

**EXPLANATORY REPORT**  
OF THE MEMBERS OF THE BOARD OF DIRECTORS  
OF THE SOCIÉTÉ ANONYME "THRACE PLASTICS HOLDING AND COMMERCIAL SOCIÉTÉ  
ANONYME"  
(hereinafter the **"Company"**)  
(drafted in accordance with Article 111 par. 2 of Law 4548/2018)

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The Board of Directors of the Company, in accordance with Article 111 par. 2 of Law 4548/2018, is competent in the event of a revision of the Remuneration Policy to prepare a relevant report which describes and explains the key changes introduced in the revised Remuneration Policy.

Within the above framework, and in order to explain, analyze, and describe the entirety of the changes made to the content of the Company's Remuneration Policy — which is to be submitted for approval to the forthcoming Annual General Meeting of Shareholders on May 28, 2025 — the Board of Directors of the Company has drawn up the present Explanatory Report, so that shareholders may more easily follow the changes introduced and have a substantive understanding of the contents of the newly proposed Remuneration Policy, when discussing the relevant item of the Agenda.

In particular, the following are noted:

1. The Company's Remuneration Policy was first approved on May 18, 2019. The first update took place on May 21, 2021, the second update on May 25, 2022, and the third update on May 24, 2023, in accordance with Article 110 par.2 of Law 4548/2018.
2. All the aforementioned updates of the Remuneration Policy to date have been duly registered in the General Commercial Registry (GEMI), in accordance with Article 110 par.5 of Law 4548/2018, and the latest update of the Policy is available on the Company's website.
3. The Board of Directors of the Company, guided by best practices in corporate

governance as defined by Law 4706/2020 and the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council, which the Company has adopted and implements, proceeded — following a relevant recommendation of the Company's Remuneration and Nomination Committee — with the partial amendment, updating, and reformulation of the existing Remuneration Policy (hereinafter referred to as the **"Policy"**) as to the points analytically presented below.

The entirety of the proposed amendments/additions aims at the more specific definition of the framework and the fundamental principles, rules, and overall guidelines applied during the process of determining the remuneration, compensation, and other benefits granted to persons falling within the subjective scope of the Policy, namely all members of the Board of Directors, its Committees, and the Company's Senior Executive Officers (hereinafter the **"Policy Subjects"**).

In particular, the following are proposed:

**(i)** The clarification of the scope of application of the Policy, to ensure that it clearly and distinctly includes and regulates all types of remuneration provided for the Policy Subjects.

**(ii)** The redrafting of the Policy's purpose to make it more detailed, highlighting the pillars upon which the Policy is based, which in turn define its implementation and the necessity for any updates and revisions.

**(iii)** The reformulation of the remuneration of the Executive Members of the Board of Directors, so that — in addition to fixed and variable remuneration — it also includes special additional remuneration paid through the allocation (distribution) of the Company's profits.

The rationale behind this reformulation and the provision of special profit-linked remuneration is to ensure the retention of the most competent and suitable individuals in executive positions on the Board of Directors, primarily as a matter of reciprocity, given their position, which entails increased duties and responsibilities and significant liability associated with making necessary strategic decisions regarding the Company's and the Group's trajectory, goals, and activities.

Within the scope of the above reformulation , a limited wording adjustment was also made to the Policy concerning the Executive Members of the Board of Directors, in order to better reflect its provisions and facilitate comprehension.

**(iv)** The reformulation of the remuneration of the Company's Senior Executive Officers, so that — in addition to fixed and variable remuneration — it also includes special additional remuneration paid through the allocation (distribution) of the Company's profits.

In this case as well, the justification for this addition is to ensure the retention of the most competent and suitable individuals for the Company's senior management positions, primarily as a matter of reciprocity, given their roles which involve increased duties and responsibilities and significant liability, as they are trusted individuals charged with a wide range of critical tasks and initiatives concerning the organization and operation of the Company and the Group more broadly.

**(v)** The redrafting of the concept of fixed remuneration with respect to the Non-Executive Members of the Board of Directors, with the aim of providing a clear and detailed description of both its purpose and the criteria upon which it is determined.

The rationale behind this amendment is to ensure semantic completeness of the Policy document in this specific regard and to provide a concise yet comprehensive articulation of its provisions.

Finally, for the sake of completeness, it is noted that several minor wording interventions have been made to the text of the Policy, without any material impact on its content. Additionally, the Sections of the Policy have been numbered for easier reference.

The above Explanatory Report of the Company's Board of Directors is drawn up in accordance with Article 111(2) of Law 4548/2018 and aims to explain and describe the proposed changes (revisions) to the updated Remuneration Policy that will be submitted for approval to the forthcoming Annual General Meeting of Shareholders.

Athens, May 2025  
The Board of Directors