

SUSTAINABILITY COMMITTEE TERMS OF REFERENCE (A/A: 3)

MODIFICATIONS TABLE

Version	Responsible for Drafting	Approval Date	Approval	Description of Changes
1	Sustainability Committee	28/05/2021	BoD	Initial Version
2	Sustainability Committee	15/07/2022	BoD	Revision
3	Sustainability Committee	6/3/2025	BoD	Revision

1. PURPOSE

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

2. RESPONSIBILITIES

- Review the formulation of the sustainability related policies, strategies and objectives to ensure that they align with the needs of the Company, the vision and values, while 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 initiatives and provide regular reports to the Board.
- Monitors international trends and best practices to provide regular updates to the Board.
- Contributes to the identification of significant risks and opportunities for the Company to leverage during the Materiality Analysis and Risk Management processes.
- Reviews and pre-approves the Double Materiality Assessment (Impact & Financial Materiality Assessment), the annual Sustainability Report (ESRS), and disclosures in accordance with the European Taxonomy (EU Taxonomy), which form part of the annual financial statements. It also reviews the annual Sustainable Development Report (GRI) and documents of other disclosures or assessments (e.g., CDP, ATHEX ESG, etc.), submitting relevant recommendations to the Board of Directors for approval.
- Acts on behalf of the Board and collaborates with the Management of the Company to ensure the prestige and reputation of the Company in matters related to 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 training & 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.

4. COMPOSITION

- The Committee consists of at least three (3) members of the Board of Directors (BoD), including at least one (1) independent non-executive member, ensuring the independence of judgment on sustainability matters.
- The Committee elects its President and appoints a Secretary from the Management team.

5. MEETINGS

- The Committee shall meet at least four (4) times a year. In case of significant matters requiring resolution, the President of the Committee may request an interim meeting. If the President is absent from any meeting, the Committee shall elect one of its members present to act as acting President.
- The notice of the meeting and relevant materials shall be sent by the Secretary to the members at least one week prior to the meeting.
- The Secretary of the Committee shall be responsible for the minutes, which must be signed by the attending members (or their delegates).
- The Committee may invite other members of the Board or senior executives to attend the meeting as non-voting participants to express opinions. External consultants may also be invited to attend meetings on an as-needed basis.
- The Committee shall collaborate and coordinate with other committees as required.
- Meetings may be held on-site, via video conference, or by 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. REVIEW AND EVALUATION

- With the responsibility of the Committee Secretary, the Operating Regulation is reviewed annually and revised as needed during one of the regular meetings. It comes into full effect from the date of its approval by the Board of Directors (BoD) and is subsequently published on the Company's website.
- The Committee conducts an annual evaluation of its effectiveness and its contribution to the smooth functioning of the BoD and the Company. It submits an Annual Activities Report to the BoD.