

RESPONSIBILITY REPORT 2023



hatzopoulos

FLEXIBLE PACKAGING EXCELLENCE
SINCE 1931

INDEX

2	ABOUT THIS REPORT
4	MESSAGE FROM THE TOP MANAGEMENT
6	OUR STORY
26	PRODUCT QUALITY & SAFETY
34	SUSTAINABLE SUPPLY CHAIN
42	FINANCIAL DEVELOPMENT & MARKET PRESENCE
52	OUR GOVERNANCE MODEL
64	OUR PEOPLE
76	OCCUPATIONAL HEALTH AND SAFETY
88	ENVIRONMENTAL RESPONSIBILITY
122	ESG STRATEGY
134	INDEPENDENT EXTERNAL ASSURANCE REPORT
140	GRI CONTENT INDEX

ABOUT THIS REPORT

This Corporate Responsibility Report was published in December 2024 and covers the period between 01.01.2023 and 31.12.2023. It is our 12th annual Sustainability Report and it has been prepared in accordance with the GRI Universal Standards and AA1000 (2018) Accountability Principles. The Report also includes data and KPIs that can be found in the United Nations Global Compact Communications on Progress (UNGC-CoP), the 17 Sustainable Development Goals and the Greek Sustainability Code.

All data presented in this Report refer to A. Hatzopoulos S.A.'s significant locations of operation, which the Company defines as the headquarters and the two production sites in Kalochori, Thessaloniki, Greece. A. Hatzopoulos S.A. is one entity and does not have any subsidiaries, joint ventures, or affiliates. All the entities included in the organization's financial reporting are also included in this Sustainability Report. There have not been any significant changes in the organization's sectors, reporting boundaries, value chain, and/or other business relationships compared to the previous reporting periods. The Report does not include a restatement of information.

"Sustainability Business Case", an ESG consultancy, headquartered in Thessaloniki-Greece, provided scientific and technical guidance and assisted with the preparation and the design of this Report. Members of the Board of Directors and senior executives oversee the collection, interpretation, and publication of all information. The accuracy of the published data is guaranteed by internal procedures carried out by a CSR team, a group of senior executives who are responsible for sustainability and corporate responsibility. In addition, the Report is externally assured by a third party, namely TÜV HELLAS (TUV Nord), in accordance with AA1000AS (v3). The independent external assurance Statement can be found at the end of the Report.

This Year's report, as well as all previous editions, can be found on the Company's website: <https://hatzopoulos.gr/sustainability/sustainability-approach/>



Contact Information:

Your suggestions allow us to identify opportunities for improvement. We welcome any questions, remarks or inquiries. Feedback can be submitted online or by post at:

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MESSAGE

Dear stakeholders,

Producing top-quality packaging has been our strongest drive and focus for more than 90 years. This commitment to quality helped us grow at our current level. Today we serve customers across 33 countries, offering them exceptional flexible packaging solutions.

We aim to increase efficiency while minimizing our environmental and social impact. A good example of that is the innovative, environmentally friendly packaging solutions X-CYCLE™ and X-LOOP™ we recently introduced. For us, innovation means more than just being a few steps ahead of competition. We all think forward, explore alternatives, and create new ways to become better at what we do and increase our customers' satisfaction.

Our people and their loyalty are core elements of our long-term success. Their sense of purpose and dedication drive us further. It is our responsibility to create and maintain a safe and supportive working environment and a collaborative working culture for all. Our recognition as "Great Place to Work" for the second consecutive year confirms the high level of satisfaction among employees. In 2023, our Company signed the Diversity Charter, committing to safeguarding diversity, equity and inclusion in the workplace. We respect all our employees and their rights, and we cultivate relationships based on mutual trust that leads to mutual progress.

In 2023, significant geopolitical and economic challenges on a global level had a significant impact on raw material availability, energy prices and delivery times. Despite that, our Company's annual revenue increased by 2,2%, compared to 2022. We are optimistic and we are ready to reach new, even more challenging heights. We strongly believe that this can be achieved by growing sustainably and sticking to our core values: Meritocracy, Knowledge, Compassion, Quality and Virtue.

FROM THE TOP MANAGEMENT

Our Sustainable Development strategy is incorporated in the way we conduct all our daily operations. We acknowledge our impact on the environment and society, and we are committed to manage it responsibly. We track our progress to improve our performance, we set ambitious goals and increase the value we share with all stakeholders.

By 2025, there will be the possibility of producing recyclable products for 100% of the structures of our portfolio, reflecting our commitment towards Circular Economy. In 2023, we continued to invest in the production of solar energy, as it benefits both the planet and our profitability. Our environmental responsibility also becomes evident by the fact that Scope 1 and Scope 2 GHG emissions decreased by 11,31%, compared to 2022. This was a direct result of strategic planning and decision making. We fully support the transition towards a carbon free, circular, resource-efficient economy. Towards this direction, within 2024, we plan to sign the SBTi commitment letter.

In this Responsibility Report, our impact, our vision and our actions to best manage it, are presented in full detail. We welcome your invaluable feedback, as it is essential for our Sustainability journey.

Athanasios Hatzopoulos
Vice President and Managing Director

OUR
STORY

OUR BACKGROUND

In 1931, Athanasios Hatzopoulos, one of seven children of refugees from Eastern Thrace, decided to stop working at their family bakery and start his own business in downtown Thessaloniki. The paper bags he made would be of high quality, made of clean, pure paper bought from a local mill. That was the innovation that made him stand out immediately and succeed in the packaging business, laying the ground for A. Hatzopoulos S.A. to evolve over the decades into the industrial enterprise that it is today.

A characteristic of the Company's strategy is its internationalization. Having established its strong position in the Greek market, in 1991 it started expanding its activities abroad. Over the years, it managed to penetrate the neighbouring markets of Eastern Europe, and from 2006 to the present, it has been dynamically expanding to Northern, Western, and Central Europe, increasing the Company's recognition. In recent years, targeted exports have also been made to countries outside Europe. Our high-end flexible packaging solutions are essential for many sectors, such as the food and beverages; personal care; cosmetics; chemicals and pharmaceutical industries. Our clients use our solutions to pack their products. We are very proud of our long-term, strong and successful partnerships, as they include some of the biggest and most known companies globally.

For three decades, A. Hatzopoulos S.A. has held a dominant position in the domestic market for flexible packaging materials processing and is, today, one of the fastest-growing European companies in the sector. Growth is heavily connected to strategic investments in cutting-edge technology, research and development, innovation and continuous employee training.

HQ & Manufacturing sites

KALOCHORI, THESSALONIKI, GREECE

Sales Offices

- France
- Germany
- Italy
- Netherlands
- UK
- USA
- Bulgaria
- Serbia

With more than 90 years' experience in packaging, the Company has become a leading flexible packaging manufacturer with rapid international growth, employing 437 people across two production sites. The Company serves customers in more than 33 countries, with exports accounting for more than 78% of the total annual turnover.

Driven by strong values and a passion for packaging excellence, A. Hatzopoulos S.A. offers top-quality packaging solutions, supporting packaging efficiency across the value chain. The Company's technological completeness is its main advantage and the Company will continue to invest in the development of innovative, competitive high-performance products.

The Company is limited by shares and managed by its general meeting of shareholders and the Board of Directors. A. Hatzopoulos S.A. does not own any other companies or subsidiaries, it is not owned by others, is not involved in any form of joint financial controls and it only has production lines in Greece, in sites which are 100% owned and operated by the Company. Our headquarters and production sites are located in Kalochori, a community belonging to the municipality of Delta, just outside Thessaloniki, in the region of Central Macedonia, in northern Greece. The Company export sales offices are located in 8 countries; France, Germany, Italy, the Netherlands, the UK, USA, Bulgaria and Serbia. Through this well-organized network, we provide support to our international customers, offering high-quality packaging solutions that exceed expectations.

MILESTONES

1931

Foundation of the Company in Thessaloniki by Athanasios Hatzopoulos

1961

The Company transfers its operations to a factory equipped with automated bag-making machines

1975

Transformation into a Limited Company (LC), under the title A. Hatzopoulos S.A.

1981

New technologies and materials shape a new age for the packaging industry. The Company enters the flexible packaging market

1992

A. Hatzopoulos S.A. becomes a leader in the Greek market and begins exporting its products, starting with Eastern Europe

1997

The Company's new production plant, equipped with flexo-printing machinery and a triplex-in-line laminator, goes into operation

2008

The Company inaugurates its new 20.000m² production site in Kalochori with an integrated solvent recovery unit; a total investment of €25M

2014

The Company installs a new cylinder engraving line. The whole production line is now fully automated through a robotic system, minimising human involvement

2015

The Company proceeds to continuous investments to further upgrade its equipment and expand its capacity. The two plants now operate independently, equipped with new machinery for every step of the converting process, from printing to slitting

2016

Introduction of full-HD flexo-printing technology, certified by ESKO. The new system provides excellent print quality; sharper images and an expanded tonal range

2018

Launch of X-CYCLE™, the next generation of flexible packaging solutions, designed for recycling

2019

2019 A. Hatzopoulos S.A. inaugurates its new Head Offices in Kalochori

2022

Entering a new green production era: investment in renewable energy production with the installation of solar panels in both factories

OUR VALUES AND MISSION

The core values of Meritocracy, Knowledge, Compassion, Quality and Ethos have always served as our moral compass:

Meritocracy

Social justice is at the core; capable individuals are identified through transparent and fair policies and rewarded regardless of sex, gender, origin, economic power, or any other distinction.

Knowledge

Acquired through experience, research, education and learning. By creating a stimulating environment, we encourage the transmission of knowledge; through it, we achieve conscious decision-making with an emphasis on innovation.

Compassion

This is an attitude towards life. It is the ceaseless care for our fellow man. It is the mental and spiritual pleasure we experience when helping others; the personal pride that encourages us to keep going and the advancement of the common good.

Quality

For us, quality means honouring our commitments and providing consistently high-quality products and services that meet the needs of customers and consumers.

Ethos

Moral dilemmas often become embroiled in corporate decision-making. By adopting a series of policies that apply to everyone, we ask our employees and our business associates to conduct themselves in an honourable, moral, and socially responsible manner.

In Greek, the acronym from these five core values spells AGAPE, meaning LOVE. These values strengthen our core corporate culture, our everyday activities, and our relationships with all stakeholders, as well as the business model for a long-term success.

OUR MISSION IS TO SUPPLY OUR CUSTOMERS AND END-USERS WITH SAFE, FUNCTIONAL, SUSTAINABLE, HIGH-END AND COMPETITIVE FLEXIBLE PACKAGING SOLUTIONS

2023

93 YEARS
Packaging experience

437
Employees

3 GENERATIONS
Family-owned

33
Export countries

4 PRODUCT CATEGORIES
Food | Coffee | Non-food | Labels

€115M
2023 turnover

+13%
Annual Exports Growth

ANNUAL R&D INVESTMENT
1 million €

2+ € MILLION
Enhanced Employee Benefits &
Social Contribution Plan

+ 96%
Spent increase on
Social contribution plan

78%
Export sales

5.994
Training hours

29,10 % OF THE PROCUREMENT BUDGET
To local suppliers

GOLD SUSTAINABILITY CERTIFICATE

OUR PRODUCTS

We safeguard the freshness and the quality of our clients' products and increase their shelf-life by guaranteeing maximum protection thanks to our environmentally friendly packaging:

- Lamination expertise
- Wide range of high-barrier options
- Optional transparency / Clear windows integration
- Puncture resistance
- Hermetic sealing properties
- High-performance packaging films



Awarded printing quality and a wide range of add-on packaging features can help our clients increase their packaging quality and offer an attractive product, as well as increase their sales and achieve improved consumer satisfaction. Our products' features:

- Laser-scoring technology for easy-tearing
- Easy-open films
- Adjustable peelability
- Reclosable packaging solutions
- Cold-seal, optionally reclosable
- Retortable applications
- Films for stand-up pouches

PACKAGING DESIGN FOR A BETTER PLANET

FOOD

- Baby foods
- Bakery
- Confectionery
- Dehydrated foods
- Dressings & Sauces
- Dry nuts & fruits
- Frozen foods
- Meat & Dairy
- Pet foods
- Ready meals
- Salty snacks

COFFEE

- Beans
- Ground coffee
- Pods
- Capsules
- Sticks
- Sachets
- Multipacks

NON-FOOD

- Cosmetics
- Wet wipes
- Tobacco
- Chemicals
- Detergents
- Pharmaceuticals
- Industrial bags

LABELS

- Real-fed labels



FRESHNESS

- High-barrier solutions
- Hermetic sealing properties
- Puncture-resistant films
- High-performance materials

SHELF-APPEAL

- Awarded printing quality
- Effect lacquers: tactile, soft, paper touch
- X-CODE | Promotional codes printing
- Both-sided printing

CONVENIENCE

- Cold-seal application
- Easy-open / easy-tear films
- Laser-scoring
- Reclosable solutions

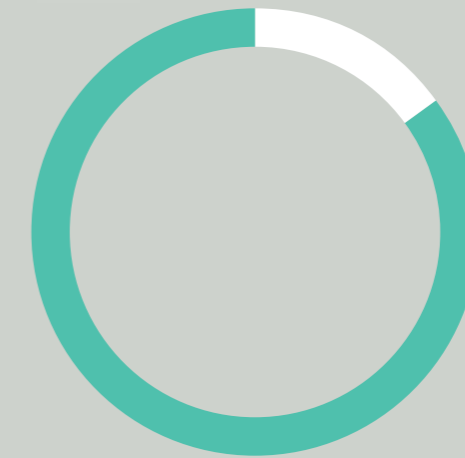
SUSTAINABILITY

- Packaging Optimization
- Alu-/ metal-free solutions
- X-CYCLE™ | Recyclable films
- X-LOOP™ | PCR / Bio-circular materials

MARKETS SERVED

FOOD
85%

- Coffee & Tea
- Crisps, Snacks & Nuts
- Dried Foods & Cereals
- Confectionery
- Biscuits & Baked Goods
- Cheese & Dairy
- Other foods



NON-FOOD
15%

- Cosmetics
- Pharmaceuticals
- Tobacco
- Other non-foods

WE ARE COMMITTED

to helping our customers achieve their sustainability goals. With a vision for a better future planet, we offer eco-friendly packaging solutions and the next generation of flexible packaging designed for circularity: X-CYCLE™ and X-LOOP™.



X-CYCLE™

X-CYCLE™ refers to the recyclable packaging range, developed with the target to convert conventional formulations into their recyclable equivalents, whilst preserving their original protective and functional properties. Packaging is extremely important to protect food and combat food waste and we can do that by using materials that are both lightweight and can be recycled in a circular way. Incorporating the industry guidelines for flexible packaging design for recycling, we develop monomaterial PP / PE and mixed PO solutions. The recyclability of specific basic versions of the X-CYCLE™ recyclable films was assessed and certified by Cyclos-HTP and Interseroh independent Institutes and by the UK-based organisation OPRL. By replacing traditional film structures with X-CYCLE™, we aim to help solve our partners' sustainability challenges.

FEATURES AND BENEFITS

Recycle-ready solutions for all recycling streams, where available

Mono-material, all-PE and all-PP solutions

High-protection properties

High-performance films at various packaging lines

Proven efficiency | Compatibility with common degassing valves - zippers - stickers

Excellent printability & shelf-appeal, compatibility with lacquers

Certified Recyclability Optional (Cyclos, Interseroh, OPRL)

X-LOOP™: CLOSING THE LOOP ON FLEXIBLE PACKAGING

This innovative packaging range incorporates circular/post-consumer recycled plastic films (PCR) and bio-circular plastics. It is ISCC-PLUS certified and food contact safe, in compliance with all regulations on plastic materials that come in contact with food. These films do not differentiate from virgin ones. Their mechanical, physical and chemical properties remain the same, as does their performance on the converting and packaging lines. The X-LOOP™ packaging solution results in Lower Carbon Footprint relative to virgin / fossil-based plastics, while the barrier properties, packaging functionality and aesthetics of the original films are maintained.

PRODUCT QUALITY & SAFETY

The core of our quality policy is centered on the improvement of our systems and operations, driven by a deep respect for our employees, customers, partners, and all the end users of our packaging products. We implement a Quality Management System that covers all aspects of our Company's operations. Key Quality Performance Drivers:

Full Compliance with Specifications

Experienced and Qualified Personnel

Focus on Continuous Improvement

Full Compliance with relevant EC Legal Requirements

Fully equipped Quality Labs

Implementation of certified Food Safety & Environmental Management Systems

Strict Hygiene and Work Safety Protocols

At A. Hatzopoulos S.A., ensuring product safety is among our top priorities. This commitment extends beyond just the product itself; it involves effective communication with both our direct customers and end-users throughout the entire value chain.

SAFETY

Our Company is a member of Flexible Packaging Europe Association (FPE). We are always up to date with the research of the European Food Safety Authority (EFSA) and implement food safety principles certified with BRCGS.

Our high-performance films ensure sealing integrity and maximum product protection

We strictly implement the EC and domestic legislation on Food Safety

We periodically perform controls of the migration of substances from packaging materials to food

We issue Declarations of Compliance for packaging in contact with food

Before release, all packaging materials produced are thoroughly checked against their corresponding specifications (TDS) at the fully equipped internal Company laboratories

The evaluation of our products' quality includes assessing effects on the health of end users. Each product is accompanied by the corresponding Declaration of Compliance (DoC) along with the relevant legislation for materials that come into contact with food. On demand, specialized analyses can be carried out, e.g. for baby foods.

More than 100 samples are analyzed annually for migration of substances from the packaging material into the food. Tests always include newly developed materials. All possible combinations of materials are covered in a 2-year depth.

FUNCTIONALITY & SUSTAINABILITY

Our innovative packaging solutions with add-on functionalities offer high efficiency during the packaging process while delivering convenience and an enhanced overall consumer experience.

WE CONTINUOUSLY IMPROVE PACKAGING DESIGN TO MAKE OUR PLASTIC PRODUCTS FRIENDLIER TO THE ENVIRONMENT AND EASIER TO RECYCLE

We design films with a focus on packaging optimization for circularity and recyclability, adopting a holistic approach to packaging sustainability

CIRCULAR BY DESIGN

- Packaging made from Recycled plastics (Post-Consumer Recycled)
- Packaging made from Bio-circular plastics (from Bio waste and residues)
- Adjustable rates of recycled / bio-circular content | Mass balance approach
- Both types are suitable for food contact
- Original barrier properties, packaging functionality and aesthetics are maintained
- Packaging of **Lower Carbon Footprint** compared to virgin plastics
- ISCC certification is required (all parties within the supply chain)

Packaging made from Recycled or Biobased plastics



SUSTAINABILITY BENEFITS

Flexible packaging is a fundamental component of the food chain, preserving food and enabling safe delivery to the consumers. Its properties enable it to be resource-efficient and produce less waste.

MINIMIZED FOOD WASTE

The advanced barrier technologies of our flexible packaging, combined with the high product quality we offer, guarantee freshness of the packed foods, extending their shelf-life, therefore reducing food waste.

TRANSPORTATION BENEFITS

Flexible packaging allows a large number of packages to be shipped on a truck (flat or on roll), reducing the number of trucks needed, both from packaging supplier to filler and from filler to retailer. The flexibles' additional ability to resist denting or breakage without spilling content makes them also a much safer option.

RESOURCE-EFFICIENCY

Material efficiency is determined by the product-to-package weight ratio. Flexible packaging has a notably higher ratio compared to other packaging formats, indicating more efficient use of resources, as less packaging is used to protect and transport the product.

LIFE-CYCLE ANALYSIS

The use of life-cycle assessment tools proves that flexible packaging results in preferable environmental attributes regarding carbon impact, fossil fuel usage, water usage, as well as material to landfill, when compared to other package formats. Thanks to the efficient use of resources enabled by flexible packaging, it uses less energy, generates less emissions and contributes less to landfill.

OUR COMMITMENTS

PROTECT

We offer secure and high-efficiency packaging solutions designed to guarantee sealing integrity and maximum protection.

- ✓ Lamination Expertise
 - ✓ High-barrier options
 - ✓ Optional transparency
 - ✓ Puncture resistance
 - ✓ Hermetic sealing properties
 - ✓ High-performance packaging films
-

RESPECT

We share with our customers our vision for a brighter future for our planet through our environmentally friendly packaging solutions.

- ✓ Packaging Rationalization
 - ✓ Packaging Optimization for resource efficiency
 - ✓ X-CYCLE™
 - ✓ X-LOOP™
 - ✓ PCR-Content films
 - ✓ Films with Bio-circular content
 - ✓ Bio-based packaging solutions
-

APPEAL

We incorporate various features and functionalities into packaging solutions in order to provide an enriched customer experience.

- ✓ Matt/ Tactile/ Paper/ Soft touch finishing
 - ✓ Easy-open and Reclosable packaging solutions
 - ✓ Cold-seal; optionally reclosable
 - ✓ Retortable applications
 - ✓ Personalized packaging solutions
-

At A. Hatzopoulos S.A. innovation is a key driver of growth and success. The Company invests 1% of its annual turnover in Research and Development of new products. The aim is to design and provide technologically advanced flexible packaging solutions, in accordance with the latest technological developments and market trends.

The R&D team consists of polymer engineers and packaging specialists with many years of experience. In cooperation with customers, suppliers, institutes and academic bodies, it undertakes projects concerning the optimization of packaging systems or the development of new specialized packaging solutions. This team is supported by a modern and fully equipped analytical laboratory.

