

## Suitability Policy of Members of the Board of Directors

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## **Contents**

<b>1. Introduction.....</b>	<b>3</b>
<b>2. Object.....</b>	<b>3</b>
<b>3. Selection, Replacement, Renewal of the term of office of members of the Board of Directors.....</b>	<b>4</b>
<b>4. Suitability Assessment Criteria.....</b>	<b>6</b>
<b>5. Diversity Criteria .....</b>	<b>10</b>
<b>6. Application, Monitoring &amp; Amendment of the Policy .....</b>	<b>10</b>

## 1. Introduction

This Suitability Policy of Members of the Board of Directors (hereinafter the "**Policy**") has been prepared by the Human Resources, Remuneration and Nomination Committee of the Company "FRIGOGLASS S.A.I.C." (hereinafter the "**Company**"), in accordance with the provisions of Article 3 of Law 4706/2020 regarding the Suitability Policy of the members of the Board of Directors and the guidelines published by the Hellenic Capital Market Commission (Circular No. 60/18.9.2020), as in force.

The Policy was approved on June 30, 2021 by the General Meeting of the Company's shareholders after relevant approval by the Board of Directors and enters into force from its approval until any potential substantial modification by another approval of the Board of Directors and resolution of the General Meeting. Substantial are those modifications that introduce derogations or significantly change the content of the Policy, in particular as regards the general principles and criteria that apply.

This Policy takes into account the relevant best practices, and is consistent with the Company's Internal Regulation of Operation and the Corporate Governance Code applied by the Company.

Furthermore, during the drafting of this Policy, the size, the internal organization, the risk-taking intention, the nature, the scale and the complexity of the Company's activities, including the development and promotion of new products and business practices were inter alia taken into consideration. In addition, the description of the responsibilities of each member of the Board of Directors or his/her participation or not in committees, the nature of his/her duties (executive or non-executive member of the Board of Directors) and his characterization as an independent or non-independent member of the Board of Directors, as well as in particular incompatibilities or characteristics or contractual commitments related to the nature of the Company's activity or the Corporate Governance Code it applies were taken into account.

The Policy is available on the Company's website [www.frigoglass.com](http://www.frigoglass.com).

## 2. Object

This Policy aims to ensure quality staffing, evaluation of effective operation and fulfillment of the role of the Board of Directors, based on the general strategy and the medium long-term business pursuits of the Company, in order to promote the corporate interest.

The Company has established internal procedures, with the involvement of the Human Resources, Remuneration and Nomination Committee, the Internal Audit Unit, as well as organizational units of Human Resources and Compliance to monitor the effectiveness of the Policy and periodically evaluates it at regular intervals or when significant events or changes take place. The Company reviews its design and implementation, where appropriate; taking into consideration, inter alia, the recommendations of the Human Resources, Remuneration and Nomination Committee and of other external bodies.

At the same time, the Human Resources, Remuneration and Nomination Committee has the responsibility of identifying gaps in relation to the suitability of the members of the Board of Directors on both individual and collective level. For this purpose, the Board of Directors conducts its self-assessment annually. In addition, the Board of Directors is evaluated by third party consultants at regular intervals.

### **3. Selection, Replacement, Renewal of the term of office of members of the Board of Directors**

The Company, in the context of implementing a structured and adequate corporate governance framework, has adopted specific good corporate governance practices, for the benefit of shareholders and other stakeholders. The objectives of the Policy are to support and promote diversification, as well as the accumulation of a wide range of characteristics and skills during the appointment of members of the Board of Directors and the recruitment of staff, in order to achieve a variety of views and experiences and encourage independent opinion. The Board of Directors and the Human Resources, Remuneration and Nomination Committee are the fiduciaries and responsible for the application of these principles in the Company's operation as well as the exponent of the Company's management philosophy.

The Human Resources, Remuneration and Nomination Committee is responsible for the identification and proposal to the Board of Directors of persons suitable for filling the vacancies of the Board, in accordance with the Company's Internal Regulation of Operation and the Corporate Governance Code applied by the Company. For the selection of candidates, the Human Resources, Remuneration and Nomination Committee takes into account the factors and criteria determined by the Company, in accordance with the existing Policy. The fields of specialization are:

- International Companies/ Business
- Corporate Financing, Financial Management
- Technology
- Business Operations and Production
- Risk Supervision
- Strategy
- Business development

The purpose of the Human Resources, Remuneration and Nomination Committee is to ensure the existence of a sufficient number of members and a suitable composition with

knowledge in all the fields of the Company's activity and necessary specializations at a collective level, in order to enable constructive discussions to be carried out for the effective performance of its tasks and for efficient decision-making. The Board of the Directors of the Company consists of three (3) to eleven (11) members, who are appointed by the General Meeting of Shareholders and are divided into executive, non-executive and independent non-executive members. The independent non-executive members cannot be less than one third (1/3) of the total number of members of the Board of Directors and in any case no less than two (2). Therefore, the Board of Directors of the Company has a sufficient number of members and a suitable composition.

