS2-MDR-T / GRI 3-3}

By integrating insights from the double materiality assessment, the Group sets measurable targets that drive long-term value creation and resilience. To ensure effective management of sustainability risks and opportunities, Furlis Group implements a structured monitoring and target-setting framework. The sustainability goals established through the group's due diligence process and in line with the ESRS topics are summarised in the table below (table 7):

Topical ESRS	Targets related to the Furlis Group's Material Issues	2024 Progress	Short Term Targets (2024)	Mid Term Targets (2025-2030)	Long Term Targets (2030+)
<b>E - ENVIRONMENT</b>					
ESRS E1 Climate change	<b>1. Energy &amp; Emissions</b>				
	<b>CO2 Emissions - Scope 1</b>				
	Stationary Fuels - % Reduction efforts (GR)	●	-5%	-100%	-100%
	Stationary Fuels - % contribution out of total Scope 1 emissions (GR)	●	-5%	-40%	0%
	<b>CO2 Emissions – Scope 2</b>				
	Scope 2 : Supplied Energy - % Reduction efforts GR	●	-2%	-50%	100%
	Scope 2 : Supplied Energy - % Reduction efforts GR LFL	●	-2%	-50%	100%
	<b>CO2 Emissions - Scope 3</b>				
	Mapping and target setting (Group)	●	-	Mapping / calculations / targets	-
ESRS E5 Circular economy	<b>2.Waste Management</b>				
	Waste Mapping GR	●	Mapping	Calculations / targets	-
	Zero Waste to Landfill - IKEA Food Waste	●	-	Calculations / targets	-

<b>S - SOCIAL RESPONSIBILITY</b>					
ESRS S1 Own workforce	<b>3.Working Conditions</b>				
	Number of deaths due to work-related injuries and work-related ill health	●	0	0	0
	% of Women at Fourlis Group	●	>=50%	>=50%	>=50%
	% of Women in managerial positions (GR)	●	43%	44%	N/A
	% of Women at Fourlis Board	●	>=33%	>=33%	>=33%
ESRS S3 Affected Communities	<b>4.Social contribution</b>				
	Annual budget for supporting society	●	€ >=400.000	€ >=400.000	-
<b>G – GOVERNANCE</b>					
ESRS G1 Business conduct	<b>5.Corporate culture &amp; Governance</b>				
	Number of confirmed incidents of corruption or bribery	●	0	0	0
	Major incidents of loss of personal data across all (100%) of operations and subsidiaries on an annual basis.	●	0	0	0

Table 7

Progress in 2024 compared to the short-term target.

Exceeds target (significant progress) ●

On target (progress as planned) ●

Short of target (no progress or weaker progress) ●

The targets and progress on them, with the corresponding metrics are described in more detail in the topic-specific sections 2.2, 2.3, 3.1, 3.2 και 4.1 of this sustainability report.

## 2. E – Environment



## 2.1 The EU Taxonomy

### 2.1.1 Κανονισμός Ταξινόμιας της Ε.Ε.

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:

1. Climate change mitigation (CCM)
2. Climate change adaptation (CCA)
3. Sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. 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 nonfinancial 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.

### 2.1.2 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, 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.

### 2.1.2 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: through Holland & Barrett in Greece.
- 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.

#### Eligible economic activities of FOURLIS Group

The economic activities of the Fourlis Group for the fiscal year 2024, which were identified as eligible, are the following:

Economic Activity	NACE Codes	Code	Assets-Activity Description
Installation, maintenance and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27,	CCM 7.3 (E) CCA 7.3	<u>Renovation measures consisting of the installation, maintenance or repair of energy efficiency equipment.</u> <u>Fourlis Group:</u>

Economic Activity	NACE Codes	Code	Assets-Activity Description
	C28, S95.21, S95.22, C33.12		<ul style="list-style-type: none"> <li>- Upgraded the lighting installation with energy-efficient lighting (LED) at Trade Logistics' warehouse in Schimatari, Greece.</li> <li>- Changed the heatingw, ventilation, and air conditioning installation at the IKEA store in Thessaloniki.</li> </ul> <p>These activities do not generate revenue. The Group incurred costs (CapEx) related to these Classification-eligible economic activities and maintenance costs (OpEx).</p>
Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28,	CCM 7.6 (E) CCA 7.6	<p><u>Installation, maintenance and repair of renewable energy technologies on site.</u></p> <p>The Furlis Group installed photovoltaics for building self-consumption at the following asset:</p> <ul style="list-style-type: none"> <li>- HM Housemarket LDT in Cyprus (for self-consumption).</li> </ul> <p>This activity does not generate any income. The Group had costs associated with the Classification eligible economic activity (OpEx). The Furlis Group generates electricity using photovoltaic technology (for sale or net metering) at the following assets:</p> <ul style="list-style-type: none"> <li>- At the Logistics Center of Trade Logistics in Schimatari, Greece (sale of electricity).</li> <li>- In Trade Logistics' Logistics Center in Schimatari in Greece, completed in June 2024 (offsetting).</li> </ul> <p>For FY2024 both assets generated revenue. For the asset under construction CapEx expenses were recorded while the asset for sale of energy had OpEx maintenance expenses.</p>
Data-driven solutions for reducing greenhouse gas emissions	J61, J62 and J63.11	CCM 8.2 / CCA 8.2	<p><u>Development or use of information and communication technology solutions (ICT solutions) aimed at collecting, transmitting, storing, modelling and using data, where these activities are mainly aimed at providing data and</u></p>

Economic Activity	NACE Codes	Code	Assets-Activity Description
			<u>analyses that enable the reduction of greenhouse gas emissions.</u> The Fourlis Group, has invested in software which does not generate revenue. The Group had costs related to the Classification eligible economic activity (CapEx category).

Table 9

(E): Enabling Activity  
(T): Transitional Activity

### 2.1.3 Alignment Assessment

Fourlis Group assessed the eligible economic activities according to the criteria of significant contribution to both Climate Change Mitigation and Climate Change Adaptation. However, the activities did not meet the relevant criteria for Climate Change Adaptation and were therefore not considered further under this environmental objective. Consequently, the Group focused its analysis and disclosures on the Climate Change Mitigation objective, for which the relevant Significant Contribution and No Significant Harm (DNSH) assessments were carried out. With regard to the DNSH criteria for the environmental objective of Climate Change Mitigation, it was not possible to confirm alignment as none of the activities were accompanied by the required assessment of the impact of natural climate risks, which is a requirement for alignment.

### 2.1.4 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 1126/20084 . 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 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, shortterm 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.

### 2.1.5 Key Performance Indicators 2024

{ESRS E1-1 16c}

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 2024, are presented, according to the results of the alignment assessment of the economic activities of Fournalis Group.

In summary, the proportion of the 3 key performance indicators for financial year 2024, are illustrated in the table below.



FINANCIAL YEAR	TOTAL	TAXONOMY- ELIGIBLE NON- ALIGNED ECONOMIC ACTIVITIES	TAXONOMY- ALIGNED ECONOMIC ACTIVITIES	TAXONOMY- NON-ELIGIBLE ECONOMIC ACTIVITIES
2024	(meur)	%	%	%
TURNOVER	529.7	0.061%	0.0%	99.94%
CAPITAL EXPENDITURE (CAPEX)	86.00	0.803%	0.0%	99.20%
OPERATING EXPENDITURE (OPEX)	6.05	0.331%	0.0%	99.67%

Table 10

Financial Year	2024		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)	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, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	%	E	T
		A. Taxonomy-Eligible Activities																	

A.1 Taxonomy-aligned activities																		
Total Turnover from taxonomy-aligned activities (A.1)	0	0%															%	
Of which Enabling	0	0%															%	E
Of which Transitional	0	0%															%	T
A.2 Taxonomy- <u>non</u> -aligned activities																		
Installation, maintenance and repair of energy efficiency equipment	<u>CCM</u> <u>7.3</u>	0.0 0	0.0 %	E L	E L	N /E L	N/ EL	N /E L	N / E L								0%	
Installation, maintenance and repair of renewable energy technologies	<u>CCM</u> <u>7.6</u>	0.3 21	0.0 6%	E L	E L	N /E L	N/ EL	N /E L	N / E L								0%	
Data-driven solutions for GHG emissions reductions	<u>CCM</u> <u>8.2</u>	0.0 0	0.0 %	E L	E L	N /E L	N/ EL	N /E L	N / E L								0%	
Total Turnover from taxonomy-not aligned activities (A.2)		0.3 21	0.0 66 %	0. 0 6 6 %	0. 0 6 6 %	0 %	0 %	0 %	0 %								0%	

Total Taxonomy-eligible Turnover (A.1 + A.2)	0.321	0.061%	0.061%	0.061%	0%	0%	0%	0%			
B. Taxonomy-Non-Eligible Activities											
Total Turnover from Taxonomy-non-eligible activities (B)	529.38	99.93%									
Total Turnover (A+B)	529.70	100.00%									

Table 10

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-eligible per objective
CCM	0%	0.061%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Table 12

Financial Year	2024			Substantial contribution criteria					DNSH criteria ('Does No Significant Harm')												
Economic activities	Cod e	Ca pE x	Proportion of	Climate change	Climate change	Water and	Circular	Pollution	Biodiversity	Climate change	Climate change	Water and	Circular	Pollution	Biodiversity	Minimum safeguards	Proportion of	Category	Enabling	Category	
		€m	Y,N ,N/ EL	Y, N, N/ EL	Y, N, N /E L	Y, N, N/ EL	Y,N ,N/ EL	Y, N, N/ EL	Y , N , N / E L	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 CapEx from taxonomy-aligned activities (A.1)		0	0%	0 %	0 %	0 %	0%	0 %	0 %								%				
Of which Enabling		0	0%														%	E			
Of which Transitional		0	0%														%		T		
A.2 Taxonomy-non-aligned activities																					
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.5 03	0.5 8%	EL	E L	N/ EL	N/E L	N/ EL	N / E L							0%					
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.1 2	0.1 4%	EL	E L	N/ EL	N/E L	N/ EL	N / E L							0.4 %					

Data-driven solutions for GHG emissions reductions	CCM 8.2	0.07	0.08%	EL	EL	N/EL	N/EL	N/EL	N/EL		0%
Total CapEx from taxonomy-not aligned activities (A.2)		0.69	0.803%	0.803%	0.803%	0%	0%	0%	0%		0.4%
Total Taxonomy-eligible CapEx (A.1 + A.2)		0.69	0.803%	0.803%	0.803%	0%	0%	0%	0%		0.4%
B. Taxonomy-Non-Eligible Activities											
Total CapEx from Taxonomy-non-eligible activities (B)		85.31	99.2%								
Total CapEx (A+B)		85.99	100%								

Table 13

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-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0.803%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Table 14

Financial Year	2024			Substantial contribution criteria					DNSH criteria ('Does No Significant Harm')										
Economic activities	Co de	OpEx x	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	Category (Enabling activity)	Category (Transitional)
		€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,N/EL	Y,N,N/EL	Y,N,N/EL	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%														%		

Of which Enabling	0	0%															%	E	
Of which Transitional	0	0%															%		T
A.2 Taxonomy- <u>non</u> -aligned activities																			
Installation, maintenance and repair of energy efficiency equipment	CC M 7. 3	0.00 05	0.00 7%	E L	E L	N/ EL	N/ EL	N /E L	N / E L										
Installation, maintenance and repair of renewable energy technologies	CC M 7. 6	0.19 5	0.32 3%	E L	E L	N/ EL	N/ EL	N /E L	N / E L										
Data-driven solutions for GHG emissions reductions	CC M 8. 2	0.00	0.0 %	E L	E L	N/ EL	N/ EL	N /E L	N / E L										
Total OpEx from taxonomy-not aligned activities (A.2)		0.02 0	0.33 1%	0 . 0 0 0 9 %	0. 0 0 9 %	0 %	0 %	0 %	0 %								%		
Total Taxonomy- eligible OpEx (A.1 + A.2)		0.02 0	0.33 1%	0 . 0 0 0 9	0. 0 0 9	0 %	0 %	0 %	0 %								%		





### 2.2.1 Transition plan for climate change mitigation

#### {ESRS E1-1-14}

Fourlis Group has developed and implemented a range of climate change mitigation measures, integrating sustainability across its operations and value chain. These initiatives include solar photovoltaic installations, energy-efficient infrastructure, sustainable product lines, and transparent emissions monitoring. The Group also ensures compliance with EU Taxonomy and CSRD reporting requirements to mitigate regulatory risks. Moving forward, Fourlis Group is expanding its smart energy management systems, transitioning to low-emission transport solutions, and further integrating carbon tracking tools. These measures align with the Group's commitment to reducing its carbon footprint while maintaining operational efficiency.