Innovation Focus:

- ✓ Optimization / Rationalization of existing packaging
- ✓ Lightweight packaging design
- ✓ Novel technologies advancing sustainability
- ✓ Packaging functionality
- ✓ Barrier coatings technology
- ✓ Carbon footprint reduction

We design and make high-quality packaging solutions that align with our vision and strategic quality goals:

- ✓ Food Safety
- ✓ Packaging Functionality
- ✓ Packaging Sustainability
- ✓ Packaging Optimization
- ✓ Novel Marketing Applications
- ✓ Design for Recycling

Our efforts aim at creating sustainable, eco-friendly packaging solutions, while using fewer resources, leaving a smaller environmental footprint. We focus on manufacturing products from recycled materials at different rates and recyclable films, in line with CEFLEX and OPRL guidelines. As active members of Flexible Packaging Europe and its Sustainability Committee, we monitor all European regulations on plastic packaging and relevant packaging sustainability developments closely, reducing our environmental impact as we move forward.

Goals	2023 Value	2024 Goal
% Turnover from new products	21%	18%
Lead time for trial reel development	47	45

● Due to increased customer demand, in 2023, we started developing recyclable flexible packaging suitable to replace aluminium containing laminates

● We are considering exploring the feasibility of increasing our paper packaging capacity, as it is an emerging market trend and prioritizing it could lead to significant benefits

● Throughout 2023 we focused on creating products containing recycled plastic. This is to comply with EU's targets for 2030 and 2040. By that time flexible packaging should contain at least 10% and 25% recycled plastic respectively

MEMBERSHIPS AND ASSOCIATIONS

A. Hatzopoulos S.A. is a member of the following associations and initiatives:

BUSINESS INTEGRITY FORUM (BIF)

a global coalition of companies openly committed to combating corruption. BIF's efforts are coordinated by "Transparency International Greece".

FLEXIBLE PACKAGING EUROPE ASSOCIATION (FPE)

ensuring that we are continuously informed about the latest research from the European Food Safety Authority (EFSA) and implement food safety principles certified with BRCGS.

E.R.A.

European Rotogravure Association

SEDEX

actively striving to enhance our performance through ongoing improvement efforts. As part of this commitment, we participate in third-party SMETA audits, we share the results with our business partners, and we monitor the implementation of certain requirements along our value chain.

CEFLEX

is a European consortium driving the circular economy for flexible packaging through full value chain collaboration. This includes materials producers, converters, printers, brand owners, retailers, technology providers, and recycling companies. As a Company that is focused on improving packaging design and on innovating to make our plastic products more environmentally friendly and easier to recycle, we are looking forward to actively contributing to the CEFLEX goals, shaping the flexible packaging of the future.

ON-PACK RECYCLING LABEL SCHEME

Acknowledged as an international Best Practice by the UN Environment Programme, the scheme aims to provide a clear, uniform recycling message on retailer and brand packaging, to help consumers recycle more material correctly, and more frequently.

EXHIBITIONS & EVENTS 2023

A. Hatzopoulos S.A. is present at all major international industry events, actively engaging with its customers, stakeholders and broader markets. These serve as hubs for networking, collaboration and exchange of best practices, as well as a platform to showcase new products and recent innovations in line with packaging sustainability. In 2023, we participated in 3 Exhibitions and 2 events held in 4 European countries.

Exhibitions	Date	Country
Packaging Innovations	15-16 February 2023	United Kingdom
Interpack	4-10 May 2023	Germany
Prod & Pack	21-23 November 2023	France

Events	Date	Country
ROVEMA Customized Experience	21-23 March 2023	Germany
Sustainable Packaging Summit	14-15 November 2023	Netherlands



SOCIAL RESPONSIBILITY ACTIONS

At A. Hatzopoulos S.A., we acknowledge that it is our responsibility to give back to society. We plan, sponsor and participate in purposeful Corporate Social Responsibility (CSR) actions and we encourage our employees to engage in volunteering, individually or collectively. We support vulnerable groups of people, improve the welfare of local communities and promote employee volunteerism.

Standing by the local community of Thessaly

Following the devastating consequences of storm Daniel that hit Thessaly in early September 2023, A. Hatzopoulos S.A. stood by the flood-affected people of the wider region. In solidarity with the people in need, the Company donated 25,000 litres of bottled water to the Food Bank of Thessaly. In addition, our employees gathered 8 pallets of food and other essential supplies and had them delivered to people in need, via the local authorities.

IT equipment donation to the 4th Primary School of Evosmos

Knowledge is one of the core values of A. Hatzopoulos S.A. and youth education and development is an important social responsibility field. Responding to the request of the Parents Association of the 4th Elementary School of Evosmos, the Company donated four custom-made computers to fulfill the school's young students' needs. The computers were handed over to the school's Principal and the President of the Parents Association, to support their efforts to create a fully equipped IT classroom.

Running for a good cause

In 2023, A. Hatzopoulos S.A. continued to promote an athletic lifestyle, inspiring the employees to take part in two running events and support goals of social and environmental importance. The Company's employees and their families ran at the 11th Thessaloniki Night Half-Marathon supporting ELEPAP, an organization facilitating the medical treatment for children with disabilities and developmental difficulties. In addition, the Company's running team participated in the 3rd Kalochori Flamingo Run, raising awareness towards the local ecosystem and the need to preserve its biodiversity.

Voluntary blood donation and bone marrow sampling

Prioritizing its employees' health, during 2023 the Company, in collaboration with Ippokratio Hospital of Thessaloniki and AHEPA General Hospital, set up two Voluntary Blood Donation Days for its employees and their first-degree relatives. The first event took place in June at the Company's headquarters and 47 units of blood were added to the Company's blood bank. The second blood donation event was conducted in December at the Stadiou facilities and included bone marrow donating. 45 units of blood and 25 bone marrow samples were collected thanks to our employees.

WE ARE VERY PROUD OF OUR PEOPLE AND THEIR FAMILIES, FOR ACTIVELY CONTRIBUTING TO THE SAVING OF HUMAN LIVES. WE THANK THEM FOR EXHIBITING SUCH A CARING SPIRIT

SOME OF THE ORGANISATIONS WE SUPPORTED IN 2023

Museum of the Macedonian Struggle

Thessaloniki food bank

“Faros tou Kosmou” (Lighthouse of the World)

Hellenic Rescue Team

Constantinople Zografeion Lyceum

RESEARCH PROJECTS

In 2023, the “COST European Cooperation for Science and Technology” program continued (FUR-4Sustain). We participated as an Industrial Member. This program aims to master the scattered pan-European individual efforts to design innovative routes to FDCA-based chemicals and polymeric materials.

IN 2023, TWO RESEARCH PROGRAMS WERE COMPLETED, FUNDED BY ESPA-NSRF 2014-2020:

EF ZIN (EY ZHN)

The EF ZIN program is coordinated by A. Hatzopoulos S.A., in collaboration with KOLIOS SA. HELLENIC DAIRY INDUSTRY and the University of Crete. The aim of the project was to develop an “active”, flexible food packaging with antimicrobial action against pathogenic and spoilage microorganisms and its application in the cheese industry, extending the shelf life of domestic perishable products and increasing their export to more distant countries.

StActBioFP

The StActBioFP program, aimed at developing biodegradable films based on starch which will be reinforced with nanoclay, in order to acquire the desired protective properties for food. The project was coordinated by A. Hatzopoulos S.A. in collaboration with the Department of Food Science and Technology of the International University of Greece and the Company Agrino-EF.GE Pistiolas ABEE.



PRODUCT

QUALITY & SAFETY

CUSTOMER SATISFACTION

Our customers are at the forefront of our operations. We believe that our customers' experience with us is paramount and their feedback is invaluable. In line with our commitment to continuously improve, we systematically collect and analyze data to evaluate our performance.

BY MEASURING A RANGE OF KEY CUSTOMER SATISFACTION INDICATORS, WE CAN IDENTIFY AREAS FOR IMPROVEMENT AND DETERMINE ACTIONS AND GOALS TO IMPROVE OUR PERFORMANCE



An online customer satisfaction survey, meticulously designed to capture detailed feedback across various aspects of our service and operations, is carried out annually, and is sent to our top 100 customers of the previous year, i.e. corresponding to 90% of the Company's annual turnover.



Participants are asked to rate their interaction with A. Hatzopoulos S.A. across 22 factors. A question is dedicated to sustainability, while an open question welcomes any feedback or comments.



The Marketing & Communications Manager collects all the data and prepares an annual report with the findings. The report is presented to the Top Management Team which evaluates the findings, plans actions to address any issues and sets goals.



For the first time, in this year's survey we included a new factor:

- o Corporate Sustainability & ESG • **93%** satisfaction rate

In 2023, 53 responses were collected, representing clients that are responsible for more than half the previous Year's revenue. The participation rate is satisfactory and it is higher than the set target (>50%) and increased compared to the 2022 survey. The average rating for 2022 is 92%, improved compared to last year's rating of 90%, and is the highest in the past five years. Considering each customer's contribution to the total revenue, the weighted average is 92%, significantly improved and is the highest rate achieved in the past five years.

Survey results (rating previous year performance)

	2022	2021
Average Score	92%	90%

OUR PERFORMANCE INCREASED ACROSS ALL EVALUATION CRITERIA

The Company managed to achieve unprecedented levels of customer satisfaction. This can be directly attributed to the improvement in daily collaboration between customers and the departments of Sales and Customer Service. This was greatly facilitated by the completion of recent investments - increased capacity - timely raw material supply - improved service level and technical support.

CUSTOMER CARE

HATZOPOULOS APP & PARTNER PORTAL

Through the Hatzopoulos App and Partner Portal we provide 24/7 service to our customers without limits! Using their log-in credentials, our partners can get real-time information on their Order Tracking & Stocks and instantly download all their Product-and Order-related documents. All App users can also enjoy the built-in Reel Calculator!



- Order tracking
- Documentation
- Reel calculator
- Barcode scanner
- Packaging vocabulary

In 2023 there were no incidents of non-compliance with regulations and/or voluntary codes concerning:

- a) product and service information and labelling
- b) marketing communications, including advertising, promotion, and sponsorship

COMPLAINT MANAGEMENT SYSTEM

Nonconformity issues, identified by customers, may appear during the receipt, the processing, or the final use of our products. In any case, customers can inform the Commercial Department in writing, describing any issue.

A sample of the non-compliant material and the corresponding traceability label can also be sent for inspection to determine how the product was produced and what materials were used. Assessments are forwarded to the Research & Development or the Quality Assurance Department. A report card is prepared and each incident is investigated. The customer is informed by the customer complaint manager about the results of the investigation.

PRODUCT SAFETY

At A. Hatzopoulos S.A. we design and produce flexible packaging materials that meet the highest food and consumer safety standards. We strictly implement international and domestic legislation on food safety in order to meet our customers' needs across the entire life cycle of the products

THE HIGH-QUALITY,
HIGH-PERFORMANCE FILMS WE PRODUCE
ENSURE MAXIMUM PROTECTION
ACROSS THE ENTIRE VALUE CHAIN,
UNTIL THEY REACH THE END USER

To guarantee the safety of our customers and end users, we regularly check for potential safety hazards, such as harmful chemical migration from packaging to food, as well as contamination of the packaging. All our products are assessed for improvements relating to potential health and safety impacts.

The controls are performed in two stages. The first stage is carried out every 3 months. 30 random samples are chosen and are sent for migration tests to identify whether any chemical substances may have been transferred from packaging to food. As a result, more than 100 samples are analyzed annually for migration of substances. Tests always include newly developed materials. All possible combinations of materials are covered in a 2-year depth. The second control stage is a microbiological analysis and is carried out on an annual basis on approximately 10 samples.

The Company's responsibility is limited to health issues of the final consumer that are directly related to the packaging material itself and its correct use during packaging.

Each product is accompanied by the corresponding Declaration of Compliance (DoC) along with the relevant legislation for materials that come into contact with food. On demand, specialized analyses can be carried out for baby foods.

In 2023, there were no incidents of non-compliance regarding the health and safety impacts of our products that resulted in a fine or a warning.

PRIVACY POLICY

We consider the implementation of robust data security practices a critical issue for businesses and a definite way to maintain customer and supplier trust in the Company's reputation.



Data is only collected when intended to be used for lawful processing purposes and maintained for only as long as necessary. They are in no way utilized in manners incompatible with those purposes.

Our privacy policy, in compliance with the European Union's General Data Protection Regulation 679/2016 (GDPR) requirements, ensures proper handling of personal information.

In 2023, there were no substantiated complaints regarding breaches of customer privacy or losses of customer data from our Company, outside parties or regulatory bodies. No leaks, thefts or losses of customer data were identified.

The legal, transparent and documented purposes why we process personal data are:

- 1 Use of ERP (Enterprise Resource Planning) systems, where contracts, orders, sales, purchases/commissions, or payments are recorded for accounting purposes, tax compliance measures and any other obligations
- 2 Procedures required by law (European and national), due to the nature of the Company's activities and the strict safety measures to be followed
- 3 Recording of requests, problems, or complaints of stakeholders
- 4 Internal reports concerning the monitoring of customers and contracts
- 5 Keeping a record of contact persons to expedite the procedures within the framework of executing contracts
- 6 Procedures associated with the Company's product promotion and services, public relations and communication

AWARDS AND CERTIFICATIONS

AWARDS

European Rotogravure Association - International Gravure Awards 2023

Our sustainability-focused X-LOOP™ packaging solutions received the gold award in the “Product Innovation” category.

Manufacturing Excellence Awards 2023

We won first place in three different categories. In “Plastic Products”, for the overall excellence throughout our operations, in “International Development” showcasing the strategic expansion of our operations and in “Innovative Products” category, for our commitment to innovation towards packaging sustainability.

FlexoTech Awards 2023

Awarded in the “Process Colours Only” category for a coffee packaging sample printed by our new Full-HD flexo press MIRAFLEX II. This award acknowledges our engagement in offering packaging solutions of exceptional print quality.

Packaging Innovation Awards 2023

Three awards in the categories “Innovation in Plastic”, “Circular Economy” and “Consumer Convenience”. This accomplishment showcases our technical expertise and our approach to redesigning our packaging in a circular way.

“True Leader” Award 2023 by ICAP CRFI awards

This award came as a result of our focused strategy and planning and showcases the Company's continuous and healthy growth, leading it to stand out in the Greek market.

CERTIFICATIONS / EVALUATIONS

Great Place to Work® 2023

This certification highlights our excellent culture and positive work environment. 93% of our employees said that they receive special and unique benefits.

FSC STD 40 004 Certification

This certification guarantees that our packaging products are sourced from responsibly managed forests. This allows us to address the growing consumer demand for environmentally friendly packaging.

EcoVadis

The rating of 67% we got in 2022 placed us among the top 5% of all companies assessed within our industry sector. Our goal is to get reassessed in 2024 and increase our score.

SEDEX

SMETA certified and audited. An audit methodology that encompasses all aspects of responsible business practice.

BRCGS

Providing safe packaging to the appropriate hygiene standard for food products.

ISCC Plus Certification

This certification highlights the responsible and sustainable handling of biomass, waste and residues by our Company.

ISO 45001:2018

This certification demonstrates our commitment to uphold the highest standards in the management of occupational health and safety.

ISO 14001:2015

By adopting the ISO 14001 standard, we strive to improve our environmental impact through a more efficient use of resources and the reduction of waste and emissions.

ISO 9001:2015

The implementation of this standard ensures that we have robust quality control processes in place across all operations, leading to increased customer trust and satisfaction.

SUSTAINABLE
SUPPLY CHAIN

OUR SUCCESS IS BUILT UPON TRUST AND STRONG BONDS BOTH WITH OUR SUPPLIERS AND OUR CLIENTS, ENSURING AN UNINTERRUPTED UPSTREAM AND DOWNSTREAM FLOW OF PRODUCTS AND SERVICES

Incoming raw materials comprise flexible polymer (plastic) materials, which are used to produce packaging film. Besides raw materials, our supply chain includes secondary/auxiliary materials and the transportation of goods upstream and downstream. Incoming materials also include packaging, which mainly comprises plastic, paper, and wood (pallets).

With regards to supplied materials, there have not been any significant changes in the organization's sectors, value chain, and other business relationships, compared to 2022.

Collaboration with our suppliers allows us to:



Distribute products that prioritize customer safety and environmental sustainability



Reduce the environmental impact of our products



Take actions that enable the reuse/recycling of materials, at the end of their lifecycle

SUPPLIER EVALUATION

We follow a well-designed, step-by-step, robust procedure to ensure that our raw material suppliers meet our quality and sustainability requirements and expectations. The process is applicable to all suppliers; regardless. Individual departments and the relevant supervisors within them are in charge of evaluating suppliers of secondary, auxiliary, supplementary materials, or any other external business partners, who provide products and/or services.

At the beginning of each year, department supervisors evaluate all of the suppliers/external partners with whom they have collaborated, by filling out a purpose-designed electronic form. If any collaboration issues are identified, the highest governance body is informed, and an audit is planned. Subsequently, a re-evaluation takes place and the Company decides whether to keep or remove that particular supplier from its list of approved suppliers.

Suppliers and transportation service providers are evaluated based on the following criteria:



Response time



Pricing policy



Quality Index



Environmental & Social responsibility (including human rights, child and forced labor and other social issues)



Food safety



Quality and length of collaboration



Innovation

WE

want to work with suppliers who have the same high standards as we do, aiming for mutual benefit towards society and the environment. Therefore, we select our suppliers while evaluating their environmental and social performance.

show preference towards suppliers that strive for environmental protection and demonstrate their commitment to sustainable development.

motivate them to adopt responsible business policies, pushing the global sustainability agenda forward.

prioritize the selection of local suppliers, aiming to support the local economy, while simultaneously reducing the transportation-related carbon footprint, as the distances travelled by local suppliers are much shorter.



THE PERCENTAGE OF THE PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS -THOSE LOCATED IN GREECE- WAS SIGNIFICANT; NAMELY **29,10%**, EXCEEDING **20 MILLION EUROS**

This ongoing commitment to local suppliers has allowed us to channel a substantial percentage of our procurement budget into supporting local enterprises, reinforcing our dedication to both sustainability and the local economy.

According to the environmental performance, annual evaluation forms are sent to the top-tier raw and auxiliary material suppliers, including:

- An evaluation depending on their certifications
- A requirement for the revised REACH compliance certificate
- Questions of environmental nature, such as the recyclability of their products, CO₂ footprint, and other environmental indicators
- A requirement for updated Safety Data Sheets

SUPPLIER SCREENING

All our suppliers are evaluated using environmental and social criteria. During 2023, 100% of our new suppliers were screened for environmental and social impacts and none of them were identified as having significant actual or potential negative impact. The percentages of suppliers with whom improvements were agreed, or relationships were terminated -as a result of the assessment- were both zero, for 2023.

- ✓ No Substances of Very High Concern exist in the raw materials that we use
- ✓ The approval for the procurement of raw materials is only granted provided suppliers can prove compliance to European Directive 94/62

All suppliers are screened annually and are requested to meet specific Corporate Responsibility criteria. Furthermore, every potential new business partner is required to read and confirm our CSR Policy and Code of Conduct. Both documents address matters related to ethical business conduct, sustainability, and human rights; such as the freedom of association and collective bargaining, the prohibition of forced and child labor, as well as human trafficking. In 2023, the vast majority of our suppliers that represent the 92% of our procurement budget, agreed to and signed our Code of Conduct (CoC) and Corporate Social Responsibility (CSR) Policy. We anticipate achieving full compliance across our entire supplier portfolio by the end of 2025.

In addition to these documents, main suppliers are required to sign a Quality Assurance Agreement. We pursue to co-sign a Quality Assurance with top-tier raw materials suppliers, where their full compliance with environmental and food safety legislation, including Regulation (EC) 1907/2006 - REACH, is stipulated. Following is an extract from the Agreement:

“Employment is freely chosen, and no discrimination is practiced. Child labor shall not be accepted. Working conditions are safe and hygienic. No harsh or inhumane treatment is allowed. Suppliers have to agree with our code of conduct.”

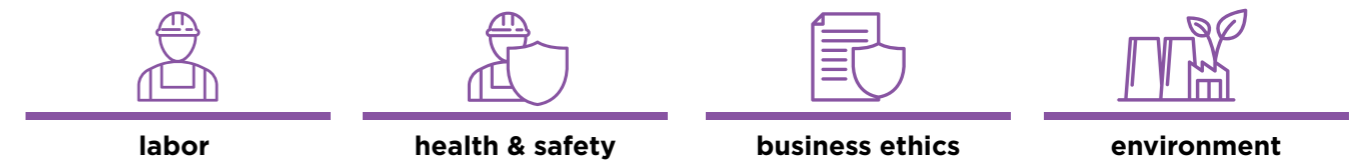
A.Hatzopoulos S.A. aims to contribute to the elimination of all forms of inequalities, forced or compulsory labor, and the effective abolition of child labor and support the society. In 2023, none of our suppliers and no operations were found to be at significant risk for incidents of forced labor, child labor, or human trafficking. No operations or suppliers were identified where workers’ rights to exercise freedom of association or collective bargaining may be violated or at significant risk.



A. HATZOPOULOS S.A. AS A RESPONSIBLE SUPPLIER

Consultation with stakeholders plays a critical role in assessing our progress. Through continuous communication, their views and expectations are taken into account, ensuring that our actions are effective and meet the needs of society and the environment.