The Company establishes as basic principles that govern the Company's operation, such as the observance of the principles of transparency, morality, compliance with the applicable law of the states where the Company operates, as well as with international commercial law, the maintenance of a high level provision of services and products, the improvement of its profitability, the development of an operational framework that is environmentally friendly and the preservation of human rights based on the Code of Business Conduct and Ethics and defines the suitability criteria of the members of the Board of Directors, based on which they are selected and evaluated, as presented in the following section.

The Company seeks the staffing of the Board of Directors with persons of morality and reputation who act with honesty, integrity, responsibility and fairness and avoid actions that endanger the competitiveness of the Company and conflict with its interests. In addition, the members of the Board must have the appropriate skills, experience required based on the tasks they undertake and their role on the Board of Directors as well as a high level of business, international and financial knowledge. At the same time, the provision of sufficient time for the performance of their duties is a prerequisite.

The independent, non-executive members must be able to provide the Board of Directors with objective views and advices for its decisions, to ensure the interest of the Company by protecting its shareholders and employees, while the executive member is responsible for ensuring the implementation of the strategies and policies decided by the Board of Directors.

The suitability criteria as well as the ratio between executive and non-executive members ensure the coherence, the incessant continuity and the smooth succession at the top of the Company while at the same time they contribute to the maintenance of its efficiency at a high level.

The candidate members of the Board of Directors know, among the others, as much as possible, before taking the position, the culture, the values and the general strategy of the Company as they are stated in the Training Policy of the members of the Board of Directors. During the selection, the renewal of the term and the replacement of a member, the evaluation of the individual and collective suitability are taken into account.

Finally, the Human Resources, Remuneration and Nomination Committee ensures a suitable succession plan for the members of the Board of Directors and the senior executives of the Company, the continuation of the Board of Directors and replacement within three months

from the termination of existence of one or more of the suitability criteria mentioned here, for the smooth continuation of the management of the Company's affairs and decision-making after the withdrawal of members of the Board of Directors, especially executive and committee members.

## 4. Suitability Assessment Criteria

The members of the Board of Directors must meet the suitability criteria based on the requirements of their role, both during the selection, replacement and renewal of their term, as well as for the entire duration of their term.

The Company constantly monitors the suitability of the members of the Board of Directors in order to trace incidents or cases where reassessment of their suitability is deemed necessary. In particular, reassessment of suitability is recommended at least in the following cases:

- when doubts arise as to the individual suitability of the members of the Board of Directors or the suitability of the composition of the body;
- in case of a significant impact on the reputation of one of the Board members;
- in case of events which may significantly affect the suitability of a Board member, including cases where the members do not comply with the Conflict of Interest Policy of the Company.

In order to ensure individual and collective suitability, the Human Resources, Remuneration and Nomination Committee has proceeded to the determination of the suitability criteria for the members of the Board of Directors. The criteria are general and applicable to all members of the Board of Directors, irrespective of their status as executive, non – executive or independent non – executive members.

During the collective assessment, the composition, the diversity and the effective cooperation of the members of the Board of Directors for the performance of their duties are taken into consideration. For the individual assessment, the criteria taken into account include the status of the member (executive, non – executive, independent), the participation in committees, the assumption of special responsibilities/projects, the time devoted, the behavior as well as the utilization of knowledge and experience.