Fourlis Group conducts climate-related risk assessments, but has not yet adopted a formal transition plan for climate change mitigation with a quantified action plan aligned with the requirements of the ESRS. The Group is actively evaluating the development of such a plan and expects to adopt it within the next year and recognises that this initiative will provide a structured framework for long-term climate change resilience, ensuring a systematic approach to emissions reduction and sustainable business operations. It is worth noting that the Group is not excluded from the Paris Agreement aligned EU benchmarks.

#### {ESRS E1-1-15,16a}

Fourlis Group has set clear targets for reducing greenhouse gas (GHG) emissions, ensuring alignment with the Paris Agreement's 1.5°C climate pathway. These targets include a 100% reduction in stationary fuel-related Scope 1 emissions by 2030 and a 50% reduction in Scope 2 emissions by 2025 in Greece, as outlined in section 2.2.6 Targets. Additionally, the Group has committed to mapping, calculating, and setting targets for Scope 3 emissions in Greece starting in 2025, with a focus on expanding calculations across Bulgaria, Cyprus, and Romania. These commitments reinforce the Group's long-term sustainability strategy and its path toward climate neutrality by 2050.

#### {ESRS E1-1-16b}

To achieve its emissions reduction targets, Fourlis Group is implementing a series of climate mitigation initiatives, as referenced in section 2.2.5 Actions. These include:

- Expansion of solar photovoltaic installations across logistic centers and stores.
- Implementation of energy-efficient infrastructure, including LED lighting and HVAC upgrades.
- Transition to low-emission and electric vehicles for last-mile deliveries in collaboration with transport providers.
- Integration of carbon footprint tracking tools across operations and supply chains to enhance emissions monitoring.
- Negotiation for the supply of energy with Guarantee of Origin in the reporting year.

#### {ESRS E1-1-16c}

Fourlis Group is strategically investing in renewable energy, energy efficiency improvements, and digital tools for emissions management. In accordance with [section 2.1 \(EU Taxonomy Reporting\)](#), the Group has allocated capital expenditures to:

- Electricity generation using solar photovoltaic technology, including grid-connected and self-consumption solar power solutions.
- Installation, maintenance, and repair of energy efficiency equipment, such as LED lighting, window replacements, and HVAC upgrades.
- Data-driven solutions for GHG emissions reductions, including automation and software tools for sustainability reporting.

These investments enhance energy efficiency, reduce operational costs, and contribute to Fourlis Group's long-term sustainability performance while ensuring compliance with the EU Taxonomy and CSRD regulations.

{ESRS E1-1-16d}

Fourlis Group continuously evaluates the potential risks associated with locked-in greenhouse gas (GHG) emissions from its operations and assets. Given the nature of its business model, the Group does not own high-emission industrial facilities, but it operates retail stores within leased commercial spaces (e.g., shopping malls). Since energy procurement in these locations is managed by the property owners, the Group does not have direct control over its energy sources. However, the Group is exploring collaborations with landlords to transition toward renewable energy procurement, ensuring that its operations progressively align with sustainability goals.

Additionally, to safeguard business continuity in cases of unexpected power outages, Fourlis Group maintains backup diesel fuel reserves for generators at key facilities. While these instances are rare and represent a minimal portion of overall emissions, the Group remains committed to assessing alternative energy solutions for emergency power needs. At present, the replacement of backup fuel sources is not a strategic priority, given the limited impact on total emissions.

Potential locked emissions are not expected to affect the Group's targets. Emissions associated with leased commercial sites have already been accounted for in the Scope 2 target percentage, while spare petroleum fuel stocks for generators represent only 0.02% of total fossil fuel consumption from stationary sources. Due to their extremely low impact, and the fact that they are only used in exceptional cases and not on a permanent basis, they have been excluded from the calculations of the Scope 1 target (sub-section 2.2.6 Targets).

By monitoring these factors and working toward collaborative solutions, Fourlis Group aims to mitigate transition risks, enhance its energy sustainability, and ensure its emissions reduction strategy remains on track.

## 2.2.2 Policies

{ESRS E1-2 22,24,25 / GRI 3-3}

The Group has established a comprehensive sustainability strategy and policy, integrating climate change mitigation and adaptation into its corporate system. The sustainability policy, short, medium and long term sustainable development business and investment plans, objectives, assessment of relevant risks and opportunities and annual action plans are assessed and approved by the Group's Board of Directors on the recommendation of the Sustainability Committee. Responsible for the implementation of the policy is the Sustainability Management of the individual subsidiaries of the Group.

The Group through its sustainability strategy and policy, operates responsibly, adopts sustainable practices and invests in technologies that reduce its environmental footprint. With respect for nature and future generations, it promotes sustainability in every aspect of its operations, actively contributing to the protection of the planet. The group assesses the risks and opportunities associated with climate change, an ongoing effort involving mitigation and adaptation to it. Incorporates in its strategy actions to reduce its environmental footprint, focusing on the proper management of energy and the reduction of greenhouse gas emissions. It offers products that contribute to a sustainable lifestyle.

Raises awareness among employees, customers and the public on environmental protection and the adoption of a sustainable lifestyle.

For all of the above issues, the Fourlis Group sets individual sustainable development targets, which it evaluates annually in terms of their effectiveness and revises them when and where necessary, with the aim of continuous improvement.

Through these policies and initiatives, the Group strengthens its environmental performance, reduces exposure to transition risks, and drives sustainable value creation.

The scope of the policy applies to all Group operations and its value chain.

The Sustainability Strategy and Policy is published on the Group's website [www.fourlis.gr](http://www.fourlis.gr).

## 2.2.3 Integration of the Group's carbon footprint performance in incentive schemes

{ESRS E1.GOV3 13 / GRI 2-19}

The Group has implemented incentive systems for the members of its administrative, management and supervisory bodies, with performance evaluation linked to defined sustainability targets that focus on the Group's carbon footprint. More specifically, the targets relate to the measurement of Scope 1 and Scope 2 emissions, with independent assurance from third party auditors ensuring the accuracy and reliability of these estimates. Based on the results of the assessment of the achievement of the targets, executive members of the Board of Directors and senior management are being granted ordinary registered shares with voting

rights (stock grants) in accordance with the announcement made on 04/10/24 for the distribution of free shares which is published on the Group's website [www.fourlis.gr](http://www.fourlis.gr).

## 2.2.4 The identification and assessment of material impacts, risks and opportunities

### {ESRS E1.IRO-1}

The material impacts, risks and opportunities related to climate change have been identified through a double materiality analysis and based on the Group's risk management policies and procedures. This analysis includes the assessment of climate-related physical risks and climate-related transition risks, both in the Company's own operations and in its value chain, using reliable climate scenario data from European sources such as ECMWF and NGFS. Recognising the importance of the resilience of its strategy and business model against climate change, the Group expects to complete the resilience analysis and present the results in the next disclosure year.

The significant impacts, risks and opportunities related to climate change mitigation/adaptation and energy identified according to the materiality analysis described in Section 1.2 - Dual Materiality Analysis, of this report are:

### {ESRS E1.SBM3 / GRI 201-2}

Impacts to environment & society	Risks & Opportunities for Fourlis Group	Management
<b>1. Energy &amp; Emissions</b>		
<b>Climate Change : Climate Change Adaptation</b>		
	<div>↓</div> <p><b>Risk: IRO 1: Climate related physical risks</b> The possibility of extreme weather events would greatly affect operations along the value chain and could lead to prolonged disruptions.</p> <div>↓</div> <p><b>Risk: IRO 2: Transition risks related to climate change</b></p>	<ul style="list-style-type: none"> <li>Group maintains comprehensive insurance coverage for all sites, protecting against risks associated with natural disasters, as part of its risk mitigation strategy.</li> <li>Fourlis Group ensures that its strategic planning and investment decisions are</li> </ul>

Impacts to environment & society		Risks & Opportunities for Fourlis Group		Management
			The possibility of not considering transition risks and not planning to address those risks.	aligned with evolving climate regulations and market expectations
Impacts to environment & society		Risks & Opportunities for Fourlis Group		Management
Climate Change : Climate Change Mitigation				
↑	<u>Impact to environment:</u> Positive environmental impact by reducing carbon emissions, improving air quality and reducing dependence on fossil fuels.	↑	<b>Opportunity: IRO 3: Greenhouse gas emissions reduction</b> The outcome of a mechanism that could result in GHG emissions reduction. This would lead to cost savings etc.	<ul style="list-style-type: none"><li>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).</li></ul>
Climate Change: Energy				
↑	<u>Impact to environment &amp; society:</u> Transitioning to renewable energy significantly reduces carbon dioxide (CO <sub>2</sub> ) and other greenhouse gas emissions, helping mitigate climate change.	↑	<b>Opportunity: Investment on renewables (IRO 6)</b> The possibility of taking the strategic decision to set up more renewables in own facilities within the group.	<ul style="list-style-type: none"><li>Fourlis Group invests in renewable energy solutions.</li></ul>

		↓	<b>Risk: Increasing energy prices (IRO 7)</b> The possibility of increasing energy prices would negatively affect financial indexes within the group.	<ul style="list-style-type: none"> <li>Negotiating energy supply contracts and upgrading facilities with energy efficient technologies</li> </ul>
		↓	<b>Risk: Energy consumption in retail stores (IRO 5)</b> This represents the collective impact of the total number of retail stores in all geographical locations, country wide and abroad (Scope 2 and 3)	<ul style="list-style-type: none"> <li>Fourlis Group implements actions in its business strategy to reduce its environmental footprint</li> </ul>

Table 17

↑ Positive impact on the environment and society or on Fourlis Group's business

↓ Negative impact on the environment and society or on Fourlis Group's business

## 2.2.5 Actions

{ESRS E1-3 / GRI 3-3}

The company's key strategic actions related to Climate Change are the following:

### Climate Change Adaptation

#### Risk (IRO 1): Climate related physical risks

Fourlis Group recognizes the operational risks posed by extreme weather events and has implemented a series of climate change adaptation measures to minimize disruptions along its value chain.