A. Hatzopoulos S.A. is a proud AB (Buyer and Supplier) member of SEDEX (Supplier Ethical Data Exchange); a social and ethical platform that aims to increase transparency in the supply chain. It covers the following four areas:



SEDEX enables us keeping track of how our suppliers are performing, identify risks and see for improvement.

BENEFITS OF SEDEX AB MEMBERSHIP:

- Access to Data:** Manage and analyze ethical supply chain data from both suppliers and buyers
- Visibility:** Increased visibility and transparency in supply chain practices
- Risk Management:** Identify and mitigate risks related to labor rights and business ethics
- Compliance:** Ensuring compliance with ethical standards and regulations
- Collaboration:** Facilitates communication and collaboration between buyers and suppliers

We participate in third-party SMETA audits, openly share the results with our customers, and aim to monitor and improve our performance

The Company has adopted a series of actions aimed at reducing the environmental and social impacts of its supply chain. These include the integration of green procurement practices and the training of suppliers on sustainable development issues.

In addition, we have been using ECOVADIS since 2017; this allows us to evaluate our Company’s performance in four key categories: environmental impact; labor and human rights; ethics; and procurement practices. Our 2022 score was 67% and our goal is to keep improving this rating. We will reassess our performance in 2024. We periodically publish a newsletter, which is communicated to all clients and stakeholders. Our Corporate Social Responsibility Policy, which includes measures and goals for environmental protection, is sent to each candidate supplier before we start working with them.



UPSTREAM AND DOWNSTREAM GHG EMISSIONS

From 2022 onwards, we strategically decided to start measuring the greenhouse gas (GHG) emissions that our supply chain creates. Transportation of raw materials, products and goods is responsible for significant emissions. Even though these emissions are not created directly by A.Hatzopoulos S.A., the Company measures them to set targets and reduce them. Upstream and downstream transportation and distribution emissions are only one part of our wider indirect GHG emissions (Scope 3), which we track and act to minimize. You can find more information in the relevant chapter (Emissions) of this report.



PROGRESS MADE AND FUTURE GOALS

- 01 Our procurement department has made significant progress by designing and implementing appropriate actions, such as reducing CO₂ emissions by optimizing transportation routes and maintaining the share of local suppliers at high levels.
- 02 We and our suppliers are continuously being trained on modern sustainable practices that we incorporate into our operations.
- 03 We invested in upgrading our material storage facilities, aiming for a significant reduction in energy costs and losses.
- 04 We are considering and exploring the feasibility of creating an online portal for suppliers (except raw and secondary materials), where all the incoming materials will be categorized and the suppliers will be assessed by completing ESG questionnaires.

All the above strategic actions are aligned with our commitment to Sustainable Development



FINANCIAL

**DEVELOPMENT
& MARKET PRESENCE**

FINANCIAL PERFORMANCE

In 2023, the revenue of A. Hatzopoulos S.A. exceeded 117 million euros. The Company exports to more than 33 countries, and exports account for 78 % of the total sales.

The Company aims to further strengthen its export orientation by increasing the percentage of exports to 85%, within the next three years. Targeted investments will further boost its market share by increasing production capacity, while improving the quality, flexibility, and competitiveness of its products.

Revenue increased by 1,9%, compared to 2022, and production (tonnage) by 5% respectively. This happened during a difficult year for the flexible packaging sector across Europe, which averaged a 5% decrease in produced quantities.

Earnings Before Taxes and Interest amounted to €7.510.003, increased by 13,9% compared to 2022. Earnings Before Taxes, Interest, and Depreciation (EBITDA) amounted to €16.517.841, increased by 11,2% compared to 2022.

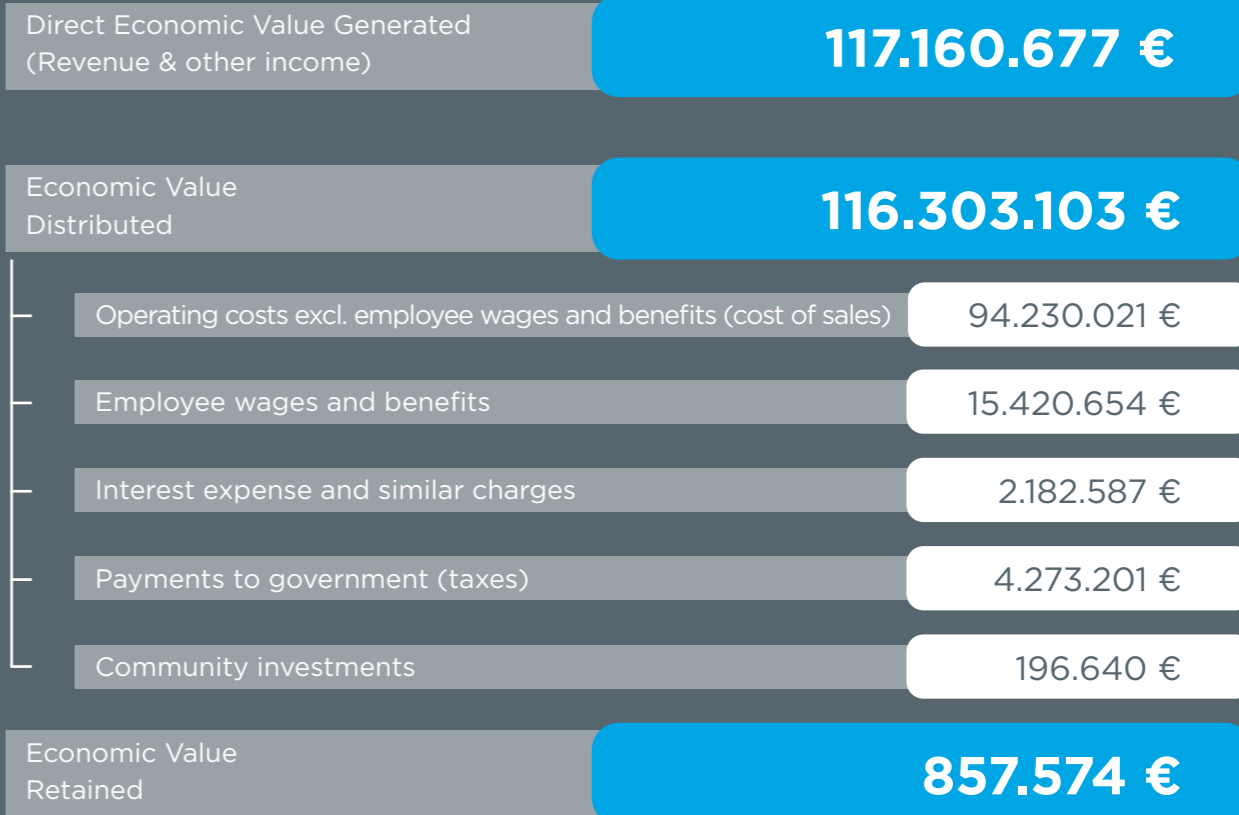
We calculate revenues as net sales plus revenues from financial investments and sales of assets. Net sales are calculated as gross sales minus returns, discounts, and allowances.

In 2023 A. Hatzopoulos S.A. did not receive any financial assistance, or benefits from any government for any operation. This includes subsidies, incentives, tax relief, tax credits, grants, awards, or any other form of financial support. In addition, there is no government presence in our shareholding structure.

To highlight our Company's financial impact, from a stakeholders' perspective, we use the Economic Value Generated and Distributed (EVG&D) indicators. Our operations generate value that benefits many stakeholder groups.

ECONOMIC VALUE

ADDED

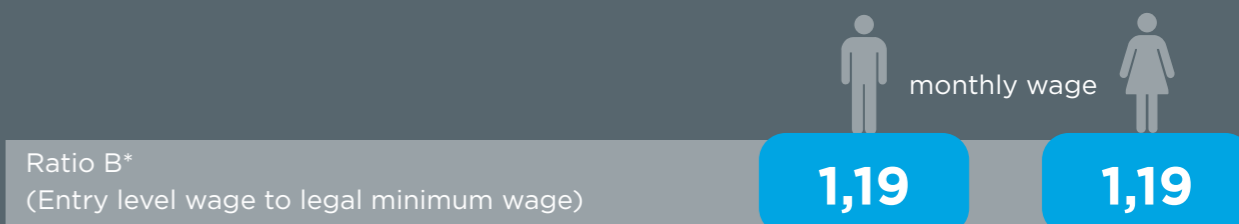


Calculated as "Economic value generated" minus "Economic value distributed"

We take into account the minimum wage rules and salaries are determined based on market trends, competition, and individual performance or needs.

✓ All employees are compensated based on our compensation and benefits policy. This helps us attract and retain skilled and high-performing employees.

✓ All our employees are compensated above the legal minimum wage. Providing fair wages contributes to building strong community relations and increased employee loyalty.



2023 FINANCIAL DATA

as of 31/12/2023

Turnover (net)	115.132.910,21
Inventory changes (goods, products, semi-finished products)	-2.463.532,91
Other operating income	341.191,07
Self-produced fixed assets	3.849.683,18
Purchases of goods and materials	-71.792.438,08
Wages and benefits to employees	-15.420.653,89
Depreciation	-8.480.145,03
Other expenses and losses	-15.343.588,18
Gains & losses on disposal of non-current assets	1.547.018,06
Other income and gains	139.558,14
Earnings/(loss) before interest and tax (EBIT)	7.510.002,57

LOCALITY OF SENIOR MANAGEMENT

Including members from the local community in senior management can benefit the local community and improve the Company's image, credibility, and ability to respond to local needs.

PERCENTAGE
OF SENIOR
MANAGEMENT
HIRED FROM
LOCAL THE
COMMUNITY 98%

Senior management refers to the senior executives and managers of the Company's departments, who are responsible for making strategic decisions. Individuals who are native or have a residence permit in northern Greece, where our Company operates, are all considered people hired from the local community.

A. Hatzopoulos S.A. employees' pension fund

At A. Hatzopoulos S.A., we meet the financial responsibilities outlined in our benefit plan without requiring external sources of funding. Our benefit plan's liabilities are met by the Company's general resources.

All our employees participate in retirement plans, in accordance with the Greek law. In addition to that, we offer a separate fund for pension liabilities that allows our employees to better manage their finances and meet any retirement obligations.

Pension liabilities are 100% covered by assets that have been set aside to meet them. To pay the benefit plan's pension liabilities there is a dedicated pool of assets specifically earmarked for that, via a separate fund. The fund is fully covered by A.Hatzopoulos S.A. If the Company achieves its annual financial target, an additional voluntary contribution is made by the Company to the retirement fund of its employees. This policy is part of the company's bonus system and allows participating employees to benefit from the company's success. Employees may also choose to make additional monthly contributions to their pension funds.

SIGNIFICANT INVESTMENTS 2023

In 2023, A. Hatzopoulos S.A. invested in upgrading its flexo-printing capabilities with the installation of the MIRAFLEX II, a state-of-the-art Full-HD, fully automated printing press.

The MIRAFLEX II reaches high production speeds and features advanced technology with fully automated modules for barcode control, impression and registration as well as in-line video inspection. This ensures 100% control on printing quality and optimized efficiency. Its in-line gravure printing station enables MIRAFLEX II to apply any type of varnish on the surface of various substrates. This strategic investment in cutting-edge technology reflects the Company's commitment to continuous improvement. It is expected to significantly boost printing capacity while maintaining exceptional quality for flexible packaging solutions.

As part of this investment, the Company also expanded its plate mounting equipment, with the integration of an additional new generation, fully automatic mounting machine.

The investment in a NEW WAREHOUSE

with 10,000 pallets which started in 2023 and will be completed in 2024, will result in reducing the carbon footprint, since the need for internal transports is significantly reduced.

In 2023, the replacement of the existing SOLVENT COMBUSTION SYSTEM

to achieve better efficiency and reduced emissions was planned and approved. Lower emission levels will protect both employees' health and the natural environment. The replacement is expected to begin within 2024.

Another investment made in 2023 is the installation of TWO ROTOGRAVURE TROLLEY WASHERS

and an additional special parts washer. Their operation will lead to a reduction in the solvents used when washing trolleys and parts, thereby reducing the associated emissions. The project will begin in 2024.

Since 2022, the gradual installation of PHOTOVOLTAIC PANELS (PV)

on the roofs of the two plants has been taking place, with a total capacity of 1600 KW. These panels covered 9,64% of the Company's total requirement of electricity for the reporting year. In 2023, the expansion of PVS by 834 KW continued, resulting in a total installed capacity of 2434 KW and the total energy produced covering 14-15% of consumption. Works and connection to the network of the Hellenic Electricity Distribution Network Operator (HEDNO) are expected to be completed in 2024.

With the aim of Sustainable Development and recycling and the fulfillment of the requirements of the upcoming legislation on packaging and packaging waste (PPWR), A. HATZOPOULOS S.A. invested in a NEW PACKAGING MACHINE

This vertical packaging machine will be capable of producing 2 types of packaging and will give our Research & Development team to test new solutions for the majority of the Company's customers. It will be installed in 2024.

INDICATIVE SMALLER INVESTMENTS MADE IN 2023 INCLUDE:

- A flexographic printing plate cutting system
- Printing plate editing machines
- An air compressor
- A roller lathe
- 2 pallet trucks
- A laminating machine monitoring system
- Machine monitoring screens

2023 Significant investments in technological equipment		Value (before VAT)
1	Flexographic plate cutting	107.023,00
2	Engraving & XPS	710.650,00
3	Parts washing machine	294.000,00
4	Cylinder rectifying machine	199.000,00
5	On-site nitrogen generator	294.000,00
6	Lathe machine	96.000,00
7	Cooling unit	50.000,00
		1.750.673,00.

INVESTMENT 2024-2025 TARGETS

ENVIRONMENTAL FOOTPRINT SYSTEM

Q1 2025 | NEW INNOVATION & EXCELLENCE CENTER IN KALOCHORI.



CLIMATE CHANGE **IMPACT**

Risks and opportunities posed by climate change may result in significant changes in our operations, revenue, or expenditure. At A. Hatzopoulos S.A. we recognize the impact climate change can have on our business. We do not yet have a system in place to assess and calculate the financial implications and other risks or opportunities of climate change and this is something that we consider planning in the near future. We actively aim and act to contribute towards fighting climate change and mitigating its impact. Relevant initiatives we took include fuel switching (shifting our vehicles from petrol or diesel to electric), the use of renewable energy (installing solar panels) and calculating our indirect GHG emissions (Scope 3).

OUR GOVERNANCE
MODEL

Our governance model's success is reflected in

Perpetually expanding Company's credibility

Continuous market share growth in Central and Northern Europe

Ever-increasing trajectory in the sector

Ongoing expansion of machinery and facilities

Continuous expertise development

Inclusion of the Company in prestigious international industry associations

Multiple domestic and international awards

Approval by the auditors of almost all multinational food companies

Steadily increasing turnover

Enhanced attractiveness of the Company as an employer, attracting new talent

GOVERNANCE STRUCTURE

The General Assembly of Shareholders is the highest governance body of the Company and has authority to decide on all aspects concerning the Company. The Company is governed by the Board of Directors and, in a secondary capacity, by the Management Team. Both bodies are involved in decision-making and overseeing the management of impacts on the environment, the economy, and society.

The Board of Directors consists of at least three (3) to nine (9) members. The Board Directors may be shareholders or not and are elected every 5 years by the General Assembly, via the voting method of absolute majority. The General Assembly has the right to decide how many members the Board of Directors will consist of, and to elect or revoke them, at any given time, if deemed necessary. The Board of Directors elects the President and Vice-President, while it is also possible that the same individual holds both positions. During the reporting period the Board of Directors consisted of four (4) Company executives and three (3) shareholder members. It involves no independent and/or non-executive members.

All shareholders can become members of the General Assembly and its committees. The Assembly elects its President and secretary by a simple majority vote. The President oversees the composition of the General Assembly and the accuracy of the practices, directs the process, determines the critical issues, and announces results. Shareholders' opinions are taken into consideration when selecting the highest governance body members. The selection is based solely on their performance and potential to add value to the organization. Anyone regardless of age, race, gender, etc. has equal chances to be nominated. We foster such conditions that allow members of the highest governance body to exercise their judgement freely, without any external influences or conflicts of interest.

BOARD OF DIRECTORS

Eleftherios Hatzopoulos
Male - President & CEO

Athanasios Hatzopoulos
Male - Vice President and Managing Director

Elli Hatzopoulou
Female - Board Member

Argyris Tsaknis
Male - Board Member

Christodoulos Naziris
Male - Board Member

Christodoulos Papathanasiou
Male - Board Member

Lefki Prountzou
Female - Board Member

* In July 2023, a process of Board renewal took place following a proposal by the President, Mr. Eleftherios Hatzopoulos. Three new executives replaced three other senior executives of the Company in an effort to make the Body even more creative. The BoD welcomed the new General Director, Mr. Christodoulos Naziris, the Financial-Administrative Director, Mr. Argyris Tsaknis, and the Marketing-Communications Director, Mrs. Lefki Prountzou. The above members replaced the outgoing members who served our Company; namely Mr. Christos Fiskas; Mr. Ovidiu Serb and Mr. Vasilios Kouskouras.

Executive and non-executive members:

There are no non-executive members in the Board of Directors

Independence:

There are no conflicts of interest affecting the judgement of the Board of Directors

Tenure of members on the governance body

5 Years

Gender

Two females / five males

Under-represented social groups

None

Competencies relevant to the impacts of the organization

All Board Members have a deep knowledge and understanding of the industry's direct, indirect and potential impacts

Stakeholder representation

None



The Chair of the highest governance body is also a senior executive of the Company, holding the position of the CEO of A. Hatzopoulos S.A. The Chairman of the Board of Directors presides over the General Assembly. They oversee all important decisions, changes, and plans. The Chair directs discussions, puts the issues to a vote, and announces the results.



Conflicts of interest are prevented and mitigated by ensuring that the Chairman is elected by a simple majority vote. The presence of four directors on the Board of Directors ensures that, beyond the shareholders, there is an appropriate employees' majority and representation. This ensures that all decisions are made based on dialogue and the Company's interests.



The highest governance body and senior executives are always informed and kept abreast of developments regarding sustainability. They actively participate in developing, approving, and updating the organization's vision, goals, strategies and policies related to sustainable development.



The highest governing body is evaluated annually, to ensure that it becomes progressively more effective. The remuneration of the Company's senior executives is directly linked to the evaluation process. Their assessment includes their performance in managing economic, environmental and social impacts. In addition, they oversee the management of the organization's impacts on the economy, environment and society assisted by two Committees, the Health and Safety Committee and the ESG Committee. The first one focuses on employee Health and Safety matters, while the second one is responsible for decision-making and overseeing the management of the organization's impacts on the environment and society. The executives responsible for managing the Company's impacts on the economy, the environment, and people are coordinated by the General Manager, who is also a Board Member. Any issues are reported to the highest governance body on a monthly basis.

BUSINESS ETHICS

Responsible management, including integrity, dependability, environmental conscience, compassion, and respect for our employees and business partners, is at the heart of our everyday operations and critical to our long-term success.

We focus on:



Meritocracy



Equality



Inclusion



Harmony

All employees of A. Hatzopoulos S.A. are responsible for acting with respect and dignity towards others and the Company. The Company ensures that its principles, as described in the Code of Conduct, apply to all stakeholders. Our Code of Conduct clearly states the Company's commitment against corruption and the full compliance with all national and international anti-corruption laws, such as the United Nations Convention against Corruption (UNCAC). Corruption also includes not only the trust for personal gain without any legally justified claim, but also the pursuit of personal gain at the expense of the common interest, along with bribery and accepting or making allowances.

The Company's anti-corruption commitment is also demonstrated through its membership in Transparency International Greece and participation in its Business Integrity Forum for a four-year term (2019-2023). This partnership gives access to valuable resources, including research, tools, and publications such as the Due Diligence Checklist.

In 2023 100% of our operations were assessed for risks related to corruption and no significant risks were identified. The organization's anticorruption policies and procedures have been communicated to 15 governance body members (100%), 24 employees (5,4%) and 81 business partners (top-tier only). In 2023 there were zero confirmed incidents of corruption and as a result no employees were dismissed or disciplined, and no contracts with business partners were terminated or not renewed. No public legal cases regarding corruption were brought against the organization or its employees during the reporting period.

The Company is committed to complying with all relevant laws and regulations governing its industry and business activities. In 2023 there were no instances of non-compliance with laws and regulations and no relevant fines were paid.

The mitigation of conflicts of interest is a primary concern. The Company operates preventively to ensure such situations are avoided. The Code of Conduct details the guidelines on how everyone should behave to ensure that conflicts of interest are prevented or mitigated. Conflicts of interest are disclosed to stakeholders when deemed necessary. In 2023, there were no reported incidents of conflicts of interest.

With regards to competition, we recognize that fair competition between businesses promotes economic efficiency and sustainable growth. Thus, we refrain from engaging in any sort of anti-competitive behaviour. In 2023, the number of legal actions pending or completed regarding anti-competitive behaviour and anti-trust and monopoly legislation violations in which A. Hatzopoulos S.A. was involved was zero. Subsequently, there were no reported outcomes of such legal actions.

OUR CSR POLICY

Our CSR Policy, a comprehensive document sets the standards, among others, for the Company's commitments, Corporate Governance and Business Conduct, and Human Rights approach. The General Management monitors and approves developments in the Company's policy commitments and responsible business conduct. The policy commitments are formally discussed and approved by the Board of Directors and apply to all the Company's activities and business relationships equally.

