

ESG SUSTAINABILITY REPORT

SUSTAINABILITY REPORT OF A MERCHADISING COMPANY

IN ACCORDANCE WITH THE MODEL OF EUROPEAN PROGRAMME MESS4GE

2024

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3. General disclosures

a. Overview of the company (main activities, place that activities are performed)

Since 2009, MERCHADISING COMPANY has managed to continuously achieve sustainable growth by providing its services to the Fast-Moving Consumer Goods sector. We are fully determined to carry on focusing towards the efficient expansion of our entrepreneurial activities in the International Market.

MERCHADISING COMPANY adopts an innovative Outsourcing model providing a four-pillar «Fast Moving Consumer Services» portfolio to the following areas:

- Sales and Merchandising Services
- Sales Promotion in Store Services,
- Product Immersion & Placement Services,
- Below-the-Line Services
- Mediator Services for Business Extroversion

MERCHADISING COMPANY Consultants contribute every day in strengthening:

- **highly populated areas'** coverage for our clients, and the support of **geographical proximity** for the consumers visiting the supermarket chains
- **operational efficiency, flexibility** and **seamless** communication to every partnership
- ensuring **continuity of services** and a spirit of **proactive risk coverage**
- the **continued profitability** and **Proactive Risk Management** for our Clients
- The **minimization** of the cost of sales of our clients

The company is certified with EN ISO 9001:2015 for Merchandising services by LETRINA Certification Body.

b. Mission and values

The company's approach, based on **specially designed solutions** leads us to choose our partners always based on a thorough investigation of their philosophy, quality, formal evaluations, standardization and certification of their products along the entire production cycle. **Our aim is achieving fast and growing return on investment (ROI) for our clients.**

The MERCHADISING COMPANY practices excellence strategy focusing on each given "product-market" bi-pole in capitalizing of its potential to achieve the optimal combination of opportunities to exploit in the market with simultaneous reduction of customer weaknesses contributing to minimize the risks that can undermine the project.

In MERCHADISING COMPANY , **we encourage the creative spirit of our staff**, fostering better working conditions dictated by justice and mutual respect. **The company is based on the**

entrepreneurial culture of recognition and rewarding our talented executives and builds long-term relations of cooperation.

c. Composition of Board of Directors

This section includes the names of the board members and their positions as shown in the following table.

Table 1. Board of Directors

NAME	POSITION
	Chairman & CEO
	Financial Director - Quality Manager, Board Member
	Commercial Director, Board Member

d. Composition of the General Assembly (with ownership percentages)

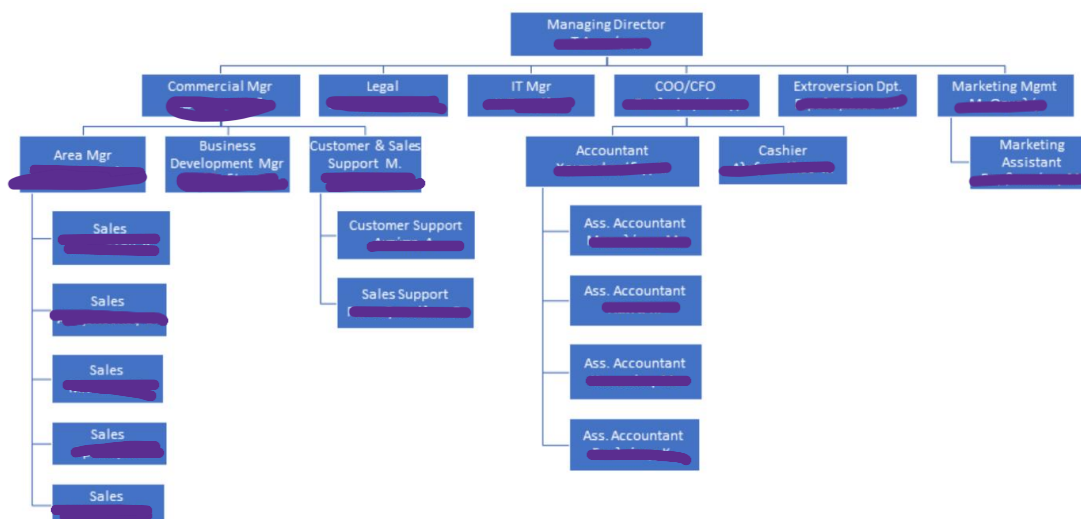
This section includes the composition of the general assembly as shown in the table below.

Table 2. Shareholder Composition of the Company

Name of the stakeholder	Percentage of ownership
	100%
Total	100%

e. Organisation chart

In this section, the organisational chart of the company is depicted, in order to distinguish the roles and individual departments. The diagram below is completed according to company's structure.