### A. Individual Suitability

The individual suitability assessment criteria are summarised in the following table:

Individual Suitability Criteria
<b>Adequacy of knowledge and skills</b>
<ul style="list-style-type: none"><li>▪ <b>Obtained hands - on and professional experience</b></li><li>▪ <b>Corporate Governance</b></li><li>▪ <b>In – depth knowledge of the corporate affairs</b></li><li>▪ <b>Management capabilities and effectiveness</b></li><li>▪ <b>Harmonious cooperation with senior executives and the employees of the company and communication skills</b></li></ul>

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- **Constructive criticism**
  - **Intellectual Curiosity**
  - **Conscientiousness**
  - **Contribution to development prospects**
  - **Receptiveness to innovation**
  - **Active listening**
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#### **Guaranties of Ethics and Reputation**

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- **Strong sense of corporate legitimacy**
  - **Reliability and Integrity**
  - **Prestige**
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#### **Conflict of Interests**

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##### **Independence of Judgment**

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- **Impartiality**
  - **Objective and comprehensive point of view**
  - **Courage, conviction and strength**
  - **Constructive criticism**
  - **Individual judgment**
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##### **Devotion of sufficient time**

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In more detail, regarding the criteria of individual suitability:

- **Adequacy of knowledge and skills**

For the purpose of evaluating the theoretical knowledge of a member, the level and the nature of their education (field of studies and specialization) in relation with the activities of the Company are taken into consideration. Hands – on experience covers previous positions and the type of employment the member held in the past, by taking into consideration specific criteria (indicatively the length of stay in the position, the volume of the entity of previous occupation, the complexity of the business activity, the duties assigned).

In the context of evaluating the adequacy of knowledge and skill the following are examined:

- a) the role and duties of the position and the skills required;
- b) the knowledge and skills acquired through education and training;
- c) the hands – on and professional experience previously acquired; and
- d) the knowledge and skills acquired from and demonstrated in the professional conduct and development of the Board member

The executive members of the Board of Directors may have acquired sufficient hands – on and professional experience by either holding a position of responsibility or exercising business activities for a sufficient period of time. They constitute senior members of the Company and are responsible for its administration.

The non – executive, independent or otherwise, members of the Board of Directors are responsible for the promotion of all corporate affairs, usually through their knowledge and experience from the wider business environment. Their goal is to bring added value to the collective resolutions of the Board of Directors, on the basis of their knowledge and experience, as they possess the capability to form an objective, comprehensive point of view for all corporate affairs and then transmit it objectively to the Board of Directors of the Company.

The members of the Board of Directors must know and clearly understand the Corporate Governance System of the Company, as this derives from the legislation in force and the Code of Corporate Governance applied by the Company, their corresponding role and responsibilities, both as members of the Board of Directors and members of its committees, the structure of the Group, in – depth knowledge of corporate affairs and possible conflicts of interest.

Important skills include active listening, effective communication skills, conscientiousness for the achievement of constructive dialog and criticism, as well as the effective cooperation between the Board members and the employees of the Company. Additionally, the members must function with intellectual curiosity and receptiveness towards innovation and the current trends of the market, so as to contribute to the future development prospects of the Company.

- **Guaranties of Ethics and Reputation**

The members of the Board of Directors must be distinguished for their good reputation and ethics, which is mainly determined by their honesty and integrity. A member of the Board of Directors is presumed to possess good reputation, honesty and integrity, if no objective and proven reasons indicating otherwise exist.

For the assessment of the reputation, the honesty and integrity of a nominated or an existing member of the Board of Directors, the Company shall carry out an investigation and, notwithstanding the data protection legislation, request details and relevant supporting documents regarding any final administrative and judicial decisions issued against them.<sup>1</sup>

During the assessment, the Company takes into consideration also any decision that excludes the nominated Board member from acting as a Board member, issued by any competent authority.

- **Conflict of Interests**

All actual and threatened conflicts of interest on a Board of Directors level shall constitute a subject of sufficient communication, discussion, substantiation, decision – making and proper management, by taking the necessary measures in order to limit conflicts of interest, taking into consideration the Conflict of Interest Policy of the Company.

- **Independence of Judgment**

It is important to ensure that during the meetings and decision – making procedures of the Board of Directors or its committees, every member of the Board of Directors acts with independence of judgment. All members of the Board of Directors actively participate in the meetings and reach, in the course of their duties, their own correct, objective and independent decisions and judgments.

During the assessment of objectivity, the Company shall review elements of impartial attitude and mindset, which allow the member of the Board of Directors to perform their work pursuant to their own personal perception, without making any external compromises in terms of its quality.

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<sup>1</sup> Final administrative and judicial decisions concern in particular breaches and offences relating to their status as member of the Board of Directors or their non – compliance with the provisions of the Hellenic Capital Market Commission (HCMC) or in general to financial crimes, subject to the provisions of article 3 para. 4 and 5 of Greek Law 4706/2020. For this assessment, the main factors that may be taken into consideration include the relevance of the offence or the measure with the role of the member, the seriousness of the offence or the measure, the general conditions, including any mitigating factors, the role of the person involved, the penalty imposed, the stage which the judicial proceedings reached, as well as any remedies implemented. It is useful to examine the time that has lapsed and the behavior of the person concerned following the breach or the offence.