The Company's management and Human Resources Department ensure that employees and business partners are informed about the policy commitments. Both the Code of Conduct and the CSR policy are publicly available via our website. The Code of Conduct is also available for all our stakeholders, upon request, and the CSR policy is included in the employee Handbook, which is given to all employees and is always freely available. Additionally, this information is communicated through announcements in the gathering areas for employees and via corporate emails. Everyone is encouraged to seek advice on how to best implement the organization's policies and practices for responsible business conduct.

This policy governs and traverses the entire chain of Company activities and is reviewed on a regular basis in order to ensure that it is up-to-date.

The policy of the Company is disclosed both to staff as well as to its associates and interested social groups, in order to encourage them to endorse the greater social values we advocate.

AN EXTRACT FROM OUR CSR POLICY A. Hatzopoulos S.A. is committed to:

Continuously improve its Corporate Social Responsibility strategy.

Contribute towards the economic development and, at the same time, the improvement of both the quality of life of its employees, as well as of the local community and society as a whole.

Recognize that a proper CSR spans across all the sectors for sustainable development and the ways by which we affect people, via our business functions.

Encourage dialogue with local society, take account of its needs and assume initiative to support it, aimed at our mutual interest.

Operate in a manner that safeguards us from immoral business practices.

We believe that a responsible approach for the development of the relations between businesses and the societies they serve, be they local or global, constitutes an important factor for promoting business success.

We determine and designate the necessary environmental, social and economic measures in the context of each and every corporate collaboration. The agreed-upon terms and the foundations of our relations are precisely established in our contracts.

All groups and individuals with whom we develop business relations are treated fairly and with due respect.

Take measures for the appropriate and proper management of data and information relating to issues of transparency or/and the conflict of interests.

Competition is under just and fair terms, resting on the quality, value and innovation of the offered products and services.

We encourage our associates to provide us with feedback with respect to our performance and we analyze all responses, so as to take corrective and preventive actions, when deemed necessary.

We undertake the regular review of our policies and business activities, aimed at rational decision-making and the establishment of long-term collaboration relations resting on trust with businesses at each stage of the value chain.

We determine, monitor and review the rates and indexes relating to our aims and objectives with respect to:

- the quality of products & services,
- food safety,
- hygiene & safety at the workplace,
- environmental protection,
- the safety of information and personal data,
- Corporate Social Responsibility

Our Code of Conduct and our CSR Policy are publicly available:



COMPENSATION AND BENEFITS

The Compensation and Benefits procedure is a solid framework to guide the Company's remuneration policies and salary levels, according to each working position's requirements and the talent retention needs. The procedure is overseen by the Human Resources Department and applies to all Company employees.

The Human Resources Department submits a monthly report to the Financial Director regarding the payroll data, any overtime payments, the payroll calculation methodology, the payroll records and payment execution control. Reporting monthly to the General Manager, the Human Resources Director is responsible for maintaining compensation levels and benefits, ensuring compliance with the legislation, the regulatory framework, and the Company's guidelines.

Additionally, the Human Resources Director presents issues concerning allowances and loans to the General Manager for approval and performs random checks to ensure compliance with the process. The General Manager establishes the guidelines to ensure the proper execution of the Compensation and Benefits procedure. There are neither specialized consultants nor a vote from the stakeholders regarding their views on remuneration policies.

At A. Hatzopoulos S.A., there are no fixed sign-on bonuses or recruitment incentive payments, termination payments, clawbacks, or retirement benefits for members of the highest governance body and senior executives. The Company plans to develop a retirement bonus program, aiming to be fully implemented in the upcoming years.

Before finalizing a new compensation policy or procedure, a discussion takes place and all opinions and suggestions are taken into consideration to determine the fairest and most effective policy or practice. The Human Resources Department has the coordination and executive responsibility.

FRAUD RISK ASSESSMENT

A fraud risk assessment is critical for maintaining the integrity, financial health, and reputation of an organization. We carry out a fraud risk assessment to identify, analyze, and address potential risks of fraud. The exercise covers a variety of topics, namely: governance, compliance, employees, information systems, business partners, private data etc.

This process aims to prevent and detect fraudulent activities by understanding all potential vulnerabilities and threats.

The process steps include:

- Identifying potential fraud risks and their sources
- Evaluating industry risks
- Estimating how probable each identified fraud risk is to occur
- Determining the potential damage if each incident were to happen
- Evaluating current control measures and their effectiveness
- Identifying areas where controls are weak or missing
- Implementing stronger controls
- Setting up systems and processes to detect fraud early
- A Response Plan on how to respond if fraud is detected, including investigation and remediation
- Regularly reviewing and updating the fraud risk assessment
- Conducting audits to ensure the effectiveness of fraud risk management practices
- Reviewing past Incidents



GRIEVANCE MECHANISMS

All stakeholders, including A. Hatzopoulos S.A. employees, are encouraged to raise their concerns regarding the negative impacts caused by the Company. Our grievance mechanism is based on an incident/complaint reporting system that enables the communication and management of information, complaints, and claims from employees and other stakeholders.

Individuals can approach the Human Resources department to find the necessary information, seek advice, and raise concerns about the organization's business conduct. Reports may be related to any corporate responsibility and sustainability topic.

Concerns can be reported either in person or anonymously to the competent Company official and/or to the members of the Board of Directors, as well as through a designated Complaint Form, which is available in various areas within the Company's premises and online, on the Company website. Depending on their nature, concerns may be escalated to the highest governance body, if deemed critical. The Company protects stakeholders who act as whistleblowers, to avert any risk of retaliation. Any breaches reported or identified will be investigated and processed appropriately.

Every grievance report, whether submitted in writing or verbally, is recorded by an assigned Officer, in the cases involving the Company's employees or by the General Management, when it is submitted by other stakeholders. The reporting party receives a written confirmation within a predefined deadline by when they will receive a response. A reporting incident shall be considered closed when a final decision that satisfies both parties has been reached.

The Company monitors the performance of the grievance mechanisms and other remediation processes by discussing their effectiveness regularly and by openly welcoming feedback from stakeholders. This feedback contributes to the improvement of the grievance process and the remediation of our identified impacts internally.



HUMAN RIGHTS

A.Hatzopoulos S.A. fully supports and honours the United Nations Universal Declaration of Human Rights and the relevant national and European legislation protecting the fundamental rights of every individual. The respect of Human Rights, as reflected in our CSR Policy, includes the protection of privacy, the freedom to express opinions, non-discrimination, and the prohibition of forced and child labor, as well as human trafficking.

In 2023, no incidents of forced, compulsory and child labor related to corporate activities have been recorded and no related fines and non-monetary penalties have occurred.

Taking one step further to protect Human Rights in the workplace, in 2023, our Company signed the Diversity Charter, committing to safeguarding diversity, equity and inclusion, while eliminating any kind of exclusion. This commitment ensures once more that all employees, regardless of age, gender, or race have equal treatment, rights and opportunities.

In our partnerships and collaborations, we exclusively work with businesses that adhere to, implement and actively practise international standards for respecting and protecting Human Rights. Furthermore, we ensure the elimination of every form of discrimination and actively promote equality throughout the broader network of our collaborations. Considering privacy and personal information, we guarantee the protection of every individual with whom we communicate and collaborate, upholding the highest standards of confidentiality and respect.

OUR
PEOPLE PEOPLE

At A. Hatzopoulos S.A. we value each of our employees' individual contribution. We recognize that our people are the driving force behind our Company's continuous growth and success. For this reason, the careful selection, placement and evaluation of our human resources is our top priority. We are committed to cultivating a friendly work environment that fosters inclusiveness, respect and promotes collaboration. This ensures that all employees carry out their activities in the best possible way and are able to continuously develop and work towards achieving their professional and personal goals.

According to our Employee handbook, to ensure the fulfillment of its daily goals, the Company expects employees to adhere by the following principles:

-  To give their best effort and share the Company's vision of a unified corporate culture, continuous learning and personal development
-  To cooperate with their colleagues, promoting the feeling of teamwork and cooperation
-  To comply with policies and procedures
-  To have the courage to propose new ideas that can improve the work environment, as well as the existing processes
-  To take initiative for every opportunity given to them for professional development

Remuneration and bonuses are defined based on our compensation and benefits policy, which is applicable to everyone. Regarding basic salary, all employees, regardless of their gender, are paid equally and wages commensurate with market rates. The General Manager defines the guidelines so that the procedure is effectively implemented. According to the policy, the Human Resources Manager is responsible for overseeing the procedure, ensuring compliance with local legislation. They are also obliged to submit to the General Manager any issues concerning allowances and loans for approval and to conduct spot checks to ensure compliance.

None of our employees are covered by collective bargaining agreements, nor are the terms and conditions of their employment determined or influenced by any collective agreement. Each one of them is hired with an individual employment contract, in accordance with the national labor law.

We aim to maintain employee satisfaction and minimize operational disruptions when implementing operational changes. Thus, we make sure to inform them in time regarding significant operational changes that might affect them. The minimum notice period is not predefined but depends on the scale and impact of the change.

CODE OF CONDUCT

Our Company's commitment to Sustainable Development is thoroughly reflected in our Code of Conduct, as well as our Corporate Social Responsibility Policy. The Code of Conduct acts as a means to communicate the Company's vision, core values and fundamental rules, which stem from both legal obligations as well as ethical standards. The Code of Conduct creates a framework for all employees and stakeholders. This facilitates the identification of risks in our internal and external business processes, thus helping minimize any potential harm. Topics that are covered include health and safety, responsible use of information, environmental protection and consumer safety. Our vision is to stand out as an example of best practices regarding:

-  **Quality across all sectors**
-  **Reliability**
-  **Know-how and expertise**
-  **Working Environment**
-  **Active contribution to society**

DIVERSITY AND INCLUSION

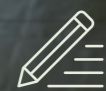


At A. Hatzopoulos S.A. everyone is treated equally regardless of factors such as gender, nationality, religion, disability and sexual orientation. Our goal is to provide a friendly and non-discriminatory work environment, free from any form of stereotyping that encourages our employees to feel safe, inspired and perform their best. Diversity in the work environment brings people of different backgrounds, skills, knowledge and personal views together that can form diverse teams and produce new ideas and innovation. Our employees combine their unique characteristics, respect each other, find pleasure in their everyday work and thus contribute to corporate success. Our equal opportunities policy applies through all our operations and sites and is incorporated in all recruitment, evaluation and training processes so that they are as unbiased as possible. Throughout 2023, no incidents of discrimination were reported.

Fully committed to the human-centered values that characterize us, on the 23rd of October 2023, Mr. Argyrios Tsaknis, Financial and Administrative Director of A. Hatzopoulos S.A., signed the Diversity Charter on behalf of the Company. The Diversity Charter is an initiative of the European Commission focusing on eliminating any kind of exclusion in the workplace. The aim of the Diversity Charter Greece is to act as a means of commitment for companies operating in Greece, to implement a culture of equality and diversity in their work environment.



In 2023 we were recognized as a Great Place to Work® for the third consecutive year. This certification highlights our excellent culture and our continuous effort to provide a safe, fair and positive work environment where equality, inclusion and collaboration are fostered. The evaluation process involves employee ratings and feedback that are handled confidentially. The assessment takes place through an index that evaluates five key aspects with regards to the work environment:



Credibility



Respect



Pride



Camaraderie



Fairness

ADDITIONAL BENEFITS FOR THE EMPLOYEES

We recognize our employees' contribution and support their physical and mental wellbeing in practice, offering generous compensation packages for them and their families. The additional initiatives and benefits we provide include the following:

HEALTH CARE

Annual employee health check-up, hospital treatment, outpatient care and corporate blood bank

LIFE INSURANCE

Private life & health insurance, personal retirement plan

TRAINING AND PROFESSIONAL DEVELOPMENT

Annual training plan based on each Department's needs, foreign language learning and postgraduate training related to the employee's field of work

SCHOOL EXCELLENCE AWARDS

Awards of excellence for employees' children

SCHOOL ALLOWANCE

School allowance according to each school grade

PERFORMANCE REWARDS

Excellent performance rewards, Hatzopoulos League

FAMILY BENEFITS

Wedding, childbirth and birthday gifts, allowance for families with more than two children

SUBSIDIZED MEALS

Free lunch at work

CHRISTMAS & EASTER ALLOWANCE

Christmas and Easter bonus beyond legal requirements, Christmas and Easter gift vouchers

REMUNERATION

Attractive remuneration based on efficiency, qualifications and experience

FUEL ALLOWANCE

Special provision

RUNNING EVENTS

Participation in running events such as the Night Half-marathon and Flamingo Run, in collaboration with NGOs and local associations

SPECIAL REWARDS UPON RETIREMENT

Special allowances unrelated to regular compensation provided upon retirement, aimed at employees with long term contribution in the Company

HONORARY PLAQUE UPON RETIREMENT

Honorary plaque given to employees with >10 years in the Company upon retirement

TWO-DAY EXCURSION

Annual two-day excursion for employees with 3 or more years in the Company

+53%
INCREASE
OF BENEFITS' SPENT
(2023 VS 2022)

Weekend excursions in Kavala

In 2023, for yet another year, we organized two-day excursions, which we offer as a complimentary benefit to all our employees who have completed at least three years of employment with us. This year, 314 out of 426 employees, were entitled to this benefit, accounting to 73,7% of our total workforce. The excursions took place between March and May 2023 and were completed in 8 weekends, with maximum 50 people participating each time. The weekend trips included transportation, an overnight stay, and meals. We visited multiple points of interest in the area of Kavala and enjoyed dinners with live music on Saturdays, in a bonding experience with our co-workers.










TRAINING AND EDUCATION

At A. Hatzopoulos S.A., we embrace a learning mindset and invest heavily in the training and education of our employees, to enable them to develop both professionally and personally. The Human Resources department is responsible for the organization and coordination of the training process. The selection of subjects and employee groups to participate is made in collaboration with other departments, according to specific training needs. Employee participation is mandatory and failure to attend is considered a violation of the Company's policies and procedures.

Having highly skilled employees contributes to employee satisfaction, which is closely associated with improved performance. We achieve this by providing a wide range of learning opportunities, defining clear development goals. Through this systemic process, professional development of existing or new employees is enhanced and business competitiveness is increased. Our training programs take place internally or in collaboration with external organizations.

In 2023, for yet another year, there were no indications regarding the use of force or inhuman behavior regarding our security personnel. We did not train them or any third-party security personnel in our Company's human right policies.

Our employees were trained in a variety of subjects such as occupational health & safety, technical production training, leadership, induction training, quality assurance, pre-press, foreign languages and postgraduate programs: 94,4% of employees received training for a total of 6.416 hours. The average training hours per employee were 2023 were 14,85.

Job position/ hierarchy	Number of employees trained by job position/ hierarchy			Total training hours			Average training hours per employee		
									
Directors	9	1	10	337,30	17,15	354,45	37,48	8,58	32,22
Senior executives	27	6	33	1.227,15	422,45	1.649,60	43,83	70,41	48,52
General staff	35	57	92	1.280,50	1.707,00	2.987,50	35,57	27,53	30,48
Production workers	261	11	272	1.267,45	57,00	1.324,45	4,66	5,18	4,68
Other	1	0	1	100,00	0	100	25	0	16,67
Total	333	75	408	4.212,40	2.203,60	6.416,00	12,07	26,55	14,85

BoD is not included

Training hours per topic

	Number of seminars per topic	Total training hours	Percentage of hours per topic
Sustainability	1	12	0,2%
Quality Assurance	39	517	8,1%
Human Resources Management	8	118	1,8%
Supply Chain Management	1	20	0,3%
Induction Training	55	591	9,2%
Visit to customer, supplier	38	304	4,7%
Research & Development	100	84	1,3%
Leadership	99	1318	20,5%
Foreign Languages	8	560	8,7%
Environmental matters	16	73	1,1%
Certification	2	32	0,5%
Prepress	40	137	2,1%
Master's programs	7	700	10,9%
Maintenance	1	16	0,2%
Technical production training	577	392	6,1%
Occupational Health & Safety	1510	739	11,5%
Digital skills	14	803	12,5%
Total	2.516	6.416	

Hatzopoulos School training hours are included

Hatzopoulos School




Since 2020, we continue to implement Hatzopoulos School across our Company. This in-house digital platform supports the ongoing development of employee skills by facilitating the development, delivery and evaluation of training. It provides a diverse digital learning experience with real-time or offline, asynchronous training options. Web-based learning resources include courses, videos, manuals, questionnaires, etc.

PERFORMANCE APPRAISAL

The appraisal of our employees' performance is an essential process within our Company, as it contributes to the definition and implementation of strategic objectives, both on a corporate and individual level. Through the implementation of a performance management system, the Company sets specific, measurable and objective criteria and directs employees towards the realization of clearly defined goals. The evaluation process allows employees to identify their strengths and areas for improvement and encourages them towards actions to increase their performance to the optimum. The appraisal process takes place annually and each employee receives a report with information regarding their performance, bonuses and compensation. Training needs are also assessed based on the performance appraisal process.

IN 2023, **78,3%** OF OUR FEMALE AND **83,7%** OF OUR MALE EMPLOYEES WERE EVALUATED.

Number of employees evaluated

				
Directors	8	1	9	81,8%
Senior executives & supervisors	27	5	32	94,1%
General staff	31	48	79	80,6%
Production workers	226	11	237	83,8%
Total	292	65	357	82,6%

HATZOPOULOS LEAGUE

At A. Hatzopoulos S.A., we implement an outstanding contribution rewards system based on the Company's values and corporate objectives named "Hatzopoulos League". Through this system, employees can be rewarded depending on their annual performance. This ensures that our human capital is motivated to improve their overall performance and perform exceptional practices leading to outstanding contributions in their daily work. Rewards are given in the form of "Cups" and include the following 6 categories:



IN 2023, OUR EMPLOYEES WERE AWARDED WITH **38** CUPS

13

FOR COLLABORATION AND TEAMWORK

9

FOR QUALITY IN WORK

3

FOR HEALTH & SAFETY

1

FOR ENVIRONMENTAL PROTECTION

9

FOR PROBLEM SOLVING AND INNOVATION

3

FOR FOOD SAFETY

HR TARGETS

Targets achieved during 2023

- Achieved high employee engagement
- Meeting the expectations of recently employed staff
- Successful completion of training programs with high participation rates
- Reduction of overtime
- Successful annual leave planning
- Timely and accurate preparation of work schedules

2024 TARGETS

- Attract, recognize and retain talent
- Develop talents and skills
- Promote and reward good practices
- Maintain a positive work environment
- Recognize and reward outstanding contributions
- Meet the expectations of recently employed staff
- Successful completion of the training cycle with increased participation rates
- Overtime reduction
- Timely and accurate annual leave planning
- Successful preparation of work schedules and tasks

HR DATA

Percentage of non industrial employees



Total number of employees (headcount)

85

352

437

Total employees by employment type and region (headcount)

	Thessaloniki	Nearby Towns	Total
Total employees	428	9	437
Permanent employees	419	9	428
Temporary employees	9	0	9
Non-guaranteed hours workers	0	0	0
Full-time employees	419	9	428
Part-time employees	0	0	0

Employee age distribution by gender

	<30	30-50	51+
Male	45	219	91
Female	19	49	19
Total	64	268	110

Total employees by employment type and gender (headcount)

	Male	Female	Total
Total employees	352	85	437
Permanent employees	350	78	428
Temporary employees	2	7	9
Non-guaranteed hours workers	0	0	0
Full-time employees	352	85	437
Part-time employees	0	0	0

Employee distribution by job position

	Male	Female	Total
Senior executives (Department heads & supervisors)	28	6	34
Directors	9	2	11
Production workers	272	11	283
General staff	40	64	104
Total	349	83	432

BoD is not included

Diversity of governance bodies and employees

	♂	%	♀	%	<30	<30 %	30-50	30-50 %	51+	51+ %
Directors	9	82%	2	18%	6	55%	5	45%	0	0%
Senior executives & supervisors	28	82%	6	18%	25	74%	8	24%	1	3%
General staff	40	38%	64	62%	30	29%	57	55%	17	16%
Production workers	272	96%	11	4%	111	39%	156	55%	16	6%

BoD is not included

Employee hires by gender and age group

	<30	30-50	51+	Total	Rate by gender (new hires/total workforce)
♂	21	30	2	53	12%
♀	7	2	0	9	2%
♂♀	28	32	2	62	
Rate by age group (new hires/total workforce)					
	6,3%	7,2%	0,5%		

Employee hires by region and age group

	<30	30-50	51+	Total	Rate by region
Thessaloniki	27	31	2	60	13,6%
Other	1	1	0	2	0,5%
Total	28	32	2	62	14%

Benefits provided to full-time employees that are not provided to temporary or part-time employees

	Full-time employees	Part-time or temporary employees
Life insurance	✓	
Health care	✓	
Disability and invalidity coverage	✓	
Parental leave	✓	✓
Retirement provision	✓	



OCCUPATIONAL
HEALTH
AND SAFETY



Ensuring Health and Safety in the workplace is of paramount importance at A. Hatzopoulos S.A. This does not just apply to employees, but to anyone entering our premises, such as visitors, contractors, suppliers and customers. We believe that good health at work is not merely a legal obligation, but an essential part of our corporate culture. As required by legislation, we employ an Occupational Health and Well-being Advisor. We see Health and Safety as a team effort where our team's overall performance is only as strong as its weakest link.