The Group:

- Maintains comprehensive insurance coverage for all sites, including protection against natural disasters and business interruption, as part of its overall risk

mitigation strategy. This ensures financial resilience in case of climate-induced operational disruptions.

### **Risk (IRO 2): Transition risks related to climate change**

To mitigate transition risks, Fournalis Group ensures that its strategic planning and investment decisions align with evolving climate regulations and market expectations.

The Group:

- Monitors regulatory changes under the EU Taxonomy and CSRD, integrating sustainability considerations into decision-making to avoid compliance risks.
- Implements a due diligence framework that systematically identifies, evaluates, and mitigates climate-related risks and opportunities.

### **Climate Change Mitigation**

#### **Opportunity (IRO 3): Greenhouse gas emissions reduction**

Fournalis Group is actively implementing GHG emissions reduction initiatives to enhance operational efficiency, reduce costs, and align with regulatory requirements.

The Group:

- Invests in renewable energy solutions, such as solar photovoltaic installations, reducing reliance on fossil fuels.
- Enhances energy efficiency through LED lighting, HVAC upgrades and smart energy management systems, optimizing energy consumption and lowering emissions.
- Implements tools to monitor and measure its carbon footprint, ensuring transparency of data, disclose Scope 1 and 2 emissions, and use all the data for informed decision making.
- Prepares for Scope 1 and Scope 2 carbon footprint measurements in Cyprus, Romania and Bulgaria while expanding Scope 3 measurements.
- Fournalis Group will procure energy with Guarantee of Origin for the year 2025, reinforcing its commitment to the use of renewable energy sources.

### **Energy**

#### **Opportunity (IRO 6): Investment on renewables**

Fourlis Group has taken strategic steps to expand the use of renewable energy sources across its operations, ensuring long-term energy sustainability and reduced dependence on fossil fuels.

The Group:

- Invests in solar photovoltaic installations across warehouses and retail stores, prioritizing self-consumption and net metering, reducing its reliance on grid electricity. (Schimatari Warehouse - Trade Logistics)
- At the same time investing in photovoltaic installations for sale to the grid. (Schimatari Warehouse - Trade Logistics)
- A solar energy project at an IKEA store in Thessaloniki is expected to be completed in 2025, utilizing photovoltaic-generated energy for hot water production, further reducing reliance on conventional energy sources. (IKEA store in Thessaloniki - HOUSEMARKET S.A.)

#### **Risk (IRO 7): Increasing Energy Prices**

To mitigate the financial risks associated with rising energy costs, Fourlis Group has implemented a multi-faceted energy efficiency strategy.

The Group:

- Implements smart energy management systems to monitor and optimize energy consumption across facilities.
- Upgrades infrastructure with energy-efficient technologies, including LED lighting and HVAC improvements to reduce energy demand.
- Negotiates energy procurement contracts to secure cost-effective electricity pricing, mitigating the impact of price volatility.

#### **Risk (IRO 5): Energy Consumption in Retail Stores**

With a large retail footprint across multiple countries, Fourlis Group continuously works to minimize the environmental impact of its energy consumption.

The Group:

- Reduces energy consumption in Intersport stores by turning off lights, including illuminated signage, during nighttime hours to minimize unnecessary electricity use.
- Expands renewable energy sourcing for retail locations, evaluating opportunities for green power procurement.
- Upgrades retail stores with energy-efficient solutions, such as automated lighting controls and optimized HVAC settings.



As 2024 is the first year of targeting for the Fourlis Group, quantified actions covering IROs 1, 2, 3, 6, 7 and 5 have not yet been defined in accordance with ESRS requirements. The Group recognises the importance of formulating a comprehensive action plan, however, at present, it is in the process of developing the relevant policies and implementation mechanisms. As such, details are not yet available regarding their scope, time horizon for completion, quantitative information on their progress and the operational or capital expenditures required to implement these future actions have not yet been determined.

## 2.2.6 Στόχοι Βιωσιμότητας του Ομίλου Fourlis

{ESRS E1-4, GRI 3-3}

	2023 Base Year (tCO2e)	2024 Actual (tCO2e)	% Reduction vs base year	2024 (short term)	2025- 2030 (mid term)	2030+ (long term)
<b>Εκπομπές CO2 - Scope 1</b>						
<a href="#">Scope 1 - Direct emissions from combustion in stationary sources / Reduction actions (GR) *</a>	694.32	546.81	-21%	-5%	-100%	-100%
Scope 1 - Reduction (GR)	1712.41	1500.11	-12%	-5%	-40%	-
Scope 1 - Direct Emissions from Stationary Combustion / Ενέργειες μείωσης (CY, BG, RO)	-	-	-	-	calculations and setting targets	-
<b>Εκπομπές CO2 - Scope 2</b>						
Reduction Efforts- Market Based (GR)	9467.89	9343.84	-1.3%	-2%	-50%	-100%
Reduction Efforts- Market Based (GR) Comparable LFL	9343.98	9127.34	-2.3%	-2%	-50%	-100%
Reduction Efforts- Market Based (CY, BG, RO)	-	-	-	-	calculations and setting targets	-
<b>Εκπομπές CO2 - Scope 3</b>						

	<b>2023 Base Year (tCO2e)</b>	<b>2024 Actual (tCO2e)</b>	<b>% Reduction vs base year</b>	<b>2024 (short term)</b>	<b>2025- 2030 (mid term)</b>	<b>2030+ (long term)</b>
Χαρτογράφηση και θέσπιση στόχων (Group)	-	-	-	Mapping	calculations and setting targets	-

Table 18

## Progress in Targets

### CO2 Emissions - Scope 1

In 2024, Fourlis Group achieved an 8% reduction in Scope 1 emissions from stationary fuel combustion in Greece, lowering emissions from 694.32 tCO2e in 2023 to 546.81 tCO2e. This reduction aligns with the Group's short-term target of a 5% decrease and contributes to the long-term goal of full elimination of these emissions by 2030. The estimated overall contribution of Scope 1 reduction efforts to total emissions decreased slightly from 41% in 2023 to 36% in 2024, reflecting the impact of ongoing energy efficiency initiatives.

### CO2 Emissions - Scope 2

Scope 2 emissions, calculated using the market-based method, decreased by 1.3% in 2024, rising from 9467.89 tCO2e in 2023 to 9343.84 tCO2e. The Group continues to focus on energy efficiency measures and the adoption of renewable energy sources to meet its mid-term (2025-2030) target of a 50% reduction and long-term goal of achieving 100% emissions reduction by 2050. Investments in solar photovoltaic installations, smart energy management systems, and green energy procurement strategies are expected to drive significant reductions in the coming years.

The Reduction Efforts-Market Based (GR) Comparative LFL \*\*\* indicator presented in the Group's targets has been calculated with Like-for-Like (LFL) comparisons against the year 2023 for the facilities that are comparable, ensuring absolute comparability of the data. This approach allows an accurate assessment of the Group's performance, irrespective of any expansions or changes in structure, ensuring that variations in results reflect actual improvements or changes and not variations due to organic growth. Based on this calculation method, we have a 2.3% reduction which is in line with and exceeds the Group's short term target of a 2% reduction.

### CO2 Emissions - Scope 3

In 2024, Furlis Group initiated the assessment of Scope 3 emissions, focusing on data collection strategies for different emission categories. As part of this effort, the Group began by mapping downstream activities, prioritizing transportation-related emissions from third-party logistics providers, as well as commute-to-work and business travel emissions. While this represents a crucial first step, the full mapping of the value chain has not yet been completed. Moving forward, the Group will expand its assessment to additional Scope 3 categories, enabling a more comprehensive calculation and target-setting process for indirect emissions starting in 2025. By integrating Scope 3 considerations into its sustainability strategy, Furlis Group aims to enhance its decarbonization efforts beyond direct operations, ensuring alignment with global climate commitments.

## 2.2.7 Metrics

### Energy consumption and combination of energy sources

{ESRS E1-5 38 / GRI 302-3 / ATHEX ESG C-E3}

Energy consumption and mix (E1-5)			
Energy consumption (Greece)	Unit of Measurement	2023	2024
(1) Fuel consumption from coal and coal products	MWh	0,00	0,00
(2) Fuel consumption from crude oil and petroleum products	MWh	2201.43	2191.09
(3) Fuel consumption from natural gas	MWh	2622.00	1982.39
(4) Fuel consumption from other fossil sources	MWh	0,00	0,00
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil source	MWh	25936.16	25594.53
<b>(6) Total energy consumption, fossil-based (sum 1 to 5)</b>	<b>MWh</b>	<b>30759.59</b>	<b>29768.01</b>
<b>Share of fossil sources in total energy consumption (%)</b>	<b>%</b>	<b>100%</b>	<b>98.95%</b>
<b>(7) Consumption from nuclear sources</b>	<b>MWh</b>	<b>0,00</b>	<b>0,00</b>
<b>Share of consumption from nuclear sources in total energy consumption (%)</b>	<b>%</b>	<b>0,00</b>	<b>0,00</b>
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	MWh	0,00	0,00

<b>Energy consumption and mix (E1-5)</b>			
<b>Energy consumption (Greece)</b>	<b>Unit of Measurement</b>	<b>2023</b>	<b>2024</b>
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	MWh	0,00	0,00
(10) The consumption of self-generated non-fuel renewable energy (MWh)	MWh	0,00	314,62
percentage of renewable energy consumed in total energy consumption	%	0,00	1,05%
<b>(11) Total renewable energy consumption (MWh) (calculated as the sum of 8 to 10)</b>	<b>MWh</b>	<b>0,00</b>	<b>314.62</b>
<b>Total energy consumption</b>	<b>MWh</b>	<b>30759.59</b>	<b>30082.63</b>
<b>Energy Intensity (MWh/turnover)</b>	<b>% N/N-1</b>	<b>2023</b>	<b>2024</b>
	95%	9.8*10-5	9.4*10-5

Table 19

N : Reporting Year

#### Total energy consumption by energy source and business area

{ESRS E1-5 40}

<b>Energy Consumption MWh</b>	Greece	Cyprus	Romania	Bulgaria	Fourlis Group	Fourlis Group 2023
Renewable, solar-based energy	314.62	N/A	N/A	N/A	N/A	N/A
Other renewable energy	0	N/A	N/A	N/A	N/A	N/A
Nuclear power	0	N/A	N/A	N/A	N/A	N/A
Fossil-based fuels	29768.01	N/A	N/A	N/A	N/A	N/A