4. Materiality Assessment

To conduct the materiality assessment, MERCHADISING COMPANY sent a questionnaire to customers, investors, suppliers, local community, media and other stakeholders. The questionnaire was sent via email and the results are used to fill the tables of this section.

Materiality Assessment Questionnaire

To better communicate with stakeholders, MERCHADISING COMPANY would like to seek your assistance in filling out this survey. Your response and suggestions will only be used for internal analysis.

Thank you.

1. Name of organisation

2. What is the relationship between your organisation/your organisation and [company name]?

- ☐ Employee
- ☐ Customers / Clients
- ☐ Shareholders / Investors
- ☐ Suppliers
- ☐ Local community
- ☐ Government
- ☐ NGO / NPO
- ☐ Media
- ☐ Others

3. Materiality Analysis

Please rate the level of materiality of the following topics.

		Low		Medium		High
		1	2	3	4	5
Environmental						
1	Resources usage, including raw material, energy resources and water.					

2	[Companies'] environmental policy, mitigation plans and actions taken to reduce greenhouse gas emission and improve efficiency					
3	The impact of business operation on the ecosystem and biodiversity, and the plans and actions taken in response to ecological conservation.					
4	The management and reduction policies of waste generated by [Companies'] operation, for example if responsible dismantling and recycling system is established for abandoned vessels					
5	Programs for general and specialised training as well as career chances					
Social						
6	[Companies'] effort to ensure fair salary structure and equal opportunities, as well as to provide benefits, healthcare and other employee care.					
7	The success of employee-employer communication via union, employee satisfaction survey, complaint system, etc.					
8	Workplace safety, employee wellness and health promotion initiatives, occupational accident prevention and management, or other themes relevant to [Company's] activities.					
9	Protecting the balance between personal and professional life					
Governance						
10	Legal observance, policy dissemination, and any notable violations at [Company].					
11	[Companies'] approach to supplier relationships.					
12	[Companies'] approach to customer satisfaction, employee satisfaction and community engagement score.					
13	Board Diversity and Independence at [Company].					

4. Please indicate if there are any other issues that you consider important at an environmental, social and governance level. For each additional topic, please provide your rating using the scale 1 – 5 (1 = Low, 5 = High)

Table 3. Stakeholder Analysis

Stakeholder group	Communication channel	Frequency of communication
Company customers	Email, CRM, telephone, social media	5
End product users after the company's services	Email, social media, campaigns at supermarkets	3
Staff	Email, daily face-to-face communication	5
Suppliers/partners	Email, daily face-to-face communication, telephone, social media	4
Competing companies	Email, social media	2
State authorities (Customs territory, Audit Authorities)	Email, telephone, face-to-face communication during inspections	3
Local community on premises	Email, daily face-to-face communication, telephone, social media	5
Certification Bodies	Email, telephone, live communication during inspections	3

Table 4. Communication Frequency Scale

1	2	3	4	5
Never	Rarely	Sometimes	Often	Always

Table 5. Key sustainability issues

Stakeholder group	Material issues concerning the environment	Material issues concerning society	Material issues concerning governance
Customers	Provision of environmentally friendly services Food waste Management through EMAS.	Personal data security, reliability and trustworthiness in cooperation, customer satisfaction, quality service	Clear cooperation policy, fair and transparent billing practices
End users	Provision of environmentally friendly services Management of food waste through EMAT (Electronic Waste Register).	Personal data security, reliability and trustworthiness in cooperation, customer satisfaction, quality service	Transparent working practices
Staff	Minimising waste in the workplace, recycling	Fair working practices, health and safety protocols, training and awareness of staff on service quality issues	Fair distribution of responsibilities, gender equality, pay equity, adherence to working hours.

Suppliers/partners	Encouraging sustainable practices in the context of cooperation	Ethical business practices, ethical partnerships	Compliance with the terms of cooperation (financial and service conditions)
Competitive companies	Encouraging sustainable practices within the industry	Ethical business practices	Maintaining ethical competition and compliance to legal frameworks
State authorities (Customs Region, Audit Authorities)	Compliance with environmental strategies and legislation Management of food waste through EMAS.	Social responsibility actions	Compliance with standards and legislation, transparent controls
Local community on premises	Compliance with environmental strategies and legislation	Social responsibility actions	Compliance with standards and legislation
Certification bodies	Promotion of sustainability under the certification scope	Supporting standards of equality, diversity and inclusion	Ensuring compliance with certification requirements (ISO 9001, AEO)

5. Environmental disclosures

In the section on environmental indicators the company shall disclose at least the mandatory indicators presented in this report.

E1 - Total energy consumption & mix

Table 6. Consumption

	2022	2023	2024
E1-1 Energy consumption	X	x	X
E1-2 Fuel consumption	2569,21	2544,65	2432,33

E1-3 Energy consumption for heating and cooling			X
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In the company, accurate energy metering is not possible, as the building owner bears the energy costs. The company pays a fixed price for energy according to the square meters of its office space for heating and cooling.