In order to promote a safety culture and eliminate any potential risks related to H&S, we apply an integrated Occupational Health and Safety Management System. Our H&S Management System has been certified according to the international standard ISO 45001:2018. It is certified externally and periodically audited internally. It involves a set of specific procedures with the purpose of meeting the requirements of the standard and enabling the proper management of H&S related issues.

The system covers all our business activities and personnel. Its implementation is mandatory for all employees, regardless of their job position. The requirements are also extended to any third parties present at our premises, so as to prevent any incidents caused by the activities of our associates and visitors.

To prevent and mitigate Occupational Health & Safety impacts directly linked to our business relationships, we make sure that our products adhere to the strictest safety standards by performing appropriate controls before they leave our premises. We also ensure that our products are appropriately labeled, providing sufficient information on potential risks the products may impose on the end user, as well as proper storage and handling instructions.

SMETA certified and audited

An audit methodology that encompasses all aspects of responsible business practice

OCCUPATIONAL H&S SYSTEM HIGHLIGHTS INCLUDE:



The implementation of policies beyond the provisions of relevant local and European legislation regarding H&S



Regular risk assessments and audits carried out by the designated Safety Officer, the Health and Safety Specialist and the Fire Safety Advisor, with the active engagement of our employees



Advanced Personal Protective Equipment (PPE) for everyone working at or entering our production facilities



Annual health check-ups for all employees, adapted to their work position



Specific safety standards for all contractors working at our premises



Specific preventive and control measures taken at high-risk areas



Continuous, hands-on training, applicable to all employees, that enables their understanding of work-related hazards and risks



EMPLOYEE PARTICIPATION IN OCCUPATIONAL H&S

To improve the implemented practices and minimize risks in the workplace, our employees, either individually, or through their representatives, are encouraged to submit, in written form or orally, their observations, opinions, or comments regarding Occupational Health and Safety. This enables us to identify potential gaps and areas for improvement in the H&S Management system, so as to make adjustments accordingly. Internal communication is facilitated through the use of appropriately designed forms that are available in communal areas in physical format, as well as electronically. Employee representatives can also participate in the formation of the H&S management system. Any obstacles to participation are removed through employee training and protection against reprisals, in accordance with the Code of Conduct and the Health and Safety policy.

All our employees have the opportunity to participate in Health & Safety committees. Every two years, an announcement is made, inviting everyone who is interested to participate in the process. Those who express interest automatically become members of the committee. Each of the two facilities is represented separately. Meetings are held on a monthly basis, at both facilities. H&S issues, methods to eliminate risks and best practices or corrective actions that are needed are discussed. A member of the higher management is also present so that all issues can be discussed, and collective decisions can be made on the spot.

Employees have the right to remove themselves from work situations that they believe pose a threat to their safety. The suspension of work in the event of a threat to occupational safety and health is communicated orally to the department supervisor, before the commencement of work. Employees are protected against retaliation according to the Code of Conduct and the Health and Safety policy.

EMERGENCY PREVENTION

The Company implements measures for the prevention and minimization of accidents due to fire or other emergencies. There are specific plans on which the locations of fire hoses are clearly indicated. The plans also present information about fire protection and firefighting measures, first aid equipment, the entrance for the fire brigade, emergency exits, etc. Fire drills, using the Company's fire-fighting equipment, are held frequently and all employees are kept updated and well-informed.



EMERGENCY DRILL TRAINING

A planned and coordinated exercise designed and delivered by the fire department to simulate a real-life emergency scenario took place in 2023. Such drills are critical for maintaining a high level of preparedness and effectiveness in real life emergencies.

IDENTIFICATION AND ASSESSMENT OF OCCUPATIONAL HAZARDS

In order to address the needs, evaluate opportunities and mitigate Health and Safety related risks, we conduct internal and external inspections at regular intervals. We also train employees and encourage them to record, investigate and get actively involved in the settlement of any incidents related to Occupational Health and Safety.

We have developed a comprehensive Occupational Risk Assessment procedure (ORA), which covers all potential risks in the work environment. The ORA applies to all main production activities, as well as secondary functions (maintenance, etc.) and covers all employees. Third parties, such as contractors, visitors, etc. are covered under a different procedure of the Health and Safety management system. It also covers all new activities. Based on the ORA, relevant legislation and other factors regarding Health and Safety, the Company assesses its risks, sources of risk, actions and measures intended to be taken, objectives to be implemented, as well as their time-scheduling.

The ORA is reviewed by the Safety Officer annually, or any time significant changes that may affect H&S, take place. The implementation of our Health and Safety management system is regularly reviewed and adjustments are made when necessary. The review also examines the control measures in place and our objectives.

INCIDENT INVESTIGATION

To investigate work-related incidents, an "Incident report" form is filled out, containing at least the following:

- **Brief summary**
- **Timeline**
A confirmed sequence of events leading up to the incident
- **Introduction**
The context of the incident, description of the individuals involved, processes, layout, timings and outcome
- **Findings**
Based on substantiated information, not assumptions
- **Analysis and causes**
- **Conclusions**
- **Lessons learned,**
where corrective actions and improvements are proposed
- **Attachments:**
Floor plans, photos, etc.

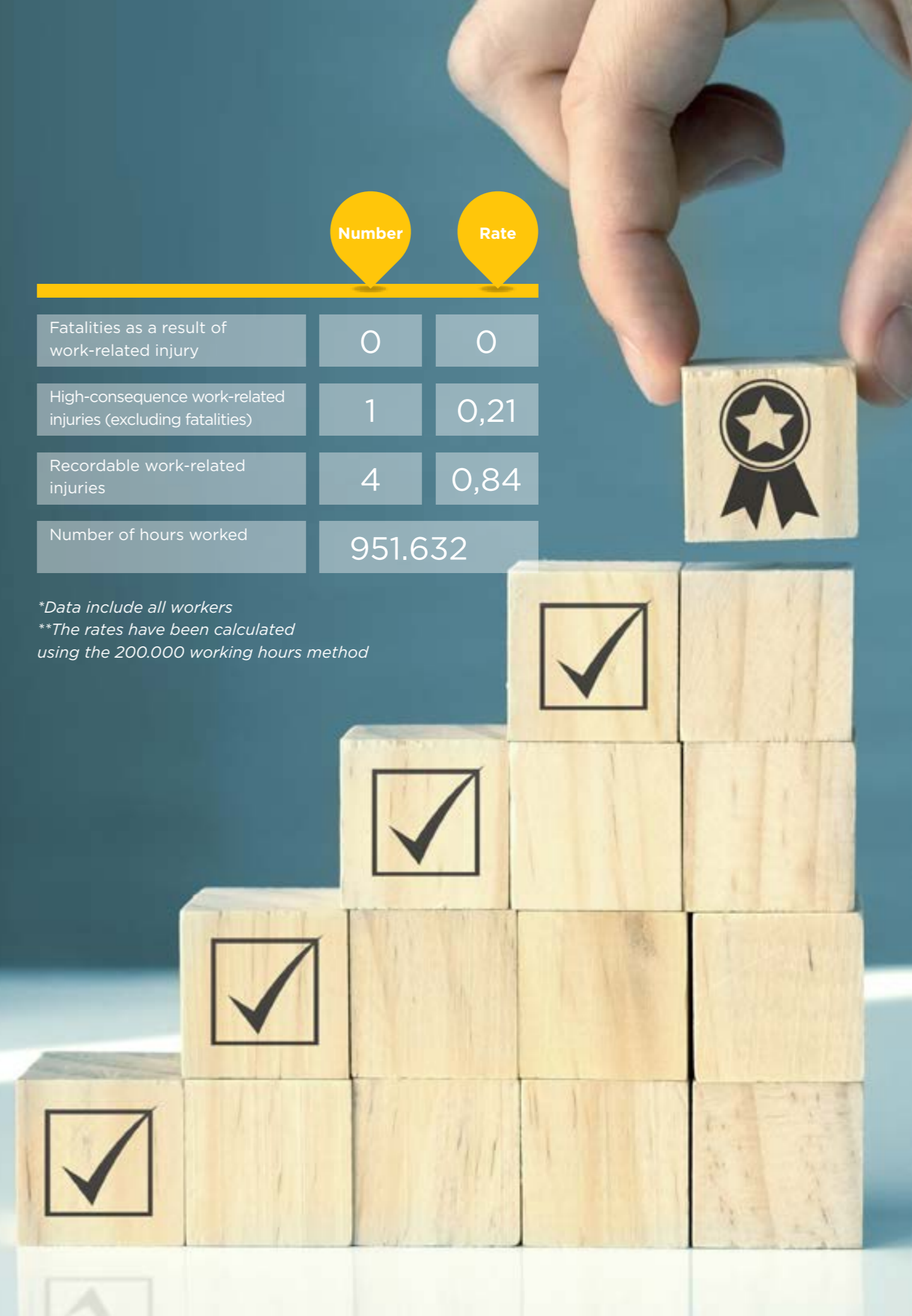
WORK-RELATED INJURIES

Through our Occupational Health & Safety Risk Assessment Study, we identify the hazards that pose a risk of high-consequence injuries. Due to the nature of the work, the main possible risks are associated with issues regarding moving machine parts and sharp objects. In addition to informing our personnel about the risks involved in their work, we carry out regular safety training and inspections on the facilities and machinery to ensure their proper operation. We realize the importance of the "Hierarchy of controls". All safety measures specified by the machine manufacturers are followed and appropriate personal protection equipment is provided. This year, we recorded two incidents of work-related injuries that were caused by car accidents. These incidents are not directly related to employees' work, but they took place during their commute to and from work. Despite the fact that such injuries occur in an environment outside of the Company's sphere of influence, in order to eliminate such hazards, we have included a Safe Driving topic in our Hatzopoulos School online platform.

	Number	Rate
Fatalities as a result of work-related injury	0	0
High-consequence work-related injuries (excluding fatalities)	1	0,21
Recordable work-related injuries	4	0,84
Number of hours worked	951.632	

**Data include all workers*

***The rates have been calculated using the 200.000 working hours method*



WORK-RELATED ILL HEALTH

As a Company, we place systematic efforts in determining and minimizing or eliminating potential hazards and risks regarding employee health in our operations. Measures taken to eliminate hazards include the use of CE-marked machinery and safety devices, machinery certification and regular maintenance, conducting risk assessments, provision of Personal Protective Equipment (PPE) and continuous training of employees, using the Hierarchy of Controls.

Fatalities as a result of work-related ill health

Cases of recordable work-related ill health

**Data include all workers*

There have been no recorded cases of work-related ill health and thus the main types of ill health caused by work conditions and practices in our premises have not been determined.

LIST OF TRAININGS



TRAINING ON OCCUPATIONAL HEALTH & SAFETY

At A. Hatzopoulos we consider the training of employees in matters pertaining to Health and Safety one of the most essential and imperative aspects of our operation. Through continuously educating and raising awareness of our employees, we manage to identify and mitigate H&S risks and challenges related to our operations, products, services and business relations. Training involves the use of audio-visual material, seminars, and information days.

TRAININGS ARE BASED ON OUR

10

GOLDEN H&S RULES

- 1 I use Personal Protective Equipment (PPE)** for my health and safety
- 2 I keep a safe distance** from moving machinery and equipment
- 3 I use sharp tools** and equipment safely
- 4 I limit the use of chemical substances,** in order to prevent an explosive atmosphere
- 5 I ensure that the equipment is properly stored** and labeled before starting maintenance work
- 6 I take care of my own** and that of my pedestrian colleagues' safety when loading and unloading
- 7 I use fall protection equipment** when working at heights
- 8 I use appropriate manual handling techniques** when lifting loads
- 9 I follow safe** driving practices
- 10 I maintain orderliness** in the workspace



NON-OCCUPATIONAL HEALTHCARE SERVICES

The third goal of the UN Sustainable Development Goals is to ensure healthy lives and promote wellbeing at all ages. In this context, we make sure to promote our employees' physical and mental health beyond the workplace. We offer a private insurance program which is provided to every employee after six months of employment. It includes medical and pharmaceutical coverage both in Greece and abroad, life insurance, extensive hospital and outpatient care, coverage in case of permanent disability or incapacity and benefits in cases of hospitalization for more than 30 days. We also organize voluntary blood donation days regularly. Our blood bank caters to our employees and their first-degree relatives. This year we took the initiative to conduct sampling of voluntary bone marrow donors as well.



2023 H&S HIGHLIGHTS

Successful recertification of the Health and Safety Management System with the ISO 45001 standard

Purchase of automatic washing equipment to minimize manual handling

Seminars and training for all personnel

Revision of the Occupational Risk Assessment procedure

Proposal for the installation of equipment to capture images from production and storage areas to optimize response time to incidents and to identify risks

Completion of emergency drills in collaboration with the local Fire Department

Meetings with the majority of subcontractors to analyze the Company's health and safety requirements and optimize their implementation

Drafted a Health and Safety annex and its incorporation into the contracts of A. Hatzopoulos S.A. with its subcontractors

Replacement of fire protective clothing for the members of the Fire Safety Team

Procurement of patient transport stretchers for the two clinics at our facilities

Design of tools to regularly inspect equipment parts (Checklist for forklifts, fire-resistant shutters, metal storage systems according to the EN15635:2008 standard)

2024 H&S TARGETS

Creation of new charging stations

Reduction/elimination of accidents

Review of the fire safety study

Review of the ATEX study

Re-certification according to ISO 45001

**ENVIRONMENTAL
RESPONSIBILITY**

TO OPTIMIZE PRODUCT DESIGN AND PRODUCE ENVIRONMENTALLY FRIENDLY PACKAGING, WHICH IS EASIER TO RECYCLE OR REUSE


We take action to minimize our environmental impact, across our activities and the wider value chain:

- We oversee and evaluate the production processes, as well as all incoming and outgoing materials
- We encourage the adoption of sustainable practices across our activities
- We inform our customers about all the key properties our products have, so that they can make responsible purchases
- Our entire staff is well-aware that sustainability is a pillar underlying our business activities and strategy
- We strive to better manage the impact individuals arriving at and leaving our premises may have on the environment

OUR COMMITMENT TO ENVIRONMENTAL STEWARDSHIP EXTENDS BEYOND REGULATORY COMPLIANCE; IT REFLECTS OUR DEDICATION TO REDUCING OUR ENVIRONMENTAL IMPACT, BETTER MANAGING NATURAL RESOURCES, AND PROMOTING SUSTAINABILITY



Environment-related Certifications:

	Environmental Management System - EN ISO 14001
	Hygiene and safety management system - EN ISO 45001
	International Sustainability and Carbon Certification - ISCC
	Forest Stewardship Council - FSC
	SEDEX/SMETA (sustainable procurement)
	EcoVadis (since 2017)

Evaluation of Environmental Topics

Apart from the materiality analysis that we perform to manage our general impact, we regularly evaluate the impact different environmental topics may have on our own viability, the society, or the environment. The prioritization is carried out based on their importance with respect to various indicators. The following criteria are used to assess each topic's potential impact:

 Impact on employees' health and safety	 Impact on the environment and climate change	 Legal obligation - compliance
 Severity of the impact on the natural environment	 Company's prosperity and continuity	 Need for continuous improvement

INFORMING STAKEHOLDERS

Stakeholder engagement is a crucial part of our Sustainability strategy. We inform our stakeholders and collect their valuable feedback in various ways. More details can be found in the relative stakeholder engagement section. Our overall sustainability performance and progress overtime is available in different communication channels:

WE ARE AN AB MEMBER OF SEDEX

(Supplier Ethical Data Exchange) and our environmental and social responsibility performance results become available to other SEDEX members

WE ARE EVALUATED ANNUALLY UNDER ECOVADIS

and the relevant data can be viewed by other EcoVadis users

A. HATZOPOULOS S.A. ISSUES NEWSLETTERS SIX TIMES PER YEAR

which cover information about our environmental and social performance and is sent to all of our clients, business associates, supervising bodies, and other stakeholder groups

AN ANNUAL SUSTAINABILITY REPORT IS AVAILABLE, TO EVERYONE

at our website, detailing our strategy impact, goals and progress around sustainability

A. HATZOPOULOS S.A. ORGANIZES CONFERENCE SESSIONS FOR FLEXIBLE PACKAGING EVERY TWO YEARS



TRAINING AND AUDITS

The successful implementation of our environmental policy heavily depends on the behavior of our employees. Therefore, all of them are briefed and trained for the proper implementation of the Quality, Food Safety, Health & Safety, Emergencies, and Environmental Management Systems. Informational leaflets on issues relating to environmental protection, energy, waste, and water management are always available in the dining areas. There is also a system in place, enabling the submission of proposals and feedback by employees. Control teams have been assigned in both production plants and audits take place quarterly to identify any potential risks and plan relevant actions or interventions.

SUSTAINABILITY FOCUS

- ✓ Continuous investments in green production systems
- ✓ Sustainable waste and water management
- ✓ Responsible use of energy and resources
- ✓ Monitoring specific KPIs and goal-setting
- ✓ Annual EcoVadis Assessment
- ✓ Collaboration towards a circular economy - Member of CEFLEX and OPRL
- ✓ Packaging design for recycling and circularity
- ✓ Personnel awareness and preparedness training



MATERIALS

Incoming raw materials comprise flexible polymer (plastic) materials. Incoming materials also include packaging, which comprises plastic, paper, and wood (pallets). Auxiliary materials include organic solvents, glues and inks.

Percentages of purchased raw materials

	PP	PE	PET	PA	PVC	PAPER	ALUFOIL	BIO
2022	38,12%	36,72%	15,40%	0,23%	0,06%	1,98%	7,48%	0,00%
2023	42,00%	37,00%	16,00%	0,00%	0,00%	0,00%	5,00%	0,00%

* PVC is not preferable for A.HATZOPOULOS S.A.

* ALUFOIL tends to be removed from product structures.



Our products' properties (flexible packaging) allow for larger volumes of materials to be loaded and shipped, reducing the distances travelled by trucks/ships. That reduces costs, exhaust emissions, and fuel consumption

Our products' ability to resist denting or breakage makes them a much safer and more attractive alternative

The quality of our products is critical for food products, as they can remain fresh for longer (leading to reduced food waste), while, at the same time, the chances of contamination are minimized

We are proud members of CEFLEX and OPRL

The CEFLEX initiative aims at continuously improving flexible packaging in the circular economy. The On-Pack Recycling Label Scheme aims to deliver a simple message on packaging to motivate consumers to recycle

Optional "I'm green" trademark integration



Packaging plays a critical role in preserving food quality and reducing food waste. Material quality and properties can make a huge difference. At A. Hatzopoulos S.A:

all → **joints and straps** are made of recyclable polypropylene (PP)
 → **plastic bags** are made of recyclable polyethylene (PE)
 → **boards / pallets** are reused or recyclable

To produce and package the organization's primary products, during the reporting period, 21.899.868,75 tonnes of input materials were used and 2.866,53 tonnes were recycled input materials (0,014%).

Materials used	Renewable materials used	Non-renewable materials used
Kilograms of materials used to produce the organization's products	133.962,55	2.0234.375,71
Kilograms of materials used for the packaging of the organization's primary products	1.500.158,66	162.010,56
Total (Kg)	1.634.121,21	20.396.386,27

67584 kg (0,4%) were reclaimed (collected, reused, or recycled at the end of their useful lives) by A. Hatzopoulos S.A. during the reporting period

With regards to packaging, pallets were used for transporting products to clients. Those are being re-used (returned to A. Hatzopoulos S.A. after having been unloaded). Data were taken from Company records for 2023. The percentage of reclaimed packaging materials for 2023 was 0,4%. This is calculated by dividing the packaging materials reclaimed by the products sold within the reporting period.

	2022	2023	Change (%)
Products (kg)	15.235.385	16.097.955	+5,66 %
Products (m2)	226.843.681	235.301.820	+3,73 %

2024-2025 GOALS IN RELATION TO MATERIALS

- Research to minimize the weight and thickness of the final products
- Focus on designing recyclable products based on polyolefins (replace PET and ALU)
- Increase the use of recycled packaging materials of our products
- Use of Post-Consumer Recycled material (PP + PE)
- Use of bio-circular polyolefins (PP + PE)
- Focus on high barrier monomaterial (PP or PE) and polyolefins raw materials
- Research for functional papers as alternatives of polymers and flow packs
- In-house development of universal inks for printing

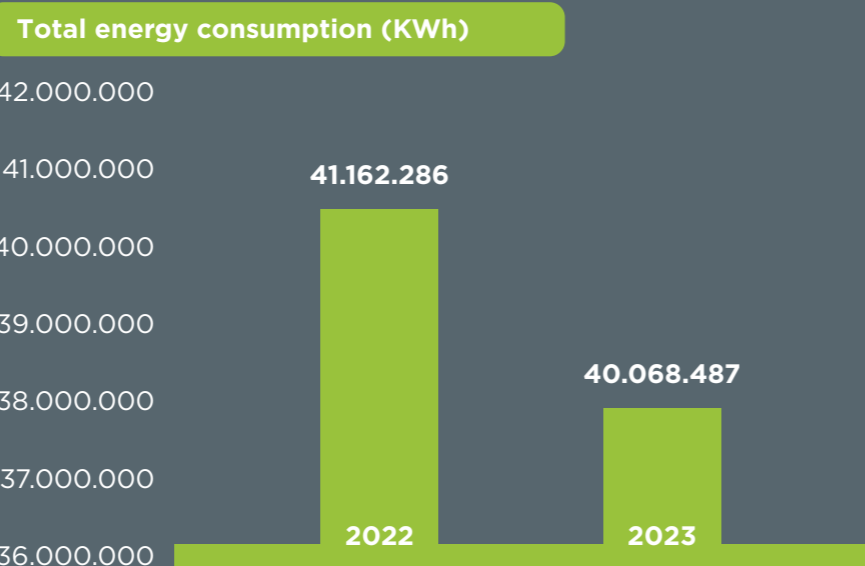
Energy

We recognize the impact energy consumption can have on climate change and emissions. Therefore, we measure and track our consumption and aim to reduce it.

