

## THRACE GROUP

### SUSTAINABILITY COMMITTEE TERMS OF REFERENCE (A/A: 2)

Approved by the BoD: 15/07/2022

#### 1. PURPOSE

The primary purpose of the Sustainability Committee (Committee) is to consider, promote and report periodically to the Thrace Group (Company) Board of Directors (Board) on environmental and social sustainability issues.

#### 2. RESPONSIBILITIES

- Review the formulation of the sustainability related policies, strategies and objectives to ensure that they are in line with the needs of the Company in line with the vision and values, fully complying with applicable legal and regulatory requirements.
- Monitors the development and implementation of the Sustainable Development goals that have been set, based on the materiality analysis, which includes the important, relevant and critical areas that the Company highlights as priorities and proposes improvements to the Management and then to the Board, where necessary.
- Review the progress and results of any of the Company's sustainability work and report to the Board regularly.
- Monitors international trends and best practices in order to regularly update the Board.
- Recognizes timely risks and opportunities and prepares proposals to the Board for the necessary actions, including the framework that ensures the financing of the Company.
- Studies and pre-approves the annual non-financial statements and Sustainability reports, as well as other disclosures, submitting relevant suggestions to the Board for approval.
- Acts on behalf of the Board and cooperates with the Management of the Company ensuring the prestige and reputation of the Company in relation to all issues of Sustainable Development and its Public Image.

#### 3. SCOPE (based on Materiality analysis)

##### 3.1 Environment

The Committee evaluates the impact of the Company's policies and strategy in relation to:

- The impact of the company's footprint to land, air, water, climate through the use of raw materials, end products design, technology, manufacturing units etc.
- The adoption of the principles of the circular economy throughout the life cycle of the Company's products etc.

##### 3.2 Social

The Committee evaluates the impact of the Company's policies and strategy in relation to:

- diversity & Inclusion philosophy and commitments
- employee's learning & development
- well-being including Health & Safety

- living wage standards
- human rights
- work environment
- policy of child/forced/compulsory labour
- community support
- products' safety during their production and use, etc.

#### **4. COMPOSITION**

- The Committee consists of up to four directors. All committee members are appointed and relieved from their duties in the Committee, by the Board. At least 50% of the members should be Independent Non-Executive, ensuring objectivity of judgement on ESG matters
- The Board appoints a member of the Committee as Chairman and is supported by the Committee secretary.

#### **5. MEETINGS**

- The Committee will meet at least 4 times a year. In case of important matters requiring resolution, the Chairman of the Committee may request an interim meeting. In the absence of the Chairman of the Committee at any meeting, the Committee shall elect one of its members present to act as its acting chairman
- The notice of the meeting and relevant material will be sent by the secretary to the members minimum one week before the meeting is held
- The secretary of the Committee will be responsible for the minutes, and the members (or their delegates) attending the meeting will need to sign the minutes
- The Committee may invite other members of the board or senior executives to attend the meeting, express opinions, as attendees without voting rights; external consultants may also be invited to attend meetings of the Committee on a need basis
- The committee undertakes and cooperates with the other committees as required
- The meeting shall be held in the form of on-site, video or telephone.

#### **6. AUTHORITY, COMPLIANCE AND FUNDING**

- Committee members have the right to:
  - receive training and resources for the performance of duties,
  - receive advice or assistance provided by external consultants or experts with the related costs funded by the Company,
  - receive any data, records or reports provided by the Company.
- Committee members should:
  - guarantee confidentiality of the matters they are privy of,
  - declare without delay any conflicts of interest related to the topics discussed.

#### **7. PERIODIC REVIEW**

- The ToR, which will be reviewed annually and revised as appropriate in one of its regular meetings organized by the secretary, will come in full force as of the date approved by the Board and will subsequently be uploaded to the company's Website.
- The committee will perform once a year an evaluation of its effectiveness and contribution.