Table 20

#### GHG emissions

{ESRS E1 E1-6 / GRI 305-1, GRI 305-2 , GRI 305-3 / ATHEX ESG C-E1,E2}

<b>Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)</b>		
<b>GHG emissions tCO<sub>2</sub>e</b>	<b>2024</b>	<b>2023</b>
Direct GHG emissions (Scope 1)	1500	1712
Location-based indirect GHG emissions (Scope 2)	6483	6569
Market-based indirect GHG emissions (Scope 2)	9343	9467
GHG emissions in the value chain from <b>material</b> categories (Scope 3)	N/A	N/A
Total GHG emissions (location- based) (tCO <sub>2</sub> eq)	7983	8281
Total GHG emissions (market- based) (tCO <sub>2</sub> eq)	10843	11179

Table 21

{ESRS E1-6 AR 55}

<b>GHG intensity per net revenue</b>	<b>2023</b>	<b>2024</b>	<b>% N / N-1</b>
Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> eq/Monetary unit)	2.6*10 <sup>-5</sup>	2.4*10 <sup>-5</sup>	94.0%
Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> eq/Monetary unit)	3.5*10 <sup>-5</sup>	3.3*10 <sup>-5</sup>	94.5%

Table 22

N : Reporting Year

#### GHG emissions by business area

<b>GHG emissions tCO<sub>2</sub>e</b>	<b>Greece</b>	<b>Cyprus</b>	<b>Romania</b>	<b>Bulgaria</b>	<b>Fourlis Group</b>
Direct GHG emissions (Scope 1)	1500	N/A	N/A	N/A	N/A
Location-based indirect GHG emissions (Scope 2)	6483	N/A	N/A	N/A	N/A
Market-based indirect GHG emissions (Scope 2)	9343	N/A	N/A	N/A	N/A
Value chain GHG emissions (Scope 3)	N/A	N/A	N/A	N/A	N/A
<b>Location-based total GHG emissions</b>	7983	N/A	N/A	N/A	N/A
<b>Market-based total GHG emissions</b>	10843	N/A	N/A	N/A	N/A

Table 23

#### Reporting principles for metrics

1. All reported Scope 1 & Scope 2 metrics and related targets are based solely on data from operations in Greece.
2. \*Measurements from locked-in GHG emissions from spare oil fuel stocks for generators are not included in the targeting Direct emissions from combustion in stationary sources constituting 0.02% of the total / Reduction actions (GR)
3. \*\*Measurements from locked-in GHG emissions from electricity consumption in retail stores in leased commercial premises are included in the Reduction Actions-Market Based (GR) target.
4. \*\*\* The indicator "Reduction Actions-Market Based (GR) Comparative LFL", presented in the Group targets, has been calculated based on Like-for-Like (LFL) comparisons against the year 2023. To ensure the accuracy and comparability of the data, all facilities (physical stores) that were not active throughout both years (2023 and 2024) were excluded from the Scope 2 calculations. Specifically, any facilities that opened or closed during this period were not included in the calculations to avoid distortions in the comparison results.
5. 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.
6. 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.
7. 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 (2024).
8. 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).
9. 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.
10. For cases where the energy mix of the acquired energy was unknown, we utilized the average emission factor of the country's energy mix as derived from the national grid (DAPEEP 2023).
11. Fourlis Group is active in the trade and transport sectors, with NACE codes that include sector G (Wholesale and Retail Trade) and sector H (Transport and Storage). Therefore,

for the calculation of the emissions and energy intensity (Table 18) within the Group, the turnover of the Greek activities was used as they are considered to have a high climate impact.

12. For the calculation of indirect emissions CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O gases were included in the calculations.
13. Fournalis Group is not subject to any regulated emission scheme (e.g. EU-ETS) and does not use guarantees of origin or other similar contractual instruments. The Group does not use biomass therefore all biogenic emissions are considered to be zero.

## 2.3 E5 – Resource use and circular economy

### Resource use and circular economy: Waste Management

#### 2.3.1 Policies

##### {ESRS E5-1}

Fournalis Group has established policies and strategic initiatives to enhance resource efficiency and circular economy practices, integrating sustainability into its operations, supply chain, and product lifecycle management.

The Sustainability strategy and policy serves as a guiding framework for identifying, evaluating, prioritizing, and managing risks, opportunities, and impacts related to resource consumption, waste reduction, and sustainable procurement.

The Due Diligence Process for Sustainability ensures that all relevant environmental risks and opportunities are systematically assessed and integrated into business decision-making. Through a structured methodology, the Group identifies key resource-related challenges, evaluates their significance, and establishes appropriate mitigation or enhancement strategies. In addition, Fournalis Group Supplier Code of Conduct reinforces sustainability commitments throughout the value chain. The Group requires all suppliers to acknowledge and comply with the Code, which is an integral part of supplier agreements and is attached as an annex to all contracts. This Code establishes clear expectations for suppliers regarding environmental protection, responsible resource use, and sustainability performance.

The scope of the Sustainability Policy and the Supplier Code of Conduct applies to all Group companies and its value chain.

The Sustainability Strategy and Policy and the Supplier Code of Conduct are published on the Fournalis Group website [www.fournalis.gr](http://www.fournalis.gr).

## 2.3.2 The identification and assessment of material impacts, risks and opportunities

{ESRS E5.IRO-1 / GRI 3-3}

Material impacts, risks and opportunities related to resource use and circular economy have been identified by conducting a double materiality analysis and based on the Group's risk management policies and procedures. The methodology for conducting the materiality analysis is described in Section 1.2 - Dual Materiality Analysis, of this report.

### Material impacts, risks and opportunities related to resource use and the circular economy

Impacts		Risks and opportunities for Fourlis Group		Management
Resources inflows, including resource use				
↑	<u>Impact to environment</u> : Circular packaging cuts pollution, particularly plastic waste in landfills and oceans. <u>Impact to society</u> : Recycling and material recovery often create jobs, contributing positively to the communities where companies operate.	↑	<b>Opportunity: IRO 9: Circular business practices for packaging</b> The possibility of identifying & implementing actions that would incorporate CE principles in packaging could prove to be a great opportunity. Fourlis group could enhance its economic and environmental resilience and could also strengthen its market position as a forward-thinking, sustainable company. (Cost efficiency and resource optimization, brand reputation and customer loyalty, regulatory compliance and risk mitigation)	For e-commerce orders, products are packaged using recyclable materials, which are sourced to meet recycling standards.
Waste				
↓	<u>Impact to environment</u> : poor waste management contributes to plastic pollution, damaging	↓	<b>Risk: IRO 13 Total waste generation</b> Investigation to identify the actual and potential impacts, risks and	<ul style="list-style-type: none"><li>Fourlis Group reported specific recycling initiatives across its product</li></ul>



	<p>ecosystems and water bodies.</p> <p>Inefficient recycling processes lead to increased GHG emissions.</p>		<p>opportunities related to waste in the Group's own operations and in the upstream and downstream value chain.</p>	<p>lines, focusing on reusing and recycling metals, cooking oils, and ink cartridges to manage the end-of-life impact of products.</p> <ul style="list-style-type: none"> <li>• Fournalis Group made significant strides in reducing single-use plastics across its operations, particularly in restaurants, cafes, and offices.</li> <li>• HOUSEMARKET has invested in an electronic food waste monitoring and recording system in restaurants' kitchens (Waste Watchers)</li> <li>• Waste Management mapping in Greece</li> </ul>
--	---	--	---	---

*Table 23*



Positive impact on the environment and society or on Fournalis Group's business



Negative impact on the environment and society or on Fournalis Group's business

### 2.3.3 Actions and resources related to resource use and circular economy

{ESRS E5-2 / GRI 306-2}

## **Resources inflows, including resource use**

Sportswear Market replaced traditional disposable cartons with reusable plastic containers for the transportation of goods within Greece. These reusable containers are used for internal logistics from Trade Logistics' warehouses to Intersport stores in Greece.

All Intersport e-commerce orders of Sportswear Market MAE, Sportswear Market (Cyprus) Ltd, Genco Trade Srl and Genco Bulgaria Eood are packaged using recyclable materials, which are sourced to meet recycling standards. This initiative applies to Intersport's e-commerce operations in Greece, Cyprus, Bulgaria and Romania, ensuring that all online orders in all these regions use sustainable packaging solutions.

In line with ESRS requirements, there are currently no quantified actions to integrate circular economy principles into packaging, as this is the Group's first year of targeting.

## **Waste**

Fourlis Group has developed and implemented a structured set of initiatives aimed at enhancing resource efficiency and circular economy practices across its operations. These initiatives are aligned with the Group's Sustainability Strategy and Policy, focusing on waste reduction, responsible resource management, and sustainable partnerships throughout the value chain.

- Fourlis Group expands its product ranges of products made from recycled materials and products that contribute to a sustainable lifestyle, to support the principles of the circular economy.
- A key focus area is the implementation of smart recycling systems to track and minimize food waste in its IKEA restaurants and bistros. The Waste Watchers system, already in use across all IKEA restaurants, measures food waste generated in kitchen operations, allowing for data-driven waste reduction strategies.
- Fourlis Group is actively reducing packaging waste and enhancing recycling infrastructure. In its logistics and sporting goods retail operations, the Group has replaced single-use cardboard boxes with reusable plastic crates, significantly reducing packaging waste.
- The Group also promotes public awareness on recycling, encouraging both employees and customers to adopt responsible waste disposal habits. Specialized recycling bins for lamps and batteries have been installed across all Group facilities in Greece, ensuring proper disposal of hazardous waste.
- Additionally, in its sporting goods retail stores, the Group has introduced dedicated bins for shoe and textile recycling, allowing customers to responsibly dispose of used products.
- Since 2023, the Group implemented targeted initiatives to eliminate plastic waste in restaurants, cafés, and office spaces, replacing single-use plastic utensils, cups, and packaging with biodegradable or reusable alternatives. These changes were introduced in

high-traffic locations, ensuring a measurable reduction in plastic consumption and minimizing the Group's environmental footprint.

- In addition, the Group has established collaborations with recycling companies in Greece for the automated collection of recycling data, ensuring greater transparency and traceability of waste streams.
- In 2024, the Group completed the mapping of waste generated in Greece, categorizing it into hazardous and non-hazardous waste. This assessment serves as the foundation for strategic partnerships with certified recycling organizations, aiming to achieve zero waste to landfill certifications. Similar initiatives will be expanded to other countries where the Group operates.

Through these ongoing and future initiatives, Fournalis Group is reinforcing its commitment to circular economy principles, ensuring responsible resource use, waste reduction, and sustainable business practices across its value chain.

Based on ESRS requirements, there are currently no quantified commitments on total waste reduction as 2024 is the Group's first target year. Nevertheless, the Group monitors the quantities of waste it generates and complies with all legislative requirements, entering into partnerships with certified partners to manage its waste rationally.

#### 2.3.4 Fournalis Group Sustainability Targets

{ESRS E5-3 / GRI 3-3}

	2024	2024 (short term)	2025-2030 (mid term)	2030+ (long term)
<b>Waste Management</b>				
Waste Mapping GR	completed	Complete mapping	Calculations / targets	-
Zero Food Waste to Landfill - IKEA Food Waste	-	-	Calculations / targets	0

Table 25

#### Progress in Targets

- Waste Mapping  
In 2024, the process of waste mapping in Greece started, which was completed within the reporting year, in line with the short-term target set. The Group's target is to extend the

mapping to the rest of its countries of operation, in order to set waste management targets in the following years.