Throughout 2023, 13.940,27 litres of diesel oil and 7.906,41 litres of gasoline were used to fuel A. Hatzopoulos S.A. owned vehicles. An additional 20.207 litres of diesel oil were used for the operation of generators. With regards to energy, the total electricity consumption, in 2023, was 15.378.634,95 KWh and the natural gas consumption was 21.920.192,77 KWh, respectively. No renewable fuels were used in 2023.

The total energy consumption for 2023 was 40.068.487 KWh, compared to 41.162.286 KWh in 2022 (2,66% reduction). The energy intensity for 2023 was 2,49 KWh per kg of final/sold product, whereas in 2022 this was 2,70 KWh (7,9% reduction). Calculations cover energy consumed exclusively within the organization including fossil fuels, electricity, and natural gas.

	2022	2023	Change (%)
Electricity (KWH)	17.359.252	17.020.119	-0,20%
Natural gas (KWH)	23.269.545	22.598.140	-2,89%
Diesel oil (lt) for vehicles and machinery	41.835	34.147	-18,38%
Gasoline (lt) for vehicles only	7.802	7.906	+1,33%



The total energy consumption in 2023 was significantly reduced (by 2,66%), compared to 2022, despite the increased production. This is a direct result of increased renewable energy production (on-site), as well as reduced energy and fuel consumption throughout. We are very proud to share these results, as it becomes evident that our efforts, investments and strategic decision-making are paying off.

At A. Hatzopoulos S.A., we strategically decided to invest in solar energy, as it leads to cost savings, energy independence, economic opportunities, reduced environmental footprint and GHG emissions, resource safety and a better planet for all of us.

In 2022, solar panels were installed at both plants (Arkadiou and Stadiou) and in 2023 the installation of solar panels was extended. This resulted in the production of 1.644.113 KWh of renewable energy. This accounts for 9,64% of the total energy consumption for 2023 (in 2022 this percentage was 2,16%). Aiming to further increase the use of renewable energy, additional solar panels will be installed in the near future. Our long-term goals are to reduce our dependency on purchased energy and to cut down our greenhouse gas emissions (GHG).

Our energy provider uses renewable sources (solar and wind) to produce electricity. In 2022, 33,05% of our energy provider's energy mix was from renewable sources. In 2023, this percentage was 36,94%.

No energy was sold by A. Hatzopoulos S.A. in 2023. Energy consumption outside of the organization is not included in this report, due to the lack of reliable data.

SHORT-TERM
OVERALL
TARGET OF **30%**
ABSOLUTE GHG
EMISSIONS
REDUCTION
BY 2030

LONG-TERM
REDUCTION
TARGET OF **50%**
RESPECTIVELY



2024-2025 ENERGY GOALS

- Aiming to further increase the use of renewable energy, additional solar panels will be installed in 2024
- Installation of thermal energy measuring gauges at each production line
- Study of switching of diathermic oil boilers to limit thermal energy losses
- Expansion and upgrade of the VOC burning system at the Arkadiou plant
- Switching from fuel to hybrid plug-in vehicles
- GHG emissions reductions (energy related)
- 80% of purchased electricity coming from renewable sources (Renewable Energy Certificates), by 01/01/2025

Solid Waste

Recognizing the impact waste

may have we developed systems to optimize waste management

We are committed

to the vision of a zero-waste, circular economy

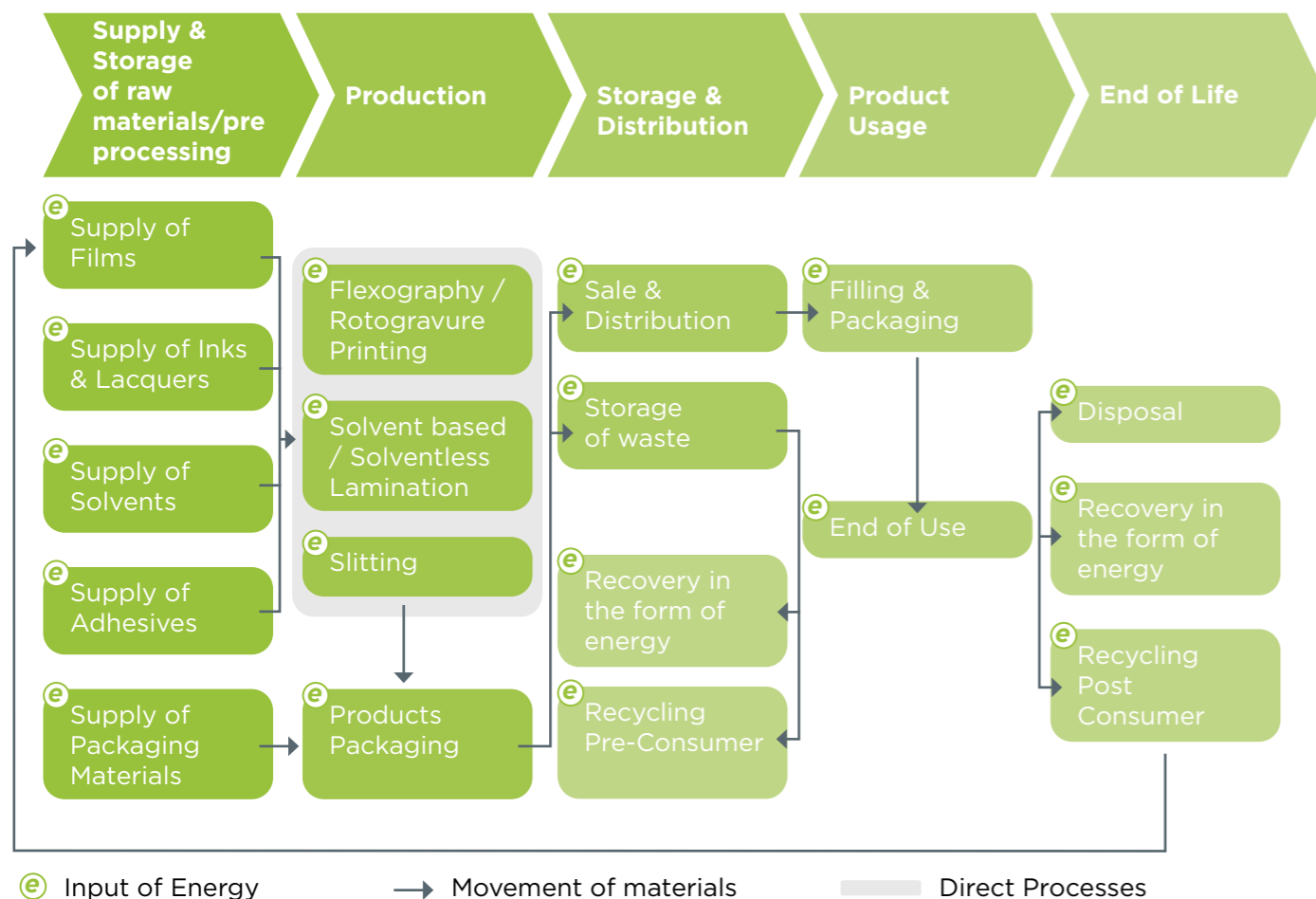
We aim to minimize the use

of unnecessary materials and maximize material recycling and reuse rates

Both our production sites

are fully certified with ISCC PLUS

LIFE CYCLE ASSESSMENT



Life Cycle Analysis

Since 2019, Hatzopoulos S.A. joined the CEFLEX initiative. The CEFLEX Mission is to further enhance the performance of flexible packaging in the circular economy by designing and advancing better system solutions, identified through the collaboration of companies representing the entire value chain.

We use Life Cycle Assessment (LCA) to calculate the environmental impact of a number of our products at all stages of their life cycle (cradle-to-grave). From raw material extraction to final disposal or use (recycling, re-use, etc.), we strive to minimize waste production.

Since 2019, our Company has used reusable pallets for the majority of its exports. This is a sustainable approach that simultaneously reduces waste, lowers emissions, and saves natural resources.

We recognize there is a growing global consumer demand for less packaging, and we fully support the transition towards a circular, resource-efficient economy. As an active member of Flexible Packaging Europe and FPE's Sustainability Committee, we are committed to our common vision and the Sustainable Development Goals.

CIRCULAR ECONOMY AND LIFE CYCLE ASSESSMENT

The non-hazardous solid waste streams produced at A. Hatzopoulos S.A. include:

- Waste from setup and trimming the ends of raw material and semi-final rolls
- Copper from engraving rotogravure cylinders, which are collected by a licensed third-party company for recycling
- Intermediate and final products not meeting specifications, that are discarded
- Packaging of raw and auxiliary materials
- Residues of polymerized glue and their (steel) containers
- Scrap from paper core boards
- Municipal solid waste

	2022	2023
Recyclable plastic (Tn)	810,0	733,2
Wood (Tn)	660,7	635,4
Paper (Tn)	199,6	229,1
ISW (Tn)	-	1860,9
MSW (Tn) Disposal	-	198,4
MSW (Tn) Recycled	-	71,8
Total (Tn)	1670,3	3728,8

In total, during 2023, 3.530,41 tonnes of non-hazardous Solid Waste (ISW & MSW) were diverted from disposal and taken to recycling centers. Those included plastic, wood, paper, and cardboard. Respectively, 198,37 tonnes of MSW were collected by the municipal collection system (green bins) and directed to landfilling. 0% of ISW was directed to disposal.

A register of all waste data is kept and updated annually. It covers information about the quantity, nature, origin, physical and chemical characteristics of the waste produced, and details about its receipt and assignment. We annually submit detailed waste-related data to the relevant purpose-built platform (Electronic Waste Register) of the Hellenic Ministry of Environment and Energy.

The use of printed documents and ink constantly decreases, aiming to go fully paperless in the near future

Printouts are limited to only where necessary, and all empty ink cartridges are refilled

Wooden pallets are resold when not being reused

Waste from the packaging of raw materials (paper, plastic, and wood) is either reused on-site, recycled, or returned to the supplier

HAZARDOUS WASTES

Our Environmental Management System (EMS) ensures that all hazardous materials and substances are managed properly.

- 01 Organic solvents (used for washing cylinders and machine parts) are transferred to a distiller, via a closed system, where the solvent is recovered and reused
- 02 Solvent residue from distillators is collected in steel 220lt UN drums, which are stacked on wooden pallets. It is then either sold to third parties (for reuse), or managed as a hazardous waste by a licensed company
- 03 Residual ink sludge and used wiping cloths are collected in steel 220lt UN drums, which are stacked on wooden pallets and delivered to a licensed company for further management
- 04 Used mineral oils are collected in drums and delivered to a licensed management system for utilization/regeneration
- 05 An aqueous solution of chemical substances originating from the washing of the cylinders in the engraving line baths. Due to the riskiness of certain chemical substances (e.g., chromium) it is collected in plastic IBC pallet tank, in order to be processed internally to neutralize hexavalent chromium to trivalent. The treatment produces non-hazardous sludge and water that can also be used for watering
- 06 Batteries, fluorescent lamps and discarded electrical and electronic equipment are managed by licensed companies for further management

The following measures are taken for the proper storage of certain substances which are potentially risky due to their properties:

- Storage in specially configured spaces
- Firefighting measures in place
- Appropriate labelling
- Clear working and handling instructions
- Preventive measures in place
- Suppliers are required to provide information on storage, via the MSDS
- Stock is continuously monitored
- Storage takes place in sheltered and cemented areas
- All of the surrounding area is bituminized
- In spaces where the Ink Mixing Systems are in operation, the floor is industrial, impenetrable, while the barrels containing the inks are placed on steel bases with wheels, to enable their safe handling

A. Hatzopoulos S.A. ensures the availability of the following:

- Safety Data Sheets, Accident Prevention Instructions, as well as updated leaflets on the qualities of hazardous materials
- Installation of reception tanks at all points where substances may drip or are stored and waterproofing of the floor using durable insulating materials
- Implementation of measures for dealing with static electricity (insulation, use of antistatic bars)
- Fire-fighting equipment and materials for handling chemical substances
- Operating/Working instructions for the handling of hazardous substances
- Adequate personnel training

2024-2025 WASTE GOALS

- Research for use of non-recyclable waste for alternative use
- Research to use fewer colors (7) printing
- Installation of boiler in Stadiou plant to provide the possibility to burn a mixture of natural gas and waste solvents with the result of reduced overall consumption of natural gas.
- Expand the VOC burning system of Arkadiou plant
- Optimization of the solvent recovery system of Stadiou plant in order to meet the new VOC emission limit from 1/1/25.
- Minimize the quantities of ink sludge
- Research to change the lamination process (from solvent based to no solvents)



Bio diversity

Our facilities operate within designated-industrial areas, where ecosystems have already been altered and degraded, thus having negligible impact on local biodiversity. There are no protected areas, areas of high biodiversity, protected species and/or habitats within a significant radius from any operating sites owned, leased or managed by A.Hatzopoulos S.A.

Our activities and/or products have no significant impacts on biodiversity:

By implementing robust waste management systems, using renewable energy, and implementing strict environmental controls, at A.Hatzopoulos S.A., we significantly reduce any negative ecological footprint we may have

Sourcing raw materials from sustainable suppliers ensures that natural habitats, as well as the species living within them, are preserved

No habitats were or had to be protected or restored in 2023. No habitats (where IUCN Red List species, or national conservation list species are identified) were affected by our operations.



EMISSIONS

ACTING ON CLIMATE CHANGE AND CONTRIBUTING TOWARDS TACKLING ITS MASSIVE IMPACT STARTS WITH REDUCING OUR OWN CARBON FOOTPRINT.

GREENHOUSE GAS EMISSIONS (GHG)

A. Hatzopoulos S.A. commits to climate change mitigation and acts proactively in order to protect the future of the next generations and our planet by identifying, measuring, and reducing our organizational carbon footprint. This represents the total volume of greenhouse gases (GHG) resulting from everyday operations.

The carbon footprint is a quantitative metric that is used to assess the impact an organization has, in terms of GHG emissions. It is expressed in units of carbon dioxide equivalents (CO₂e), which corresponds to the amount of CO₂ emissions that have an equal Global Warming Potential (GWP) as one metric ton of a greenhouse gas.

Measuring and tracking our carbon footprint over time is of great importance when it comes to taking measures and launching initiatives to minimize it. The GHG emissions are calculated in accordance with international standards and guidelines, and more specifically the GHG Protocol “A Corporate Accounting and Reporting Standard”.

Recognizing our impact, at A. Hatzopoulos S.A., we decided to start measuring our Scope 3 indirect emissions, from 2022 onwards. This allows us to better understand and manage our emissions and the impact they can have on the environment and society. Setting a baseline year enables us to set realistic targets and measure our performance. We use Life Cycle Assessment to calculate the environmental impact and GHG emissions of a range of our products at all stages of their life cycle (cradle-to-grave). From raw material extraction to materials transportation and processing, manufacturing, product distribution, use, maintenance, and final disposal or use (recycling, re-use etc.).

GHG results have been calculated after reviewing the following standards, documents and best practices:

- ✓ ISO 14064: 2018. Parts 1 and 2
- ✓ GHG Protocol Standards

Scope 1 and 2 Emissions

We estimated our greenhouse gas (GHG) emissions, for the period between the 1st of January 2022 and the 31st of December 2023.

A. Hatzopoulos S.A. wholly owns all its assets and operations and has accounted for 100 percent of the quantified GHG emissions, from all of the facilities over which it has operational control (operational boundaries).

Scope 1 GHG emissions were calculated based on the purchased quantities of commercial fuels (such as natural gas, diesel and petrol) using up-to-date emission factors. Scope 2 GHG emissions were exclusively calculated from metered electricity consumption and by applying market and location-based emission factors. The greenhouse gases included in the calculations are CO₂, CH₄, N₂O and all emissions are reported as CO₂e. GWP values (100 years-time horizon) were taken from the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

Emission and conversion factors were gathered from different sources, including:

- GWP from the IPCC Sixth Assessment Report, 2023 (100 years-time horizon)
- IPCC Emissions Factor Database, 2023
- UK Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Business, Energy & Industrial Strategy (BEIS)
- UK Government’s GHG Conversion Factors for Company Reporting (2023)
- Association of Issuing Bodies (AIB) - European Residual Mixes (2023)
- US Environmental Protection Agency (EPA). Emission Factors for Greenhouse Gas Inventories (2023)
- National Inventory Report of Greece for GHG Gases - March 2024
- DAPEEP Energy mix 2022

Carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) are the gasses included in the calculations, as they are the most relevant greenhouse gases emitted from A. Hatzopoulos S.A.’s operations, while they also comprise the vast majority of all gases emitted. Biogenic carbon dioxide (CO₂) emissions were zero and not included in the calculations.

The base year for calculations is 2019, when A. Hatzopoulos S.A. first measured their Scope 1 and 2 emissions. This is also in line with the Greek Climate Law.

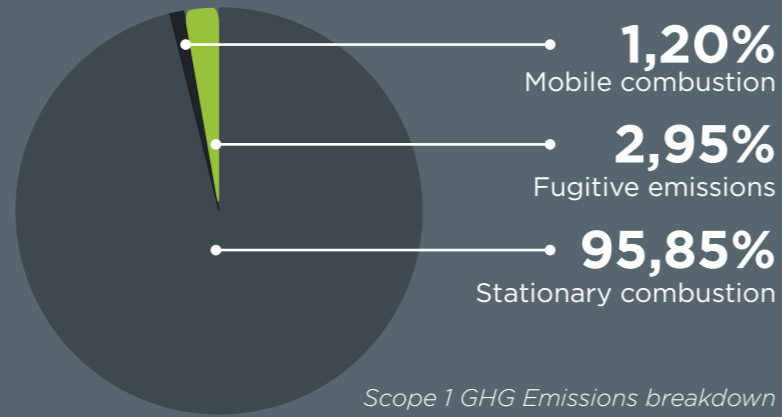
Scope 1 GHG emissions

Scope 1 Emissions by gas	Units	2022	2023	Change (%)
CO ₂ equivalent	Tonnes of CO ₂ eq.	4.810,23	4.652,63	-3,28%
Carbon Dioxide (CO ₂)	Tonnes of CO ₂	4.804,57	4.647,32	-3,27%
Methane (CH ₄)	Tonnes of CH ₄	0,0944	0,0882	-6,53%
Nitrous Oxide (N ₂ O)	Tonnes of N ₂ O	0,0095	0,0098	3,53%

Scope 1 Emissions by source	Units	2022	2023	Change (%)
Stationary combustion	Tonnes of CO ₂ eq.	4.757,17	4.459,56	-6,26%
Mobile combustion	Tonnes of CO ₂ eq.	53,05	55,79	5,16%
Fugitive emissions	Tonnes of CO ₂ eq.	0,00	137,28	-

Scope 1 Emissions over time

GHG emissions from combustion of fuels (natural gas, diesel oil) in stationary sources, are responsible for 95,85% of the total Scope 1 GHG emissions. Fuel combustion in transportation vehicles barely influences the aggregated scope 1 GHG emissions (1,20%), while fugitive GHG emissions accounted for 2,95% of the total Direct (Scope 1) emissions in 2023.



Total Scope 1 GHG emissions dropped by 3,28%, compared to 2022, and stationary combustion emissions by 6,26, respectively. To express scope 1 GHG emissions per an appropriate reference unit, the quantities of each Year's manufactured products is used as a denominator. This offers a different perspective, as production/capacity can vary, but is directly linked to energy consumption and emissions.

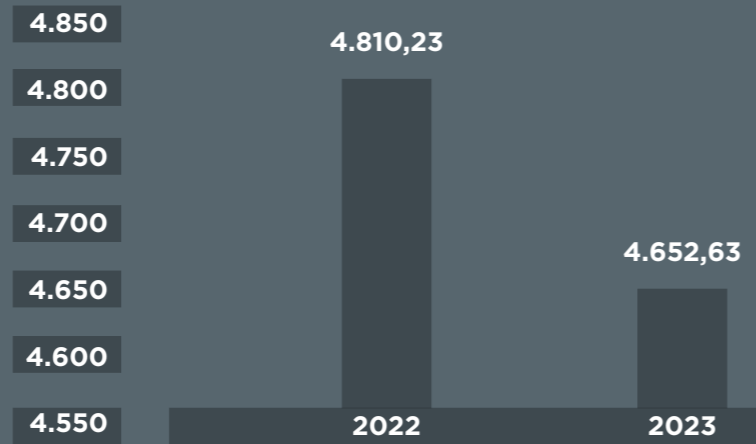


Figure 2 Scope 1 GHG Emissions over time

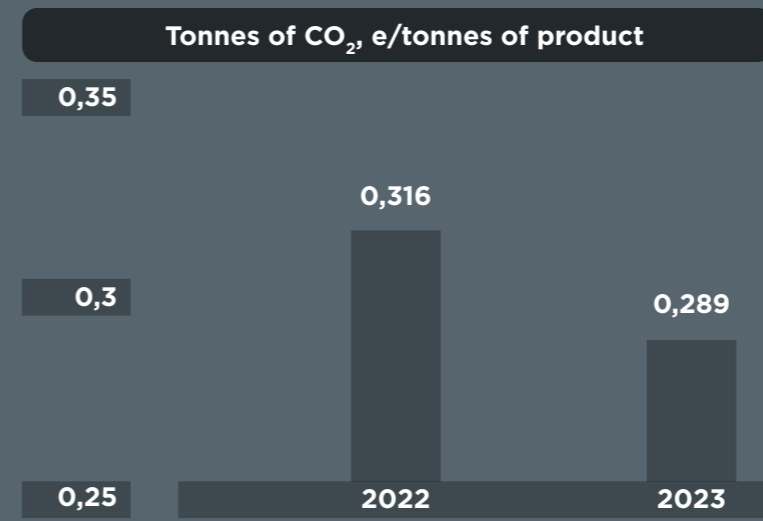
Tables below show the Scope 1 (Direct) GHG emissions intensity. It is clear that not only have emissions reduced, but this was achieved despite the fact that production was increased.