When assessing independence of judgement, the Company shall take into consideration whether all members of the Board of Directors possess the necessary behavioral skills, which, among others, include:

- i) courage, conviction and strength to meaningfully assess and challenge the proposals or views of the other Board members;
- ii) their capacity to pose reasonable questions to the Board members and in particular to its executive members, and to exercise criticism; and
- iii) their capacity to resist the groupthink mentality.

▪ **Devotion of adequate time**

All members of the Board of Directors must possess, for the execution of their duties, the time required based on the description of the position, the role and their duties. In order to determine time adequacy, the factors taken into consideration include the capacity and the responsibilities assumed by the Board member, the number of member positions they hold in other Boards of Directors and the resulting capacities held by that member at the same time, as well as other professional or personal commitments and circumstances.

The Company shall update any nominated Board member for the expected time they are required to devote to their duties and the meetings of the Board of Directors and any other committees.

## B. Collective Suitability

The collective suitability assessment criteria are summarised in the following table:

### Collective Suitability Criteria

#### Collective Expertise

*It mainly concerns:*

- **The business activity of the Company and the main risks associated with it**
- **Strategic planning**
- **Financial statements & reports**
- **Compliance with the legislative and regulatory framework**
- **Understanding of corporate governance issues**
- **The capacity to recognize and manage risk**
- **The effect of technology on its activity**

#### Diversity

- **Sufficient gender representation of at least 25%<sup>2</sup> on the basis of the total number of Board members.**
- **No exclusions shall take place due to discrimination on the grounds of sex, race, color, ethnic or social origin, religion or beliefs, wealth, birth, disability, age or sexual orientation.**

In more detail, it is recommended that all areas of knowledge required by the business activities of the Company are collectively covered by the Board of Directors through sufficient expertise among its members. The members of the Board of Directors must be able to make the right decisions, taking into account the business model, risk tolerance, the

<sup>2</sup> In case of fraction, the percentage shall be rounded down to the previous whole number.

strategy and the markets in which the Company is trading. Furthermore, the Board members must collectively be in a position to meaningfully monitor and criticize the decisions of the chief executives and possess the necessary skills to exercise the actual management and supervision of the Company.

The Company has the primary responsibility to trace any gaps regarding collective suitability. To that end, the Board of Directors shall proceed to annually evaluate both itself and its committees, as well as to accept, at regular intervals, the evaluation of third party counsels.

## **5. Diversity Criteria**

The Company has in place and applies a Diversity Policy, in order to promote an appropriate level of diversity within the Board of Directors and a diverse group of members.

By gathering a wide range of qualifications and skills during the selection the members of the Board of Directors, the diversity of views and experiences for sound decision making are ensured.

Based on the best practices, the Board of Directors publishes the details in relation to its composition in order to promote its diversity and highlight how the management skills and qualifications are aligned with the strategy of the Company. The Board of Directors of the Company is comprised by a wide range of members with diverse, but supplementary, skill groups in order to have a good performance. It has an open and transparent culture, with respect towards different approaches and views, which is representative of the values of the entity. In addition, it is progressive and thoughtful, while, at the same time, it promotes prudent risk taking. The members of the Board of Directors must encourage the diversity of thoughts and ideas in the decision – making procedure, by maintaining an open environment where every member feels valued and receives the respect of the other members for his personal capabilities and beliefs.

In this context, sufficient gender representation is also provided for, at a twenty five per cent (25%) on the total number of Board members, while all the necessary measures in order to exclude discrimination on grounds of sex, race, color, ethnic or social origin, religion or beliefs, wealth, birth, disability, age or sexual orientation are taken. For further information please refer to the Diversity Policy of the Company.

## **6. Application, Monitoring & Amendment of the Policy**

Monitoring the application of the Policy is a responsibility of the Board, with the assistance, when deemed necessary, of the Internal Audit Unit and/or Compliance Unit, the Human Resources, Remuneration and Nomination Committee and the Corporate Secretary.

The documentation regarding the approval of the Policy and any amendments thereof is kept in an electronic archive. The Company shall keep records of the results of the suitability assessment and, in particular, of any shortcomings traced between the stipulated and actual assessment of individual and collective suitability, as well as of the measures that need to be taken in order to combat such shortcomings.