- Zero Food waste to landfills – IKEA Food Waste

At Fourlis Group, the issue of food waste has been highlighted through the Waste Watchers system for counting food waste in the kitchens of IKEA restaurants. Despite the significant steps taken to reduce food waste, the need to improve waste management has emerged, as the majority of food waste ends up in landfills.

The Group's objective is to develop appropriate partnerships to ensure that this waste is sent for composting. Although a short-term target has not yet been set, the Group is committed to moving towards the target within the next five years, with the aim of achieving zero food waste going to landfill.

### 2.3.5 Metrics

{ESRS E5-5 / GRI 306-4 / ATHEX ESG A-E3-3}

<b>Waste Flows at Greek Facilities (kg)</b>	<b>2024</b>
<b>NON-HAZARDOUS WASTE</b>	
Timber-wood (kg)	31340
Metal (kg)	71500
Plastic (kg)	14833
Paper (kg)	521.936
Cooking oil (lt)	2220
Bulky Waste	49.748
Construction & Demolition Excavation & Demolition Waste	210.780
Mixed Municipal Waste	380.458
Food Waste	36.620
Footwear & Textiles	6260
<b>HAZARDOUS WASTE</b>	
Batteries (kg)	3.303
Light bulbs (kg)	433
electrical & electronics (kg)	10.889

*Table 26*

Waste management in accordance with ESRS requirements is shown in the table below:

Διαχείριση (tn)		2024
Hazardous Waste	incineration	0
	landfill	0
	other recovery operations	0
	Total Quantity of Hazardous Waste Destined for Disposal	0
	Preparation for Reuse	0
	Recycling	15
	Other Recovery Operations	0
	Total Quantity of Hazardous Waste Diverted from Disposal	
	Total Hazardous Waste	15
Non-Hazardous Waste	incineration	
	landfill	417
	other recovery operations	0
	Total Quantity of Non-Hazardous Waste Destined for Disposal	417
	Preparation for Reuse	0
	Recycling	627
	Other Recovery Operations	275
	Total Quantity of Non-Hazardous Waste Diverted from Disposal	902
	Total Non-Hazardous Waste	1319
<b>Total Non-Hazardous Waste</b>		<b>1334</b>
<b>Percentage of Waste Not Recycled</b>		<b>52%</b>

Table 27

### Reporting principles for metrics

1. Based on the ESRS disclosure requirements, Furlis Group has measured the data related to the recycling of materials in Greece from the total waste generated by its activities. The Group continues to strengthen its data collection and processing processes, with the aim of extending the measurements to additional waste categories in the future.
2. The measurements on recycled waste relate only to the activities in Greece and the data collection was carried out from the harvests of its recycling partners.

3. Food waste measurements are from IKEA restaurants in Greece, Cyprus and Bulgaria, where the Waste Watchers system is used. The Waste Watchers system is an advanced tool for monitoring and reducing food waste, which is implemented in IKEA restaurants and bistros. It uses artificial intelligence technology combined with scales, cameras and a central control unit to automatically record and categorise food waste.
4. The Group does not produce radioactive waste from its facilities.
5. Cooking oil waste is provided in units of volume (ltr), a factor from the European Biomass Industry Association was used to convert it to units of weight.
6. Total Waste Generated does not reflect the Group's total waste but only the Group's waste from its facilities in Greece. Due to difficulties in collecting all food waste, only the quantities recorded by the Waste Watchers system are reported.

### 3. S - Social

#### 3.1 S1 – Own workforce

##### 3.1.1 Interests and views of stakeholders

{ESRS S1.ESRS 2-SBM-2, S1-2 / GRI 2-29}

At Fourlis Group, our people are the **key group of affected stakeholders** and our driving force. The Fourlis Group applies the sustainability due diligence process and follows the sustainability strategy and policy to safeguard the interests, views and rights of its people.

To ensure effective communication with employees, the Group has established specific communication channels, which are managed by the Human Resources (HR) Department. A report on the type and frequency of engagement with own workforce to identify and assess risks, opportunities and impacts is provided in section 1.1.8 Stakeholder interests and views of this report.

##### 3.1.2 Memberships

{ESRS S1-1 21 / GRI 2-23}

The Fourlis Group has a Human Rights Policy which is a means of declaring compliance with applicable laws, internationally recognized standards and guidelines, including the Universal Declaration of Human Rights, the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights, making it clear that

it respects Human Rights and shows no tolerance for their violation. In addition, all Group companies in all countries of operation have signed the Diversity Charter, further strengthening their commitment to combat discrimination and promote equal rights in the workplace. Since 2008, the Furlis Group has subscribed to the United Nations Global Compact, the largest international voluntary initiative for responsible business action, and is committed to adopting, supporting and promoting, through its business activities, its ten Principles derived from internationally accepted standards relating to human rights, working conditions, anti-corruption and environmental protection. Furlis Group is also a founding member of the UN GLOBAL COMPACT NETWORK GREECE.

### 3.1.3 Policies

{ESRS S1-1 19,23,24}

The sustainability of the Furlis Group's own workforce is guided by and exceeds applicable legislation. Furlis Group codes and policies approved by the Group's Board of Directors, such as the Code of Conduct, the Human Rights Policy, the Equal Opportunities and Diversity Policy, the Health and Safety Policy, the Furlis Group General Privacy Policy and the Sustainability Strategy and Policy.

The table below summarizes the responsibility for implementing the policies, standards/initiatives adhered to and the interests of stakeholders for each of the Furlis Group's mentioned policies.

Policy	Description of Key Contents	Scope of Policy or Exclusions	Accountability for Implementation	Third-Party Standards/Initiatives Followed	Stakeholder Interests Considered
Human Rights Policy	Recognizes and protects human rights in accordance with international principles and national legislation. Includes commitments to fair treatment, a discrimination-free workplace, and compliance with fundamental labor and human rights principles. Covers forced/compulsory/child labor.	Applies to all employees, partners, and suppliers. No exclusions.	Sustainable Development and Corporate Social Responsibility Department	Compliance with international standards and national legislation.	Employees (via consultations and grievance mechanisms), communities, and suppliers (through contracts).

Policy	Description of Key Contents	Scope of Policy or Exclusions	Accountability for Implementation	Third-Party Standards/Initiatives Followed	Stakeholder Interests Considered
Policy of Equal Opportunities and Diversity	Promotes gender equality and diversity in the workplace. Includes training and non-discriminatory policies.	Applies to all employees and the Board of Directors. No exclusions.	Human Resources Department	—	Shareholders (via General Meetings), employees (through internal processes).
Sustainable Development and Strategy Policy	Focuses on environmental sustainability, social responsibility, and transparency. Aligns with ESG criteria.	Applies to the entire Group and subsidiaries.	Sustainable Development and Corporate Social Responsibility Department	Alignment with international ESG standards.	Investors (via reports), communities (through social programs).
Health and Safety Policy	Ensures a safe and healthy work environment through protective measures and training.	Applies to all employees, Board members, and partners.	Group Safety & Security Department	Compliance with international standards and national legislation.	Employees (via grievance procedures), suppliers (through contracts).
General Personal Data Privacy Policy	Protects user data on the website in compliance with GDPR and applicable laws. Emphasizes secure data processing.	Applies to website visitors/users. Exceptions relate to access by authorized personnel only.	Compliance Department	Compliance with GDPR and national data protection laws.	Data subjects (via their rights), data protection authorities.
Code of Conduct Line Whistleblowing System	Fourlis Group's reporting system allows employees and stakeholders to anonymously report violations of the Code of Ethics and other policies.	Covers anyone with information about workplace violations.	Compliance Department	Aligns with national/international laws on data protection, consumer rights, and tax regulations. Ensures protection for whistleblowers and related third	Ensures the protection of whistleblowers and third parties related to them (e.g., relatives, colleagues) from any retaliation.



Policy	Description of Key Contents	Scope of Policy or Exclusions	Accountability for Implementation	Third-Party Standards/Initiatives Followed	Stakeholder Interests Considered
				parties (e.g., family, colleagues) from retaliation.	

Table 28

All of the above policies are published in the 'Codes and Policies' section on the Fourlis Group website [Codes and Policies - fourlis.gr](https://www.fourlis.gr/Codes-and-Policies).

### 3.1.4 The identification and assessment of material impacts, risks and opportunities

{ESRS S1.ESRS 2 SBM-3 / GRI 3-3}

The material impacts, risks and opportunities related to own workforce have been identified in a double materiality assessment based on the principles of the company's risk management process. The materiality assessment is described in section 1.2 - double materiality assessment of this report.

#### Material impacts, risks and opportunities related to own workforce:

Material topics	Impacts	Risks and opportunities for Fourlis Group	Management
<b>Working Conditions: Equal treatment and opportunities for all</b>			
<b>Diversity</b>	<p>↑</p> <p><u>Impact to society:</u> Policies and actions on workforce diversity and inclusion have a strong, positive impact on both employees and society. By fostering a workplace that values diversity,</p>	<p>↑</p> <p><b>Opportunity: IRO 25- Workforce diversity and inclusion</b> By fostering an inclusive, respectful workplace where every employee feels valued and empowered organisations enhance job satisfaction, boost</p>	Fourlis has been a signatory to the Diversity Charter in Greece Since 2021, and in 2023 this commitment was extended in Romania and Bulgaria.

Material topics	Impacts		Risks and opportunities for Fournalis Group		Management
		Fourlis help reduce systemic inequities and create opportunities for underrepresented groups. This contributes to greater social fairness and equality.		engagement, and drives productivity.	
<b>Working conditions: Employee Health Safety &amp; Wellbeing</b>					
<b>Health and safety</b>	↓	<u>Impact to society:</u> Inadequate actions for securing health and safety would negatively impact employees' general physical and mental wellbeing and work ability.	↓	<b>Risk: IRO 16 - Health and Safety Management System (or H&amp;S Due Diligence)</b> Fourlis complies with legal requirements through regular inspections, risk assessments, and safety training, the absence of a formalized, certified H&S management system introduces potential risks. These risks include workplace accidents, potential non-compliance with regulatory standards, operational disruptions, and reputational damage.	<ul style="list-style-type: none"> <li>• 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</li> <li>• Health and Safety Policy</li> <li>• Occupational Health and Safety management system</li> <li>• The Group also has a Risk Management Team, under the responsibility of the Group Health and Safety Director</li> </ul>

Material topics	Impacts		Risks and opportunities for Fournalis Group		Management
					Employees are regularly trained in Health and Safety topics and can identify potential risks and report on them
<b>Wellbeing</b>	↑	<u>Impact to employees:</u> These efforts contribute to a positive working environment, enhance employee morale and creating a direct positive impact on employee satisfaction.	↑	<b>Opportunity: IRO 17 - Wellbeing Initiatives for Employees and their families</b> Employee Wellbeing Initiatives that support the physical and mental health of the workforce. These initiatives further enhance employee's effectiveness, reduce turnover, positioning Fournalis as an employer of choice.	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.
<b>Working conditions</b>	↑	<u>Impact to employees:</u> Effective grievance mechanisms contribute to a positive workplace environment, enhance trust, and support a culture of ethical conduct.	↑	<b>Opportunity: IRO 20 -Grievance Mechanisms for Workers</b> Grievance mechanisms, such as the Code of Conduct Line and Whistleblowing System, are vital for fostering employee	Fournalis Group maintained robust grievance mechanisms designed to ensure transparency, accountability, and employee trust. Key components of these mechanisms included the Code of Conduct Line and a dedicated Whistleblowing System.