Manufactured Products Quantities			
Unit	2022	2023	Change (%)
Tonnes (tn) of products	15.234,05	16.098,11	5,67%

Manufactured Products Quantities

Direct GHG Emissions (Scope 1) Intensity			
Unit	2022	2023	Change (%)
Tonnes of CO ₂ e/tonne of product	0,3157	0,2890	-8,47%

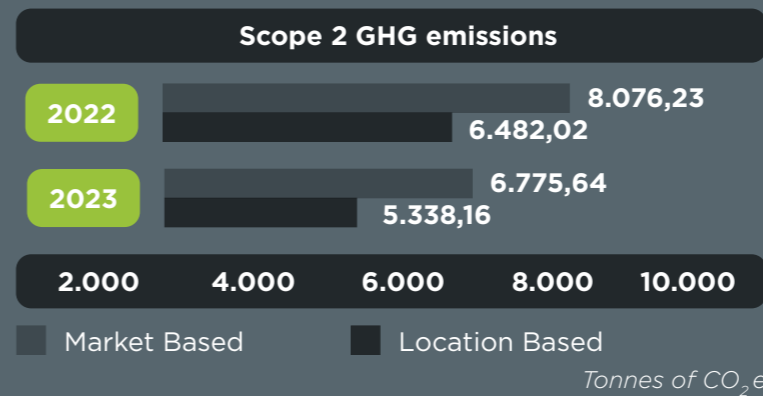
Scope 1 Direct GHG Emissions Intensity



Scope 1 GHG Emissions intensity over time

Scope 2 market-based emissions were calculated using the specific emission factor provided by A. Hatzopoulos S.A.'s energy provider for Years 2022 and 2023 (The emission factor was the same for both years). Location based emissions were calculated using grid average emission factors for Greece, in 2022 and 2023 respectively.

Electricity consumption, and the relevant Scope 2 GHG emissions, in 2023 were 16,1% lower, compared to 2022. This significant reduction was a direct result of expanding the on-site renewable energy production (solar panels), as well as reducing energy consumption. Accordingly, the indirect (Scope 2) GHG emissions intensity in 2023 also decreased, compared to 2022, by 20,61%.



GHG emissions over time (market based)		
Scope 2 emissions (Tonnes of CO ₂ e)		
2022	2023	Change (%)
8.076,23	6.775,64	-16,10
Scope 2 emissions intensity (Tonnes of CO ₂ e/tonne of product)		
2022	2023	Change (%)
0,530	0,420	-20,61



Scope 2 GHG Emissions

	2022	2023
CO ₂ emissions (tn)	8,043,45	6.748,15
CH ₄ emissions (tn)	0,2713	0,2276
N ₂ O emissions (tn)	0,0904	0,0759

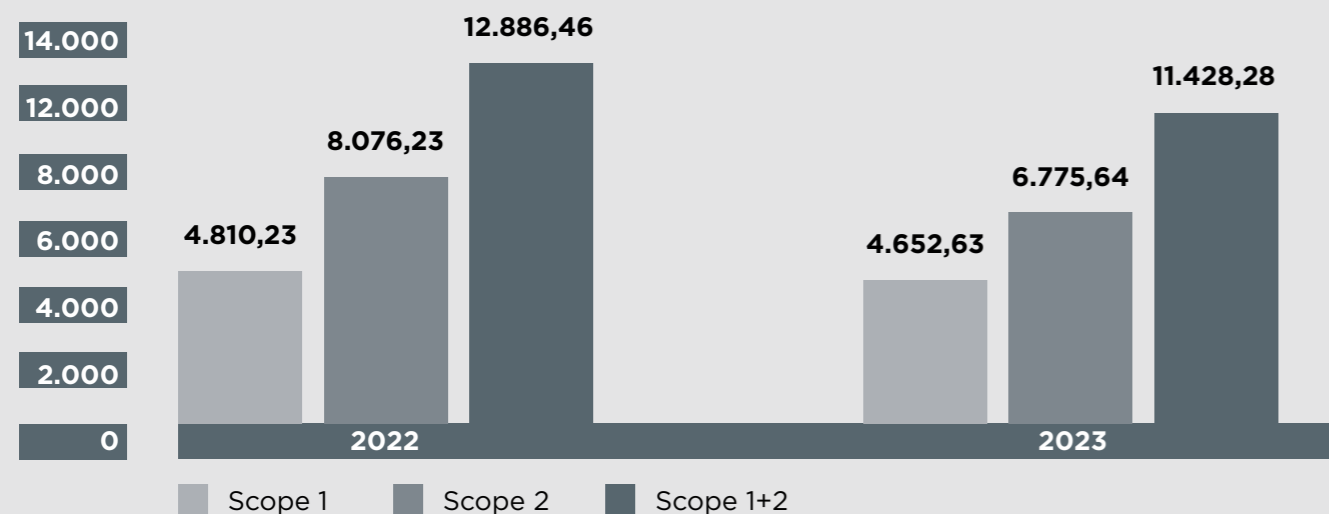
A. Hatzopoulos S.A. operations in 2023 resulted in emitting 11.428,28 tonnes of CO₂ e, taking into account sources that are responsible for the release of scope 1 & 2 GHG emissions. The respective amount of Scope 1 & 2 GHG emissions for 2022 corresponded to 12.886,46 tonnes of CO₂ eq. Compared to 2022, Scope 1 & 2 GHG emissions have decreased by 11,32% and the emissions intensity by 14,68% respectively. This is a significant reduction and is aligned with A. Hatzopoulos S.A.'s reduction targets for 2030.

Scope 1&2 Total GHG Emissions

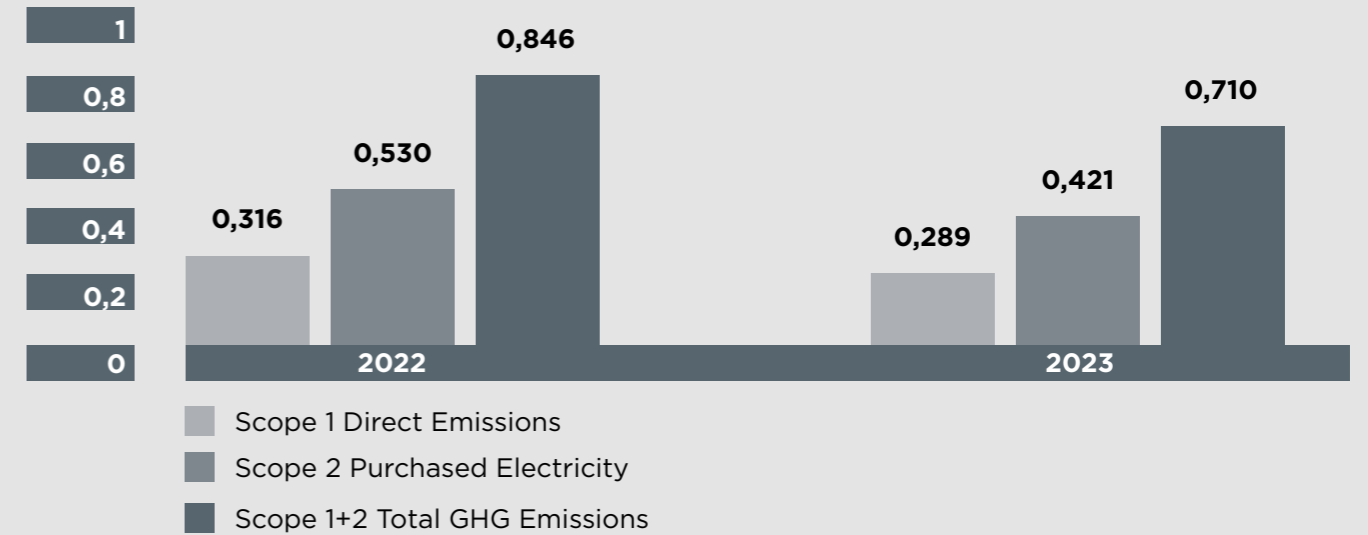
Year	2022	2023	Change %
Tonnes of CO ₂ eq	12.886,46	11.428,28	-11,32%
Breakdown	2022	2023	Change %
Stationary combustion	4.757,17	4.459,56	-6,26%
Mobile combustion	53,05	55,79	5,16%
Fugitive emissions	0.00	137,28	-
Total Scope 1 emissions	4.810,23	4.652,63	-3,28%
Purchased electricity	8.076,23	6.775,64	-16,10%
Total Scope 1-2 emissions	12.886,46	11.428,28	-11,32%

Scope 1&2 GHG emissions over time

Tonnes of CO₂ e



Emissions intensity over time



Scope 1&2 Emissions breakdown



The estimated overall error margin is ± 1,84%, which in terms of CO₂e corresponds to ±210,08 tonnes for 2023 and ± 236,88 tonnes for 2022, respectively.

SCOPE 3 EMISSIONS

For businesses and organizations, the carbon assessment usually mainly focuses on direct emissions, as these can be directly controlled by the organization. However, the pressure from society and the legal obligation to recognize, measure, manage and report indirect emissions is growing increasingly.

Organizations are expected to take into account their indirect footprint and select suppliers and business associates, based on their environmental performance. It is critical that all businesses, organizations and governments work together, towards achieving the universal sustainable goal of reducing greenhouse gas emissions and the impact those have on climate change.

A. Hatzopoulos S.A. has recognized this and, therefore, started calculating Scope 3 emissions, from 2022 onwards. The criteria used for identifying the most relevant Scope 3 activities and deciding which to include in the inventory were:

Size	Emissions that contribute significantly to the Company's total anticipated Scope 3 emissions
Influence	Emissions with potential for reductions
Risk	Emissions that contribute to the Company's risk exposure
Stakeholders	Emissions that are deemed critical by key stakeholders
Data availability and quality	Emissions which could be calculated, based on the type, quality and quantity of available data, for Years 2022 and 2023

Scope 3 emissions, for 2022, were restricted to the following categories (due to the restricted availability of data)

- Business travel (including hotel stays)
- Employee commuting
- Upstream transportation
- Downstream transportation

In 2023, four additional categories were included, namely:

- Purchased goods & services
- Capital goods
- Waste generated in operations
- End-of-Life Treatment of Sold Products

These eight Scope 3 categories are the most significant in terms of emissions and impact. Adhering to the GHG protocol principle of completeness, A. Hatzopoulos S.A. reports on all categories where it can, with a high degree of accuracy. The remaining 7 Scope 3 indirect categories have been excluded, as it was decided that they are not relevant to A. Hatzopoulos S.A. and their contribution to the total indirect GHG emissions is negligible.

Scope 3 GHG emissions were calculated by using all the activity data that were available for 2023 (such as fuel use or passenger miles), making some data-driven assumptions, and applying the relevant published emission factors. "Employee commuting" emissions were calculated following the average-data method. Accordingly, emissions for categories "Upstream Transportation & Distribution", "Downstream Transportation & Distribution" and "Business Travel" were all calculated based on the spend-based method. This was decided based on the quality and type of available data, at the time. The spend-based method was used to calculate emissions for categories "Purchased Goods" and "Capital goods". "Waste generated" related emissions were calculated following the Waste-type-specific method, while the "End-of-Life Treatment of Sold Products" emissions were calculated using the Average-data method.

Scope 3 Emission Category	2023	
	CO ₂ e tonnes	% of total Scope 3 emissions
Employee Commuting	293,507	0,49%
Upstream Transportation & Distribution	5.058,179	8,48%
Downstream Transportation & Distribution	64,136	0,11%
Business Travel	140,896	0,24%
Purchased goods & services	50.697,150	84,98%
Capital goods	3.078,010	5,16%
Waste generated in operations	212,291	0,36%
End-of-Life Treatment of Sold Products	116,601	0,20%
Total Scope 3 emissions	59.660,777	100%



Stationary combustion	4,459.559	6.27%
Mobile combustion	55.793	0.08%
Fugitive emissions	137.280	0.19%
Total Scope 1 emissions	4,652.632	6.54%
Purchased electricity	6,775.644	9.53%
Total Scope 1-2 emissions	11,428.276	16.08%
Purchased Goods and Services	50,697.150	71.31%
Capital Goods	3,078.010	4.33%
Upstream T&D	5,058.179	7.12%
Waste Generated in Operations	212.291	0.30%
Business Travel	140.896	0.20%
Employee Commuting	293.507	0.41%
Downstream T&D	64.136	0.09%
End-of-Life Treatment of Sold Products	116.601	0.16%
Total Scope 3 emissions	59,660.777	83.92%
Total Scope 1-2-3 emissions	71,089.054	100.00%

Table 1 Total 2023 Emissions Breakdown



VOLATILE ORGANIC COMPOUNDS

Solvents (mainly acetic ester and ethanol) are used at our facilities in the printing machines and for washing machinery. We manage our impact by applying the following:

- A system for burning Volatile Organic Compounds (VOCs) is in operation at the Arkadiou plant. It minimizes emissions, which may pose a health hazard. Air quality measurements are taken every six months, ensuring compliance with the relevant legislation (<20 mgC/m³)

- At the Stadiou plant, a system for solvents recovery is in operation. It recovers Volatile Organic Compounds emitted from the rotogravure machines and lamination

- Air quality measurements are taken online, ensuring compliance with the relevant legislation

- All production takes place in closed environmental conditions, and there are no exit points for uncontrolled emissions

Due to the fact that a quantity of more than 20tns per year of organic solvents are used in production, Volatile Organic Compounds (VOCs) must be and are being regularly tracked. This is in accordance with Greek law and its relevant requirements (KYA 36060/1155/E.103). VOCs' must not only be tracked, but also contained below certain limits, set by law.

Total VOCs are estimated by measuring their concentration in exhaust gases, as well as adding any fugitive emissions. Fugitive emissions are all VOC emissions except those contained in waste, air, soil and water, or in products.

Stadiou plant 2023 VOCs:

- VOCs' concentration in exhaust gases = 55,44 mgC/Nm³ (daily average)
- Total exhaust gases = 11,20 tonnes
- Fugitive VOCs = 1,38%

Arkadiou plant 2023 VOCs:

- VOCs' concentration in exhaust gases = 6,28 mgC/Nm³ (daily average)
- Total exhaust gases = 0,87 tonnes
- Fugitive VOCs = 9,60 %

EXHAUST GASES

Natural gas is used across production and for heating. Measurements of exhaust gases (%O₂, ppm CO, % CO₂, ppm NO_x, Temperature, % Heat Loss, Soot Index) are taken very frequently (1-2 times a week), across production and machinery/equipment, to ensure that everything is in optimal working condition.

Exhaust Control Cards (ECCs) for our owned vehicles are issued on an annual basis, while third-party vehicles (agents, suppliers, etc.) ECCs are also checked upon arrival. The findings are analyzed to identify issues and plan any required corrective actions.

In 2022, the replacement of forklifts with newer generation (electric) ones was completed. Our next aim is to replace Company vehicles with electric ones and to promote sustainable commuting amongst our employees (bus, car sharing, etc.).



OZONE DEPLETING SUBSTANCES (ODS)

Ozone is released during the periodic operation of the corona treatment systems of the printing and laminating machines. However, measurements at height have shown the emissions to be controlled. No need for further actions or treatment are required. However, we plan to arrange for ODS measurements to be taken, by the end of 2025. We also plan to explore the feasibility of installing an ozone neutralization system.

DUST AND PARTICULATE MATTER

We have all measures in place, to minimize dust production inside our facilities and at communal external spaces. We have all the required equipment, and our staff are fully trained on Best Available Techniques to minimize and manage dust emissions.

EMMISSIONS GOALS

Hatzopoulos S.A. sets a binding 2030 climate target of at least 50% and to be net-zero by no later than 2050. This refers to Scopes 1 & 2 Greenhouse gases (GHG), as compared to the respective 2019 levels, with clarity on the contribution of emission reductions and removals. These goals are aligned with the ambitious target Europe has set on becoming the first carbon neutral continent by 2050. Moreover, they are in full compliance with the national Climate Law requirements. There should be a breakdown between the own-production and the supply of renewable energy. Regarding Scope 3 emissions, we set a target of 40% emission reduction by 2030. However, this target needs further verification as a clearer picture is needed before drawing any solid conclusions. The more accurate and complete the Scope 3 available dataset becomes, with time, the more feasible and accurate the goal setting will be.



SCHEDULE FOR 2024-2025

- GHG emissions tracking in line with the GHG Protocol and/or ISO 14064
- Join the Science Based Targets Initiative (SBTi) to set specific reduction targets
- Include more Scope 3 emission categories in the calculations/disclosure
- Develop our own methodology and tool(s) to calculate indirect GHG emissions
- Connect ERP to GHG data to automatically calculate emissions
- Supply of software for calculation of GHG emissions per product (and per site)
- Expansion of the Volatile Organic Compounds (VOCs) burning system
- Feasibility study for an ozone neutralization system

ESG

STRATEGY

STAKEHOLDER ENGAGEMENT

WE REALIZE THAT STAKEHOLDER ENGAGEMENT CAN BE A CRITICAL TOOL TOWARDS SUSTAINABLE GROWTH

Stakeholder engagement involves identifying, categorizing, and prioritizing stakeholders and their views on sustainability and maintaining open, frequent and honest two-way communication with them all. We prioritize our stakeholders based on the impact A. Hatzopoulos S.A. has on them and the influence they can have on the Company's ability to achieve its strategic goals.

A stakeholder can be any individual or a group of people that has an interest that is affected, or could be affected by the Company's activities, as GRI Universal Standards suggest, and in accordance with the OECD terminology. By mapping the stakeholder groups, the Company effectively engages with each group and receives invaluable feedback. A. Hatzopoulos S.A.'s most significant stakeholder groups are:



Clients



Employees



Financial suppliers



Local communities



Suppliers

Stakeholder engagement is an evolving, continuous process that improves and can guide corporate decision-making. It is vital for developing a comprehensive understanding, ensuring informed decisions, fostering trust, and better understanding our stakeholders' views and needs. Stakeholder feedback is invaluable for identifying risks and opportunities and shaping a resilient sustainability strategy. When stakeholders are aligned with our mission and vision, they can become advocates, helping A. Hatzopoulos S.A. achieve its goals.

PACKAGING & CONVERTING SCHOOL

We believe that promoting sustainability issues is not a solitary effort and that industry-wide actions play a significant role. By exchanging expertise, companies in the sector can truly advance the sustainability agenda and better manage their overall impact. On 8&9 June 2023 A.HATZOPOULOS S.A. hosted the 3rd "Packaging & Converting School" focused on the key theme of Packaging Sustainability. This was the third edition of the successful seminar series organized by our Company in Thessaloniki, which brings together packaging professionals from all across Europe. 10 distinguished speakers from the entire spectrum of the supply chain and over 100 participants from 16 countries shared ideas, know-how, information and solutions, related to the key challenges that the industry is facing, as it evolves towards the circular economy. The conference sessions were followed by afternoon guided tours of our production sites. This way, the attendees had the opportunity to get a thorough understanding of our flexible packaging manufacturing process and exchange point of views.

Stakeholder group

Communication pathways

Timeframe

Clients

- Quarterly newsletter
- Site visits
- Audits
- Conferences, seminars
- Corporate memberships
- Face-to-face or online meetings
- Telephone / Email
- Information requests

Continuously/ongoing whenever deemed necessary

Employees

- Face-to-face meetings
- Open employer meetings
- Information boards and meetings
- Informative e-mails
- Internal grievance mechanism
- Employee satisfaction survey
- Online idea collection platform
- Internal communication events
- Announcements
- Townhall meetings

Continuously/ongoing

Financial suppliers

- Face-to-face meetings
- eleconferences, analyst meetings, senior management meetings, Townhall meetings

Whenever deemed necessary

Local communities

- Informative material
- Grievance mechanism
- Company website
- Telephone / Email
- Donations and sponsorships requests

Continuously/ongoing

Suppliers

- Quarterly newsletter
- Site visits
- Office visits
- Internet
- Supplier portal (if any)
- Audits
- Joint projects
- Conferences, seminars
- Corporate memberships

Continuously/ongoing

MATERIALITY ANALYSIS

At A. Hatzopoulos S.A., we are committed to better managing and minimizing any negative impact we might have on the environment and society. This is why, in 2023, we strategically invested in carrying out a robust materiality assessment to identify and assess the impact of our operations and business relationships. The assessment involved the engagement of the most important stakeholders.