Material topics	Impacts		Risks and opportunities for Furlis Group		Management
				trust and enabling the early detection of workplace issues and wrongdoings.	
<b>Working conditions</b>	↓	<u>Impact to employees:</u> Poor recruitment practices leads to workplace conflicts, reduced trust in management, burnout and stress and hindered career growth.	↓	<b>Risk: IRO 23 - Recruitment Processes</b> Bad recruitment practices that not prioritize qualifications, skills, and experience as the core criteria for hiring decisions, compromising workforce quality, potentially leading to inefficiencies, reduced productivity, and increased hiring costs in the short term.	<ul style="list-style-type: none"> <li>• Common recruiting assessment criteria at all Group's companies (to ensure equal opportunities and combat discrimination)</li> <li>• The provision of equal opportunities for development through internal mobility and promotion processes to all Group employees</li> <li>• Open Resourcing Policy implemented by the Group, ensures that all job openings are firstly announced to the Group's employees</li> </ul>

Table 29

↑ Positive impact on the environment and society or on Furlis Group's business

↓ Negative impact on the environment and society or on Furlis Group's business

The time horizon of potential or actual risks/opportunities is indicated in table 6 of this report.

### 3.1.5 Actions

{ESRS S1-4 36-41 / GRI 3-3}

The Group's main strategic actions regarding its own workforce are:

- **Equal treatment and opportunities for all**

- Risk: IRO 25- Diversity - Workforce diversity and inclusion (IRO 25)**

- The Fourlis Group has adopted an equal opportunities and diversity policy and is committed to providing equal opportunities to all employees and qualified applicants for employment, at all levels of the hierarchy, regardless of race, colour, religion, national origin, ethnic origin, gender, sexual orientation, age, disability, marital status or any other characteristic protected by law. The Fourlis Group expressly prohibits any discrimination or harassment based on these factors. The Company is committed to providing equal opportunities to all employees and qualified candidates for employment, at all levels of the hierarchy, regardless of race, color, religion, national origin, gender, sexual orientation, age, disability, marital status or any other characteristic protected by law. Steps shall be taken to ensure that all employment decisions, including but not limited to those relating to recruitment, promotion, training, compensation, benefits, transfer, discipline and dismissal, are free from unlawful discrimination. The Company has elected its Board of Directors with the maximum number of Directors permitted by its Articles of Incorporation to ensure diversity of gender, age, knowledge, qualifications and experience that serves the Company's goals.

- **Training and skills development**

- Risk: IRO 21-Lack of Employee Required Skills and Talents (including soft and digital skills)**

- 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 history, the Principles and the structure of the Group.
    - The General Data Protection Regulation (GDPR).
    - The Group's Performance Appraisal system.
    - The Digital Transformation.
    - Diversity & Inclusion.
    - Risk management.

- Conflict of interest
- Code of Conduct
- Code of Conduct line - Whistleblowing system
- Regulatory Compliance & the Policy and Procedure for the Prevention, Identification and Management of Conflicts of Interest.
- Information Security
- Human Rights Policy.
- The issues related to health and safety in the workplace.

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.

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

The training programmes, which are enriched every year, are developed along four pillars:

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

In 2024, the implementation of e-learning trainings on topics such as Human Rights, Diversity & Inclusion, Compliance & Conflict Management, Risk Management and Information and Information Systems Security continued. These trainings are mandatory for everyone.

#### ○ **Employee health and safety**

##### **Risk: IRO 16 - Health and Safety Management System (or H&S Due Diligence)**

The Foullis Group not only follows the provisions of the labour legislation of the countries where it operates, but also assesses the potential risks it may face and takes the necessary measures to prevent any accidents. In the Foullis Group, ensuring compliance with the Health and Safety Policy is an important priority. The Group's Human Resources Department, and in particular the Health and Safety Department, is responsible for the implementation of the policy.

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

##### **Opportunity: IRO 17 - Wellbeing Initiatives for Employees and their families**

The "EY ZEN" programme was launched by the Sustainable Development and Social Responsibility Department in 2010, with the main objective of informing employees about health and well-being issues and encouraging them to adopt a healthier lifestyle. Within the framework of the "EY ZHIN" programme, activities are organised every year on healthy diet, health and disease prevention, exercise, etc. Some of the most important EY ZHIN actions carried out in 2024 include weekly indicative menus with suggested recipes based on the Mediterranean diet, as well as regular information on other relevant topics, free sessions with dietitians/nutritionists, the operation of the Counselling/Psychological Support Line for Group employees, the service of individual online sessions with psychologists, fitness programmes and participation of employees in sports events.

○ **Code of Conduct line - Whistleblowing system**

**Opportunity: IRO 20 -Grievance Mechanisms for Workers**

{ESRS S1-3 32 b,c,d,e / GRI 2-25}

The Group complies with Directive 2019/1937 of the European Parliament and of the Council on the protection of persons who report violations of Union law. With respect to the fundamental rights of freedom of expression and information, protection of personal data, freedom of business and good administration, protection of consumers, public health and the environment, and in order to ensure a high level of protection of persons reporting violations of law and the law, the Company establishes the Code of Conduct - Whistleblowing System. This is a system with internal reporting channels and procedures for following up on reports of violations:

- Product safety and compliance,
- Environmental protection,
- Food safety,
- Environmental protection, health and safety; o Environmental protection, health and safety of the environment; o Environmental protection, health and safety of the environment; o Public health protection,
- Consumer protection. o Health and safety of food safety, o Health protection of public health, o Consumer protection,
- Protection of privacy and personal data,
- Corporate tax rules and regulations.

The Code of Conduct Line - Whistleblowing System, in compliance with the criteria of impartiality and independence, designates the Company's Director of Compliance as the person responsible for receiving and managing reports. Reports may be submitted through the following alternative channels:

- By sending an email to [codeofconduct@fourlis.com](mailto:codeofconduct@fourlis.com) or by telephone reporting to the Group's Code of Conduct line - 210 6293010
- By requesting a personal meeting (in person or by videoconference) with the Company's Compliance Director within a reasonable time from the date of the request. The request is submitted in writing by email to [codeofconduct@fourlis.com](mailto:codeofconduct@fourlis.com) or by telephone to the Code of Conduct Line 210 6293010.

○ **Recruitment processes**

**Risk: IRO 23 - Recruitment Processes**

The Group's approach to employment and its relationships with its employees directly affect their performance, retention and development, and are important issues for its long-term sustainable growth.

The following are the main pillars of the Open Resourcing Policy and Procedure, relating to recruitment and professional development of the Group's human resources:

- The common recruitment assessment criteria in all Group companies to ensure equal opportunities and anti-discrimination.
- The provision of equal opportunities for development through internal movement and promotion procedures to all Group employees.
- The remuneration and benefits policy which is based on the Group's financial results, the annual evaluation of employee performance and market trends regarding remuneration.
- Maintaining a balance between gender, nationality, religion, political or other opinions, as well as on issues such as disability, sexual orientation, etc., in the selection and development processes of employees, as well as in the remuneration and benefits policies.

### 3.1.6 Targets

{ESRS S1-5 46, 47 / GRI 3-3 / ATHEX ESG C-S2,S3}

	2024	2024 (short term)	2025- 2030 (mid term)	2030+ (long term)
<b>Women at Furlis Group</b>				
% of Women at Furlis Group	56%	>=50%	>=50%	>=50%
% of Women in managerial positions (GR)	45%	43%	44%	N/A



	2024	2024 (short term)	2025- 2030 (mid term)	2030+ (long term)
% of Women at Furlis Board	44%	(>=33%)	>=33%	>=33%
<b>Health &amp; Safety</b>				
Number of deaths due to work-related injuries and work-related ill health	0	0	0	0

Table 30

## Progress in Targets

### Women at Furlis Group

- The participation of women in the Group's workforce has exceeded the set target by 6%.
- In Greece, female representation in management positions exceeds the target by 2%. Similarly, in the coming years, the Group will set specific targets to increase female representation in the additional countries where it operates, Cyprus, Romania and Bulgaria.
- The representation of women on the Group's Board of Directors is 44%, exceeding the target of 33%.

### Health & Safety

In line with the Group's stated target, there have been no fatalities due to workplace injuries during the reporting period.

## 3.1.7 Metrics

### Characteristics of undertaking's employees

{ESRS S1-6 50a / GRI 2-7, 405-1}

Employee Head Count by gender	
Gender	Number of employees (head count)
Male	1934
Female	2502
Other	0
Not reported	0
Total Employees	4436

Table 31

Employee Head Count by Region	
Country	Number of employees (head count)
Greece	2679
Cyprus	378
Romania	709
Bulgaria	670

Table 32

{ESRS S1-6 50b / GRI 2-7}

Employees by contract type broken down by gender					
	Women	Men	Other	Not Disclosed	Total
Full Time Employees	1411	1327	0	0	2738
Part Time Employees	1091	607	0	0	1698
Permanent employees	2204	1676	0	0	3880
Temporary employees	298	258	0	0	556
Non-guaranteed hours employees	0	0	0	0	0

Table 33

Employees by contract type broken down by region					
	Greece	Cyprus	Romania	Bulgaria	Total
Full Time Employees	1494	208	533	503	2738
Part Time Employees	1185	170	176	167	1698
Permanent employees	2350	376	484	670	3880
Temporary employees	329	2	225	0	556
Non-guaranteed hours employees	0	0	0	0	0

Table 34

{ESRS S1-6 50c / GRI 401-1 / ATHEX ESG A-S3}

Employee turnover and recruitment					
	Greece	Cyprus	Romania	Bulgaria	Total
Employee turnover rate, %	39%	57%	24%	42%	39%
Number of employees left	994	214	159	261	1628
Number of new hires	1132	226	250	333	1941

Table 35

All employees of the Fournalis Group receive a salary that complies with applicable legislation on the adequacy of remuneration. In addition, 100% of employees are covered by collective labor agreements, while all employees enjoy full social protection either through public programs or through benefits offered by the company. Social protection includes coverage against loss of

income due to illness, unemployment, work accidents and acquired disability, parental leave and retirement.

### Diversity Metrics

{ESRS S1-9 66 a,b / GRI 405-1 / ATHEX ESG C-S3}

Gender Distribution at top management		
	2194	1572
Managers #	58%	42%
Managers %	287	326
Supervisors #	47%	53%
Supervisors %	21	36
Coworkers #	56%	44%
Coworkers %	2194	1572

Age Distribution		
	%	#
Aged under 30	1585	36%
Aged 30-50	2098	47%
Aged over 50	753	17%

Table 36

### Training and skills development metrics

{ESRS S1-13 83 a,b, 84 / GRI 404-3, GRI 404-1 / ATHEX ESG C-S5-1,2,3,4}

	Women	Men	Other	Not Disclosed	Total
The average number of training hours	1,8	1,4	0	0	1,6
Employees who participated in regular performance and career development reviews, %	100%	100%	0%	0%	100%
	Managers	Supervisors	Coworkers		Total
The average number of training hours	0,6	3,1	1,4		1,6
Employees who participated in regular performance and career development reviews, %	100%	100%	0%		100%

Table 37

### Health and safety

{ESRS S1-14 88, 89 / GRI 403-8, GRI 403-9, GRI 403-10 / ATHEX ESG SS-S6-1,2,3}

<b>Health and safety</b>	2024	2023
Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements	100%	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	0
Number of recordable work-related accidents for own workforce	27	40
Rate of recordable work-related accidents for own workforce		

*Table 38*

100% of the Group's workforce is covered by the health and safety management system, which complies with legal requirements and/or recognized standards and guidelines (national collective bargaining agreement).

There is no data available regarding recorded work-related health problems and lost working days due to injuries. The Group is considering the possibility of collecting and reporting these data in the coming years.

### **Human rights incidents, complaints**

{ESRS S1-17}

Number of discrimination incidents	4
Number of complaints submitted through reporting channels	17
Fines, sanctions, and compensation for damages resulting from discrimination incidents, including complaints and harassment	€0
Number of serious human rights violations and incidents related to the Company's workforce	0
Number of serious human rights violations and incidents related to the Company's workforce constituting non-compliance with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises	0
Serious human rights issues and incidents related to the Company's workforce	0
Fines, penalties, and compensation for serious human rights issues and incidents related to the Company's workforce	€0

*Table 39*

### **Reporting principles for metrics**

{ESRS S1-6 50d,e , S1-16 97c}

1. The total number of employees of the Fournalis Group refers to data as of 31/12/2024.
2. The number of employees presented in the measurement indicators tables 3.1.7 refers to the total workforce of the Fournalis Group.

3. The turnover rate is calculated as the total number of departures divided by the average number of employees of the Furlis Group during the reporting period.
4. The categorization of employees into Middle Management, Senior Management, and general staff is based on their salary grade.
5. Senior Management refers to employees with a salary grade above level 10.
6. \*The number of recorded occupational accidents within the same workforce refers only to the workforce employed by the Group's companies in Greece.
7. \*\*Accordingly, the percentage of recorded occupational accidents within the same workforce has been calculated by dividing the number of incidents in Greece by the total number of working hours of the same workforce in Greece.
8. The performance indicators present data concerning own employees in Furlis workforce, excluding non-employees in Furlis workforce, which the Group plans to include in the next Sustainability Report.

## 3.2 S3 – Affected communities

### 3.2.1 Interests and views of stakeholders

{ESRS S3.ESRS2-SBM2}

At Furlis group, affected communities have been identified as affected stakeholders . The group seeks to be in constant contact with both local communities and the wider society in the countries where it operates. This is achieved through established communication and engagement channels, with the aim of being informed about their needs and understanding them. The Group then assesses and prioritises these needs and designs and implements targeted programmes and initiatives to respond to them. The Group's Sustainable Development and Social Responsibility Department maintains close communication and cooperation with the executives of all Group companies in order to jointly plan, coordinate and implement actions that make a positive contribution to society. The Group also encourages and promotes employee volunteering.

Reference to the type of communication with the affected communities and its frequency to identify and assess risks, opportunities and impacts is made in section 1.1.8 Interests and views of the interested parties of this report.

### 3.2.2 Policies

{ESRS S3-1-12}

Fourlis Group has a sustainable development strategy and policy which, among other things, underlines its commitment to implementing actions to support society. As part of its strategy, the Group provides support to vulnerable social groups and actively responds to the urgent needs of people and communities resulting from natural disasters.

The Group's Management is committed to the implementation of the Sustainable Development Strategy and Policy at all levels, companies, sectors and countries of activity of the Group.

In addition to the Sustainable Development Policy, Fourlis Group also implements the Human Rights Policy and the Code of Conduct Line – Anonymous Reporting System (Whistleblowing), further enhancing transparency, accountability, and the protection of local and affected communities. These policies are published in the "Codes and Policies" section of the official Fourlis Group website (fourlis.gr), ensuring accessibility for all stakeholders. Additional information regarding the responsibility for policy implementation, the standards and initiatives followed, as well as the safeguarding of stakeholder interests, is provided in Section 3.1.3 – Table 28.

### 3.2.3 The identification and assessment of material impacts, risks and opportunities

{ESRS S3.SBM-3 / GRI 3-3}

The material impacts, risks and opportunities associated with the affected communities have been identified through the performance of a double materiality assessment and based on the Group's risk management policies and procedures. The methodology for conducting the materiality analysis is described in section 1.2 - Double materiality analysis, of this report.

#### Material impacts, risks and opportunities related to Affected communities

Impacts		Risks and opportunities for Fourlis Group		Management
Affected communities: Social Contribution				
↑	<u>Impact to society:</u> Positive impact on local communities through social projects and initiatives . Supporting vulnerable groups and people in need.	↑	<b>Opportunity: IRO 29 - Local community engagement</b> Active social contributions foster goodwill and trust among employees, customers and stakeholders.	<ul style="list-style-type: none"><li>• Active/responsible social contribution and organization of voluntary actions for employees</li><li>• Sustainable Development Policy and Strategy</li></ul>

Impacts		Risks and opportunities for Foullis Group		Management
Affected communities: Social Contribution				
↑	<u>Impact to employees:</u> Increased employment opportunities, economic growth of the local community, social stability.	↑	<b>Opportunity: IRO 30 - Job creation and economic growth</b> enhancement of brand reputation and sustainable growth.	

Table 40

↑ Positive impact on the environment and society or on Foullis Group's business

↓ Negative impact on the environment and society or on Foullis Group's business

### 3.2.4 Actions

{ESRS S3-4 31 / GRI 3-3}

#### **Social Contribution**

##### ○ **Opportunity: IRO 29 - Local community engagement**

The Foullis Group is active daily in the implementation of its shared commitment and vision, which is to create the conditions for a better life for all. In this context, the Foullis Group seeks to be in constant contact with citizens and the wider community in the countries where it operates through established communication and engagement channels, in order to be informed about and understand their needs. At a subsequent stage, needs are assessed and prioritised, and programmes and actions are designed and implemented to meet not only the current and most important needs of each local community, but also those most in line with the Group's Sustainable Development and Social Responsibility strategy (support for vulnerable social groups, especially children), the number of beneficiaries and the nature of its activities. In addition, in cases of special circumstances (e.g. pandemic, natural disasters), the Group either renews its programmes or incorporates actions aimed at addressing these emergencies, in order to relieve society and citizens. The Group's Sustainable Development and Social Responsibility Department is in constant and close communication and cooperation with the executives of all Group companies, in order to plan, coordinate and implement these actions together. Social Responsibility programmes and actions were carried out in all countries where the Group operates.

- **Opportunity: IRO 30 - Job creation and economic growth**

Fourlis Group creates new jobs by developing its activities in Greece and abroad. In this way, it strengthens local communities and stimulates national economies in the countries where it operates.

No reports or complaints have been recorded concerning serious human rights issues or related incidents linked to the activities of the Fourlis Group by local or affected communities. The Group remains firmly committed to the protection of human rights, continuously monitoring and evaluating the impact of its operations, while maintaining open lines of communication with local communities and all relevant stakeholders.

### 3.2.5 Targets

{ESRS S3-5-39,40 / GRI 3-3}

	2024	2024 (short term)	2025-2030 (mid term)	2030+ (long term)
<b>Social Contribution</b>				
Annual contribution for supporting society	€ >520,000	€ >=400.000	€ >=400.000	-

Table 41

### Progress in Targets

{ESRS S3-5-42b / GRI 3-3}

- **Social Contribution**

Amount in actions to support society in Greece, Cyprus, Bulgaria and Romania exceeded the annual budget .

### 3.2.6 Metrics

<b>Corporate volunteering activities to support society and protect the environment.</b>	2024	2023
Volunteering activities (count)	20	11
Meals Donation	40,760	40,000
Voluntary Blood Donation- blood bottles	351	357

Table 42

### Reporting principles for metrics



1. The count for estimation of the amount of donated meals has been calculated from the self-deliveries of IKEA stores to the non-profit organization "Boroume".

## 4. G – Governance

### 4.1 G1 – Business Conduct

#### Business Conduct: Corporate culture & Governance

##### 4.1.1 The role of the administrative, supervisory and management bodies

{G1.ESRS2-GOV-1 / GRI 2-12}

The Board of Directors of the Furlis Group is responsible for setting the long-term strategic direction of the company, ensuring its alignment with corporate values and overseeing the implementation of internal control mechanisms that promote ethical business practice. In addition, the Board of Directors establishes policies to manage conflicts of interest, ensuring that decision-making remains transparent and accountable. This responsibility extends to overseeing the performance of executive officers and evaluating the effectiveness of corporate governance frameworks.

{G1. ESRS2 GOV-1b / GRI 2-9 / ATHEX ESG C-G1}

Furlis Group focuses on the qualifications and skills of the members of the Board of Directors and recognises the necessity for non-executive directors to have the appropriate skills, experience and industry knowledge to provide effective oversight. Additionally, the group follows a Fit and Proper Policy, which outlines criteria for the selection and continuous development of Board members, ensuring they have the necessary understanding of governance, risk management, and ethical business practices. Board members also receive ongoing training on corporate governance and compliance matters to enhance their expertise. 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.

- Audit Committee.
- Board of Directors Sustainability Committee.
- Digital Transformation Committee
- Nominations and Remuneration Committee.
- Internal Audit Department.
- Regulatory Compliance Unit.
- Risk Management Unit.

- Information security Unit.

The role and expertise of the administrative, management and supervisory bodies in relation to business conduct are clearly defined in the corporate governance statement published on the Furlis Group website at the link [Furlis Corporate Governance Statement FY2023 en.pdf](#).

#### 4.1.2 Policies

{ESRS G1-1 / GRI 2-16 / ATHEX ESG C-G6}

The Furlis Group has adopted high standards of professional ethics that ensure the commitment and cooperation of all its executives. Its Code of Conduct includes the following topics:

##### Relationship with third parties

- Partners / Suppliers
- Media, Publications and Public Speeches
- Social Media
- Shareholders and the Investment Community

##### Employee relations with colleagues and the Company in general

- Respect for colleagues
- Health and Safety
- Forced and child labour
- Respect for people - Equal opportunities policy
- Harassment in the workplace
- Evaluation
- Training
- Crisis management / Employee cooperation in case of control by authorities and in case of legal proceedings

##### Instilling a culture of risk awareness

##### Compliance issues

- Conflict of interest
- Disclosure of financial and non-financial information
- Disclosure of board members' dependencies
- Compliance of persons discharging managerial responsibilities
- Corruption

- Bribery
- Fraud

#### Protection of information, personal data and company assets

- Confidentiality, privileged information
- Personal data
- Company assets

#### Healthy competition

#### Protection of the environment

#### Line of the Code of Conduct - Whistleblowing system

##### {ESRS G1-1 7, 9}

Fourlis Group has adopted several policies related to business conduct, ensuring that its values and strategy are aligned with the corporate culture. The Board of Directors and senior management set the example of the implementation of this culture and use tools and techniques to embed it in the Group's systems and processes. In addition, it implements a Risk Management System that helps prevent and address violations of the Code of Conduct.