The aim of this exercise was to identify and prioritize A. Hatzopoulos S.A.'s actual and potential impacts on the economy, environment, and people, including impacts on human rights, across the organization's activities and business relationships. These impacts include negative and positive impacts, short-term and long-term impacts, intended and unintended impacts, and reversible and irreversible impacts.

The materiality analysis allowed us to understand key sustainability issues for A. Hatzopoulos S.A., assess their significance and plan ahead. We prioritized the most material sustainability topics and understood their significance for each group of stakeholders. Having identified our negative impact, we can plan actions to remediate or mitigate it.

For the purposes of this current Sustainability Report, we only internally reevaluated and validated the results of the 2023 materiality analysis. The final list of the material topics was discussed and validated by the General Manager and the CSR team. There were no changes to the list of material topics compared to the previous reporting period.

SUSTAINABILITY MATERIAL TOPICS

1	Occupational Health and Safety
2	Employee rights, benefits, satisfaction and well-being
3	Solid waste management
4	Customer Satisfaction & Experience
5	Business continuity, financial development & market presence
6	Innovation & Design for sustainability
7	Climate change & Atmospheric Emissions (including GHG)
8	Sustainability in the supply chain
9	Regulatory compliance
10	Product quality & safety
11	Human Rights

Within the following two years (2024-2025), we aim to carry out another materiality analysis, to update our list of material topics, by applying the double materiality analysis methodology. This approach expands the scope of the assessment by taking into consideration the impact that sustainability topics may have on the organization itself, from an economic and/or business perspective. During this same period, we intend to invest time and resources to prepare for the requirements of the new European Sustainability Reporting Standards (ESRS), coming into effect in 2026.





Stakeholder score

Management score

Sustainability management of material topics: impacts mapping

Material Topic	Actual and potential impact analysis on the economy, environment, and people, including impacts on their human rights	Actions to i) prevent or mitigate potential negative impacts, ii) address actual negative impacts, and iii) manage actual and potential positive impacts
Occupational Health and Safety	Occupational Health and Safety can have a potential, significant, both positive and negative impact on our workforce and, as a result, also affect the continuity and productivity of our operations	Please refer to the relevant references throughout the Report
Employee rights, benefits, satisfaction and well-being	Employee rights, benefits, satisfaction and well-being have a direct positive impact on our workforce and enhance the continuity and productivity of our operations	Please refer to the relevant references throughout the Report
Solid waste	Solid waste has an actual negative impact on the environment. We recognize this impact and manage and take action to minimize it	Please refer to the relevant references throughout the Report
Customer Satisfaction & Experience	Improved customer satisfaction and experience has an actual positive impact on people (our product's end-users)	Please refer to the relevant references throughout the Report
Business continuity, financial development & market presence	This has a direct and indirect actual positive impact on our operations, our people and the local economy	Please refer to the relevant references throughout the Report
Innovation & Design for sustainability	Innovation has a positive, direct and actual impact, by pioneering and leading the sector towards producing more sustainable materials	Please refer to the relevant references throughout the Report

Material Topic	Actual and potential impact analysis on the economy, environment, and people, including impacts on their human rights	Actions to i) prevent or mitigate potential negative impacts, ii) address actual negative impacts, and iii) manage actual and potential positive impacts
Climate change & Atmospheric Emissions (including GHG)	Our operations have an actual negative impact on the environment. We recognize this impact, measure it, take actions to minimize it, and have set specific short and long-term targets	Please refer to the relevant references throughout the Report. In 2023, we started measuring our direct and indirect (Scope 3) emissions. Setting a baseline helps us identify risks and opportunities and set realistic reduction goals
Sustainability in the supply chain	Our suppliers and transportation service providers can have a potential negative impact on the environment, as well as on people and human rights	Please refer to the relevant references throughout the Report. We realize this potential impact and take actions to minimize it by screening our suppliers and other business partners, using social criteria
Regulatory compliance	Regulatory compliance could have a potential negative impact on the economy and overall business. At the same time, the fact that there are no incidents of non-compliance has an actual positive impact	Please refer to the relevant references throughout the Report
Product quality & safety	Product quality and safety has a direct and actual positive impact, both on our clients and the end-users, as well as a potential positive impact on the environment (by improving our products' footprint)	Please refer to the relevant references throughout the Report
Human rights	Violations of human rights within A. Hatzopoulos S.A. are very unlikely. We strive to make sure that human rights are protected along our value chain, by screening all our suppliers and business partners. The potential negative impact is therefore minimized	Please refer to the relevant references throughout the Report. Our CSR Committee oversees and manages the Company's impacts on human rights, the environment and people. Additionally, our CSR policy contains specific commitments regarding human rights



Our CSR committee oversees and manages the Company's impacts on human rights, the environment and society. The responsibilities for managing the impact are distributed among the respective departments, as needed, and regular meetings are held to track the effectiveness and progress on material sustainability topics, with the participation of Senior Management. This ensures that all those involved in the strategic planning of the Company are well-informed about Sustainability. Any changes, commitments, and new policies are approved by the Senior Management.

Separate goals, targets, and indicators are used to evaluate the progress made, for each material topic. Those are described in each individual chapter of this report. By tracking, reviewing and evaluating our progress and the effectiveness of any actions taken we can identify gaps, risks and opportunities for further improvement or changes. This ongoing process helps us learn and better understand and manage our impact. The lessons learned can be incorporated into our operational policies and procedures. We regularly review our policies and update them if deemed necessary.

INDEPENDENT EXTERNAL ASSURANCE REPORT

To: Management of A. HATZOPOULOS S.A.

1. Scope of the External Assurance project of the Sustainability Report

The company **A. HATZOPOULOS S.A.** (hereinafter referred to as **A. HATZOPOULOS**) has assigned TÜV HELLAS (TÜV NORD) SA (hereinafter referred to as TÜV HELLAS) the limited external assurance of the Sustainable Development Report, which covers the period of 1/1/2023-31/12/2023.

The information in the Sustainability Report concerns the company **A. HATZOPOULOS** and more specifically the company's headquarters and the two production sites in Kalochori, Thessaloniki, Greece.

The scope of the project consists of the following:

A. The external assurance of the information disclosed to confirm that the Sustainability Report of **A. HATZOPOULOS** for 2023 has been prepared **"In Accordance"** with the **GRI Universal Standards 2021**.

B. The provision of external assurance service about the accuracy of the claims mentioned for specific numerical indicators that **A. HATZOPOULOS** reported at the Sustainability Report Chapters, based on the **GRI Topic Standards**, as follows: GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10, GRI 405-1, GRI 406-1, GRI 416-2, GRI 417-2, GRI 417-3.

C. The control of the adherence to the AA1000 AccountAbility Principles (Inclusivity, Materiality, Responsiveness & Impact) against the criteria found in **AA1000AP (2018)**.

The limited external assurance as it is defined by the above project scope, refers to the Sustainability Report of **A. HATZOPOULOS** for 2023 and it was conducted based on the corresponding correlation table of **GRI Standards** Indicators stated by **A. HATZOPOULOS**, to confirm that the Sustainability Report has been prepared **"In Accordance"** with the **GRI Universal Standards 2021**, as well as the requirements of **AA1000AP (2018)**.

2. Project Criteria

The external assurance was based on the evaluation of conformity with the requirements of the following guiding standards:

- A. **GRI Universal Standards 2021**
- B. **GRI Topic Standards**
- C. **AA1000AP (2018)**

For the evaluation of conformity to the requirements of **AA1000AP (2018)**, the provisions of the guide AA1000 Assurance Standard (**AA1000AS v3**) were followed.

More specifically, the Type 2-Moderate level of external assurance was followed. According to this, the level of conformity to the Accountability Principles, as they are stated within **AA1000AP (2018)**, was checked, while the reliability and quality of sustainability performance information based on basic sampling of limited range, was simultaneously assured.

3. Project methodology

Based on the conformance criteria of paragraph 2 and to draw conclusions, the external assurance team of TÜV HELLAS conducted the following (indicative and not restrictive) methodology:

- Reviewed the coverage of the **"In Accordance"** with the GRI Universal Standards 2021 requirements, as they are described within the **GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, GRI 3: Material Topics 2021**.
- Reviewed the procedures followed by **A. HATZOPOULOS** to identify and determine the material issues to include them within the Sustainability Report.
- Reviewed the materiality analysis of Sustainable Development and the identification of **A. HATZOPOULOS'** business impact activity on the environment, society, and the economy, as well as the risks and opportunities that arise for the company itself.
- Interviews were conducted with selected executives of **A. HATZOPOULOS** having operational role in Sustainability issues to understand the current state of sustainability development activities and progress achieved during the period under reference.
- Reviewed the **A. HATZOPOULOS** consultation approach with their stakeholders through interviews with executives responsible for communication with the interested parties at company level and review of selected documents.
- Reviewed the claims mentioned to the Reporting Indicators, based on the **GRI Topic Standards** (referred in paragraph 1, point B) in connection with the findings of the above steps. In addition, the methodologies, and practices for extracting the results were reviewed and crosschecks were performed on the reliability and quality of the indicators reported in the report. These checks (not restrictively) consist of the following:
 - Understanding of the quality management and results collection processes related to the indicators under consideration.
 - Review of the design of processes, systems, and controls for managing reliability and quality of specified information
 - Sampling of management practices and operation control, as well as evidence gathering to sufficiently ensure the completeness and accuracy of the claims.
 - Maintain of the appropriate documentation for all the aforementioned controls.

4. Review limitations

The range of the review was exclusively limited to the activities of **A. HATZOPOULOS** company and more specifically the company's headquarters and the two production sites in Kalochori, Thessaloniki, Greece. No visits and interviews in stakeholders of the **A. HATZOPOULOS** have been conducted.

In case of any discrepancy in the translation between Greek and English version of the Sustainability Report, the Greek version shall prevail.

5. Responsibilities of the Reporting Organization and Assurance Provider

The Corporate Responsibility Division of **A. HATZOPOULOS** carried out the Sustainability Report, thus, is exclusively responsible for the information and statements contained therein.

The external assurance conducted, as it is defined in the project scope (paragraph 1), does not represent **TÜV HELLAS'** opinion related to the quality of the Sustainability Report and its contents.

The responsibility of **TÜV HELLAS** is to express the independent conclusions on the issues as defined in the project scope and in accordance with the relevant contract. The project was conducted in such a way so that **TÜV HELLAS** can quote to **A. HATZOPOULOS** administration the issues mentioned in this report and for no other purpose.

6. Conclusions

Based on the project scope (paragraph 1) and in the context of the external assurance procedure followed by **TÜV HELLAS**, the conclusions are as follows:

A. External assurance of the information disclosed to confirm that the Sustainability Report of A. HATZOPOULOS for 2023 has been prepared "In Accordance" with the GRI Universal Standards 2021.

- During the external assurance project carried out, nothing has come to the attention of **TÜV HELLAS**, which would lead to the conclusion that the Report has not been prepared "In Accordance" with the requirements of the **GRI Universal Standards 2021**, as reflected on the corresponding correlation GRI content index.

B. Control of accuracy of the claims mentioned for the Reporting Indicators that A. HATZOPOULOS reported at the Sustainability Report Chapters, based on the GRI Topic Standards

- Nothing has come to the attention of **TÜV HELLAS** that would lead to the conclusion of the incorrect gathering or transferring of data concerning the claims mentioned to the disclosures (indicators) of the GRI Topic Standards, referred in paragraph 1, point B of this report.

C. Adherence to the AA1000 AccountAbility Principles (Inclusivity, Materiality, Responsiveness & Impact) against the criteria found in AA1000AP (2018)

Inclusivity: Dialogue on Sustainability Issues with the Stakeholders

- We have not realized any matter that causes us to believe that major stakeholder groups were excluded from consultation processes, or that **A. HATZOPOULOS** has not implemented the principle of Inclusivity in developing its approach to sustainability.

Materiality: Focus on the material issues related to sustainability

- We have not realized any matter that causes us to believe that the material issues' definition approach which was followed by **A. HATZOPOULOS** does not provide a comprehensive and balanced understanding of the material issues.

Responsiveness: Addressing the needs and expectations of stakeholders

- We have not realized any issue, which would lead us to believe that **A. HATZOPOULOS** has not responded timely and adequately, through decisions and actions, to the needs and expectations that emerged from the material issues of sustainable development.

Impact: Impact of company's activities to the broader ecosystems

- We have not realized any issue, which would lead us to believe that the **A. HATZOPOULOS** has not understood and managed the direct and indirect impacts that the material aspects create to the broader ecosystems.

TÜV HELLAS did not realize anything that would lead to the conclusion of incorrect collection or transfer of data (qualitative & quantitative) concerning the allegations made regarding the fulfillment of the requirements of the Accountability Principles, as set out in AA1000AP (2018). Additionally, TÜV HELLAS did not realize anything that would call into question the reliability and quality of the performance indicators related to the Accountability Principles.

7. Impartiality and independence of the external assurance team

TÜV HELLAS states its impartiality and independence in relation to the project of **A. HATZOPOULOS'** Sustainability Report external assurance. **TÜV HELLAS** has not undertaken work with **A. HATZOPOULOS** and does not have any cooperation with the interested parties that could compromise the independence or impartiality of the findings, conclusions, or recommendations.

TÜV HELLAS was not involved in the preparation of the text and data presented in the Sustainability Report of **A. HATZOPOULOS**.

Athens, December 9, 2024
For **TÜV HELLAS (TÜV NORD)**

Nestor Paparoupas
Product Manager




AA1000
Licensed Report
000-209/V3-G4ZY2

AA 1000 2018 Accountability Principles Index

Principle applied	Methods
Inclusivity	Identification of key stakeholders and dialogue to understand key issues
Materiality	Identification of issues which are important to the Company and its stakeholders
Responsiveness	Responsiveness is an organisation's timely and relevant reaction to material sustainability topics and their related impacts
Impact	Analysis of direct and indirect impact of the Company's action



Reference in the Report
Stakeholder engagement (p. 124) ESG strategy (pp.122-123)
ESG strategy (pp.122-123)
Material sustainability topics chapters throughout the Report (pp. 6-7, 26-27, 34-35, 42-43, 52-53, 64-65, 76-77, 90-91, 122-123)
Material sustainability topics chapters throughout the Report (pp. 6-7, 26-27, 34-35, 42-43, 52-53, 64-65, 76-77, 90-91, 122-123)

Statement of use		A. Hatzopoulos S.A. has reported in accordance with the GRI Standards for the period from 1/1/2023 to 31/12/2023				
GRI 1 used		GRI 1: Foundation 2021				
GRI Sector standards		N/A				
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Background				✓
	2-2 Entities included in the organization's sustainability reporting	About this Report				✓
	2-3 Reporting period, frequency and contact point	About this Report				✓
	2-4 Restatements of information	About this Report				✓
	2-5 External assurance	About this Report/ External Assurance Statement				✓
	2-6 Activities, value chain and other business relationships	Markets served, Our products, Memberships & Associations				✓
	2-7 Employees	HR data				✓
	2-8 Workers who are not employees	HR data				✓
	2-9 Governance structure and composition	Governance structure, HR data, Board of Directors				✓
	2-10 Nomination and selection of the highest governance body	Board of Directors				✓
	2-11 Chair of the highest governance body	Board of Directors				✓
	2-12 Role of the highest governance body in overseeing the management of impacts	Board of Directors/ Our CSR policy				✓
	2-13 Delegation of responsibility for managing impacts	Board of Directors/ Sustainability management of material topics				✓
	2-14 Role of the highest governance body in sustainability reporting	Board of Directors/ Sustainability management of material topics				✓
	2-15 Conflicts of interest	Governance structure/ Board of Directors/ Business ethics				✓
	2-16 Communication of critical concerns	Governance structure/ Grievance mechanisms				✓
	2-17 Collective knowledge of the highest governance body	Training and education/ Materiality Analysis				✓
	2-18 Evaluation of the performance of the highest governance body	Board of Directors/ Materiality Analysis				✓
	2-19 Remuneration policies	Board of Directors/ Compensation and benefits/ Additional benefits for the employees				✓
	2-20 Process to determine remuneration	Board of Directors/ Compensation and benefits/ Additional benefits for the employees				✓
	2-21 Annual total compensation ratio			Confidentiality constraints	Sensitive information	✓
	2-22 Statement on sustainable development strategy	Message from the top management				✓
	2-23 Policy commitments	Our values and mission/ Our commitments/ Business ethics/ Our CSR Policy				✓
	2-24 Embedding policy commitments	Supplier screening				✓
	2-25 Processes to remediate negative impacts	Stakeholder engagement/ Materiality analysis/ Sustainability management of material topics				✓
	2-26 Mechanisms for seeking advice and raising concerns	Grievance mechanisms/ Complaint management system				✓
	2-27 Compliance with laws and regulations	Product quality & safety/ Customer care/ Product safety/ Privacy policy/ Supplier screening/ Business ethics/ Our environmental vision				✓
	2-28 Membership associations	Memberships & Associations				✓
	2-29 Approach to stakeholder engagement	Stakeholder engagement				✓
	2-30 Collective bargaining agreements	Our People				✓

GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality analysis				✓
	3-2 List of material topics	Materiality analysis				✓
Business continuity, financial development & market presence						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Financial Development						
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial performance				
	201-2 Financial implications and other risks and opportunities due to climate change	Climate change impact				
	201-3 Defined benefit plan obligations and other retirement plans	A. Hatzopoulos S.A. Employees' pension fund				
	201-4 Financial assistance received from government	Financial performance				
Market presence						
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Financial performance				
	202-2 Proportion of senior management hired from the local community	Locality of senior management				
Sustainability in the supply chain						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Procurement practices						
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supplier screening				
Supplier environmental assessment						
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier screening				
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier screening				
Supplier social assessment						
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier screening				
	414-2 Negative social impacts in the supply chain and actions taken	Supplier screening				
Climate change and Atmospheric emissions (including GHG)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				

GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Energy						
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy				
	302-2 Energy consumption outside of the organization	Energy				
	302-3 Energy intensity	Energy				
	302-4 Reduction of energy consumption	Energy				
Emissions						
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions				
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions				
	305-3 Other indirect (Scope 3) GHG emissions	Emissions				
	305-4 GHG emissions intensity	Emissions				
	305-5 Reduction of GHG emissions	Emissions				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions				
Solid waste management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Waste						
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Solid waste				
	306-2 Management of significant waste-related impacts	Solid waste				
	306-3 Waste generated	Solid waste				
	306-4 Waste diverted from disposal	Solid waste				
	306-5 Waste directed to disposal	Solid waste				
Employee rights and benefits						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Employment						
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People				
Labor/management relations						
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Our People				
Employee satisfaction and experience (well-being)						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				

GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Training and education						
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and education				
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and education				
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance appraisal				
Diversity and equal opportunity						
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and inclusion, HR data				✓
	405-2 Ratio of basic salary and remuneration of women to men	Diversity and inclusion, HR data				
Occupational Health and Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				✓
Occupational health and safety						
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety				✓
	403-2 Hazard identification, risk assessment, and incident investigation	Identification and assessment of occupational hazards				✓
	403-3 Occupational health services	Non-occupational health and safety services, Training on occupational health and safety, Emergency prevention, Employee participation in occupational health and safety				✓
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee participation in occupational health and safety				✓
	403-5 Worker training on occupational health and safety	Training on occupational health and safety, Emergency drill training				✓
	403-6 Promotion of worker health	Non-occupational health and safety services				✓
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety				✓
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety				✓
	403-9 Work-related injuries	Work-related injuries				✓
	403-10 Work-related ill health	Work-related ill health				✓
Human Rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				

GRI content index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			EXTERNAL ASSURANCE
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Security practices						
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Training and education				
Non-discrimination						
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Diversity and inclusion				✓
Product quality and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Marketing and labeling						
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Our story/ Product quality and safety/ Customer satisfaction				✓
	417-3 Incidents of non-compliance concerning marketing communications	Our story/ Product quality and safety/ Customer satisfaction				✓
Customer satisfaction and experience						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
Customer privacy						
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy Policy				
Customer health and safety						
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product safety				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product safety				✓
Innovation and design for sustainability						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability management of material topics				
A. Hatzopoulos S.A. KPIs	A. Hatzopoulos innovative sustainable solutions	Innovation and design for sustainability				

GREEK SUSTAINABILITY CODE

Pillar	Criteria	References
Strategy	Strategy analysis & actions	Message from the top management
	Materiality	ESG Strategy
	Objectives	Message from the top management Material sustainability topics throughout the Report
	Value Chain Management	ESG supply chain ESG strategy
Process Management	Responsibility & Accountability	Our governance model
	Rules and Processes	Our governance model
	Monitoring	Our governance model Material sustainability topics throughout the Report
	Stakeholders Engagement	ESG strategy

Pillar	Criteria	References
Environment	Natural resource use	Environmental responsibility
	Resource Management	Environmental responsibility
	Air emissions & Climate change	Environmental responsibility
Society	Labor Rights	Our people
	Equal Opportunities	Our people
	Employment	Our people
	Human Rights in the supply chain	Sustainable supply chain

The ten Principles of the United Nations Global Compact

Pillar	References in the Sustainability Report	UNGC Principle
Human Rights	Sustainable supply chain Our people Our governance model	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights
		Principle 2: Businesses should make sure that they are not complicit in human rights abuses.
Labor	Our people	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
		Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor
		Principle 5: Businesses should uphold the effective abolition of child labor
Environment	Environmental responsibility	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation
		Principle 7: Businesses should support a precautionary approach to environmental challenges
		Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility
Anti-Corruption	Our governance model	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies
		Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery





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