##### {ESRS G1-1 10a / GRI 2-26}

The Group has a whistleblowing reporting line for the submission of anonymous or named complaints related to violations of the Code of Conduct and applicable legislation. These mechanisms are available to both internal and external stakeholders, while the Internal Audit unit is responsible for evaluating and investigating those complaints. Reports are handled in strict confidentiality and in accordance with the principles of data protection.

##### {ESRS G1-1 10b}

The Group does not currently have an established anti-corruption or anti-bribery policy aligned with the United Nations Convention against Corruption. However, it is committed to strengthening its corporate governance framework and aims to develop and adopt the relevant policy by 2025, ensuring full compliance with the Convention and the principles of business ethics more broadly.

##### {ESRS G1-1 10c}

The Group complies with the legislation number 4990/2022 on the protection of persons who report violations of EU law, ensuring the protection of employees who submit complaints. An internal reporting channel is provided and training is provided for both employees and managers who handle reports. Protection measures include policies to prevent retaliation against complainants.

##### {ESRS G1-1 10e}

The Group has procedures in place to independently and objectively investigate incidents of business improper conduct, including incidents of corruption and bribery. The following policies provide for strict compliance controls and internal control safeguards, and has adopted practices for transparency and fraud prevention.

- Code of Conduct - Includes the basic principles of ethical and professional conduct, including rules against corruption and bribery.
- Conflict of Interest Prevention, Identification and Management Policy and Procedure - Ensures that all business decisions are made independently and without outside influence.
- Compliance System - Establishes procedures to ensure that the company complies with applicable laws and regulations.
- Internal Control System (ICS) - Includes controls and procedures to prevent and investigate incidents of corruption and fraud.

Fourlis Group has developed and implements comprehensive procedures for the prevention, detection, and management of incidents of corruption and bribery. These procedures include internal control mechanisms, employee training, risk assessment, and dedicated channels for reporting suspicious activities. In cases of incident investigation, the responsible investigators or investigative committees operate independently of any management levels that may be involved, thereby ensuring the objectivity and impartiality of the process.

The reporting process for incidents related to corruption and bribery includes the preparation of an annual report by the Regulatory Compliance Department. This report is submitted to both the Board of Directors and the Audit Committee of the Group, ensuring transparency and the informed oversight of the competent governance bodies.

The anti-corruption and anti-bribery procedures are communicated to employees through internal platforms such as the mobile application F2F and internal documentation (OPIS – Operating Procedure Information System). These efforts promote employee awareness, ensuring that the procedures are accessible and comprehensible, and that all staff are informed of the potential consequences of non-compliance.

#### [{GRI 418-1 / ATHEX ESG C-G6}](#)

Fourlis Group complies with international and national data protection standards, implements clear information security policies and integrates data security issues into its Corporate Governance structure, ensuring appropriate oversight at the Board of Directors level.

The Group maintains a Personal Data Protection Policy and complies with the General Data Protection Regulation (GDPR, Regulation (EU) 2016/679), which has been incorporated into Greek legislation through Law 4624/2019. The Fourlis Group's Data Protection Policy outlines the measures to protect personal data, ensuring that only authorised persons have access to it

and that enhanced security measures are implemented to prevent unauthorised access or modification.

In addition, the Group's Information Security Policy includes:

- Information Security Management Framework
- Access Control Policy
- Cryptography Policy
- Physical & Environmental Security Policy
- Information Security Incident Management Policy
- Business Continuity Policy

#### 4.1.3 The identification and assessment of material impacts, risks and opportunities

{ESRS G1.ESRS2-IRO-1}

The significant impacts, risks and opportunities related to the Furlis Group's business conduct and culture have been identified by conducting a double materiality analysis and based on the Group's risk management principles and procedures. The methodology for conducting the materiality analysis is described in section [1.2 - Double materiality assessment](#), of this report.

#### Impacts, risks and opportunities related to Business conduct

Impacts to environment & society		Risks & Opportunities for Fournalis Group		Management
Corporate culture & Governance				
Business Conduct: Corporate culture & Governance				
	–	↓	<b>Risk (IRO 36): Regulatory changes &amp; Non-compliance</b> The possibility of non-compliance would result in penalties and high financial costs and would affect reputation	<ul style="list-style-type: none"><li>• Fournalis Group conducts frequent internal audits across its operational sectors to ensure adherence to regulatory requirements.</li><li>• Compliance and Risk Management System</li></ul>

Impacts to environment & society		Risks & Opportunities for Furlis Group		Management
	–	↓	<b>Risk (IRO 38): Governance structure &amp; composition</b> The possibility of absent or ineffective business management processes & strong governance structures would affect the overall performance of the Group	<ul style="list-style-type: none"> <li>Fourlis Group maintains a structured governance model, with responsibilities clearly delineated across its Board of Directors, Internal Audit Department, and Compliance Unit.</li> </ul>
	–		<b>Opportunity (IRO 40): Access to sustainable investment</b> The possibility of developing a strong ESG strategy would allow access to sustainable investing	<ul style="list-style-type: none"> <li>Sustainable Development Policy and Strategy</li> </ul>
<b>Business Conduct : Corruption and bribery</b>				
	–	↓	<b>Risk (IRO 37): Code of conduct (anticorruption, anti-harassment, human rights, health &amp; safety)</b> The possibility of non-compliance would result in penalties and high financial costs and would affect reputation	<ul style="list-style-type: none"> <li>The Group enforces a Code of Conduct across all operations, addressing anti-corruption, anti-harassment, human rights, and health and safety standards.</li> <li>The Group maintains an anonymous whistleblowing mechanism, allowing employees to report</li> </ul>

Impacts to environment & society		Risks & Opportunities for Fournalis Group		Management
				incidents of misconduct or non-compliance confidentially

Table 43

↑ Positive impact on the environment and society or on Fournalis Group's business

↓ Negative impact on the environment and society or on Fournalis Group's business

#### 4.1.4 Actions

##### {ESRS G1.ESRS2-MDR-A}

The company's key strategic actions on business conduct are as follows.

#### **Risk (IRO 36): Regulatory changes & Non-compliance**

The company addresses the risk of non-compliance with regulatory changes through an integrated Compliance and Risk Management System, which ensures timely adaptation to statutory requirements and avoids financial penalties or reputational impacts. The Compliance and Risk Management Division is responsible for monitoring regulatory changes, formulating and updating relevant policies and training employees on compliance requirements. In addition, the Internal Control once every year assesses the implementation of regulatory policies and the company has mechanisms in place to report and investigate incidents of non-compliance.

#### **Risk (IRO 38): Governance structure & composition**

To avoid risks associated with poor or ineffective corporate governance, the Group has a strong governance framework, which includes the structure and responsibilities of the Board of Directors, the existence of specialised committees (such as the Audit Committee) and the process of continuous leadership evaluation (Board of Directors' operating regulations - Board of Directors' evaluation process). The Board of Directors consists of independent and executive members with appropriate experience, while the committees oversee risk management, compliance and risk management. Furthermore, the company has established procedures for evaluating the effectiveness of its management structures, as well as policies for the development of its executives (Education and Training Programmes, Evaluation and

Development of Competencies, Succession Planning, Strengthening Corporate Culture and Leadership), ensuring the continuation of smooth corporate operations.

**Risk (IRO 37): Code of conduct (anticorruption, anti-harassment, human rights, health & safety)**

{ESRS G1-3-18a,e,h / GRI 2-13}

Fourlis Group manages the risk of non-compliance with ethical issues through its Code of Conduct, which includes policies to fight fraud, corruption and bribery, violence and harassment, defend human rights, health & safety. In detail, the Company has an Anti-Discrimination Policy, ensuring that the working environment is safe and equal for all, has established a Human Rights Policy, which confirms the Company's commitment to safeguarding the fundamental rights of all stakeholders and has implemented the Code of Conduct Line - Whistleblowing System.

Compliance with the Code of Conduct is monitored through the internal control system (Internal Audit, Regulatory Compliance, Risk Management units) and employees are encouraged to report any incident through the whistleblowing system. At the same time, the company implements training programmes to promote ethical behaviour, enhancing prevention and awareness.

**Opportunity (IRO 40): Access to sustainable investment**

The Group is leveraging the opportunity to access sustainable investments by strengthening its ESG strategy, which includes environmental, social and governance initiatives. It has adopted a Sustainable Development Policy, which aims to reduce its environmental footprint, enhance social responsibility and transparency in governance. In addition, the company complies with international ESG standards, which enables it to attract sustainability-focused investors.

Through the implementation of ESG practices, the company enhances its competitiveness and ensures compliance with sustainable financing criteria by accessing capital and investment programs that support companies with a strong ESG profile. Transparency in the disclosure of sustainability data and its integration into the Group's strategic decisions are key factors in attracting institutional and private investment.

The Fourlis Group ensures that its financial activities are aligned with European Union Classification regulations, including environmental objectives and minimum social safeguards. This alignment enhances its eligibility for sustainable investments and demonstrates its commitment to transparent, responsible business practices.



The Group has set a target to launch specialized e-learning training programs on the prevention and combatting of corruption and bribery by 2026. Particular emphasis will be placed on identifying high-risk positions, in order to ensure they are addressed through appropriate and tailored training initiatives. In parallel, the possibility of providing training to members of the administrative, management, and supervisory bodies will also be considered, ensuring a comprehensive approach to addressing corruption and bribery.

#### 4.1.5 Targets

{ESRS G1.ESRS2 -MDR-T}

	<b>2024 (Actual)</b>	<b>2024 (short term)</b>	<b>2025- 2030 (mid term)</b>	<b>2031- 2050 (long term)</b>
<b>Corporate culture &amp; Governance (G1-Business Conduct-Corporate Culture)</b>				
Number of confirmed incidents of corruption or bribery	0	0	0	0
Major incidents of loss of personal data across all (100%) of operations and subsidiaries	0	0	0	0

Table 44

#### Progress in Targets

- **Number of confirmed incidents of corruption or bribery**  
As part of Fournalis Group's commitment to integrity and business ethics, no incidents of corruption and bribery have been recorded, in accordance with the goal it has set.
- **Major incidents of loss of personal data across all (100%) of operations and subsidiaries**  
In accordance with the goal set by the Fournalis Group, no incident of loss of personal data has been recorded during the reporting period.

#### 4.1.6 Metrics

{ESRS G1-4 24, 25 / ATHEX ESG A-G2}

<b>Incidents of corruption or bribery</b>	<b>2024</b>
Confirmed incidents of corruption or bribery	0
Confirmed incidents in which a business agreement has been terminated or has not been renewed due to a case linked to corruption or bribery	0
Number of judgments (convictions) issued in corruption or bribery cases	0

Amount of fines issued in corruption or bribery cases.	0 €
--	-----

*Table 45*

### **Reporting principles for metrics**

1. The data on incidents of corruption or bribery concern the entire Furlis Group.