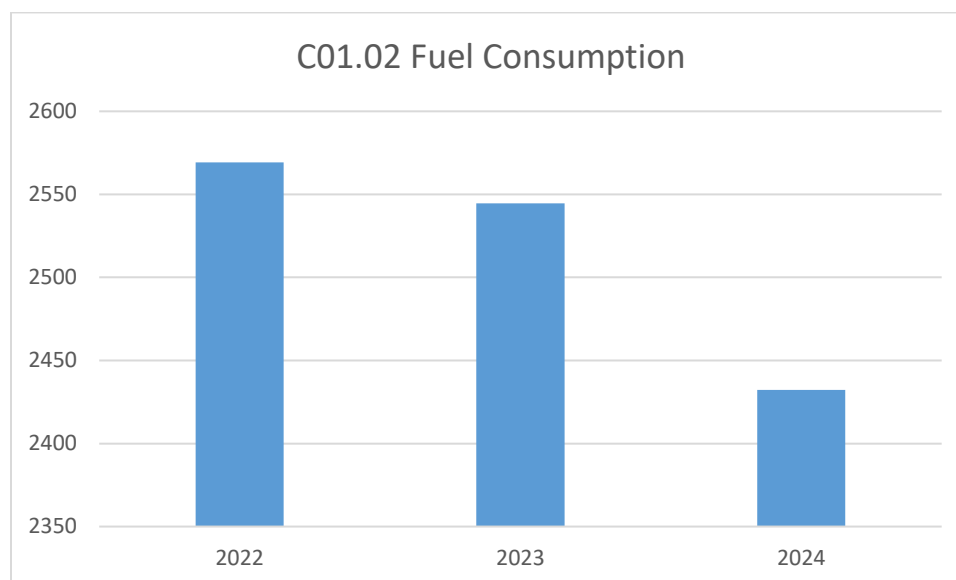


Diagram 1. Fuel consumption

E2- Total water use

Table 7. Total water use

	2022	2023	2024
E2-1 Water use	x	x	X
E2-2 Water use index	x	x	X
E2-3 Water saving policies			D/A

In the company, water consumption metering is not possible, as the building owner bears the costs of water use. The company pays a specific consumption fee based on the square meters of its offices.

E3- Greenhouse gas emissions

Table 8. CO₂ emissions

	2022	2023	2024
E3-1 CO ₂ emissions (scope 1) (kg CO ₂ eq)	1437.823,	136.962,	123.465,84
E3-2 Policies to reduce CO ₂ emissions			X

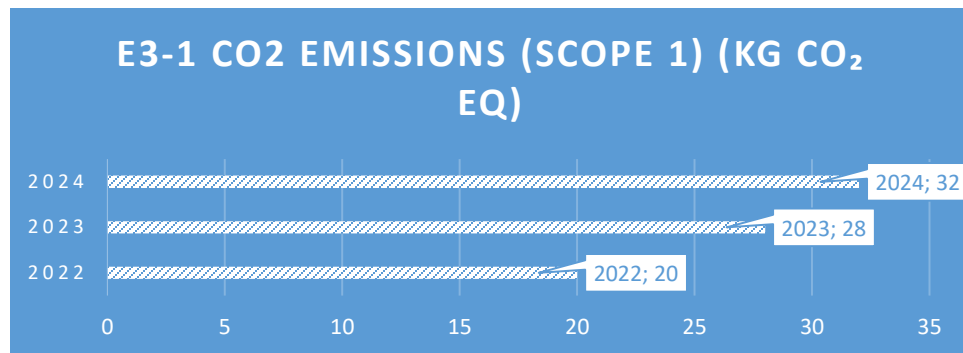


Diagram 2. CO₂ emissions

MERCHADISING COMPANY DEVELOPMENT OF DYNAMIC SERVICES AND SALES SYSTEMS UNINCORPORATED JOINT STOCK COMPANY, acknowledging climate change is a thorn for sustainability, is committed to reduce CO₂ emissions through its activities, aiming to decrease its emissions by 20% in the next three years through the use of electric cars, fuel consumption management (fleet metering), recycling and use of public transport.

E4 - Total waste generation

Table 9. Waste generation

	2022	2023	2024
E4-1 Waste weight (kg)	86	85	82



Diagram 3. Waste generation

The figure indicated is an estimate based on the average waste weight recorded throughout the years by the airport building management company.

E5 - Recycling rate

Table 10. Recycling rate

	2022	2023	2024
E5-1 Waste percentage recycled per year	71,6%	76,8%	82,1%
E5-2 Recycling policies			x

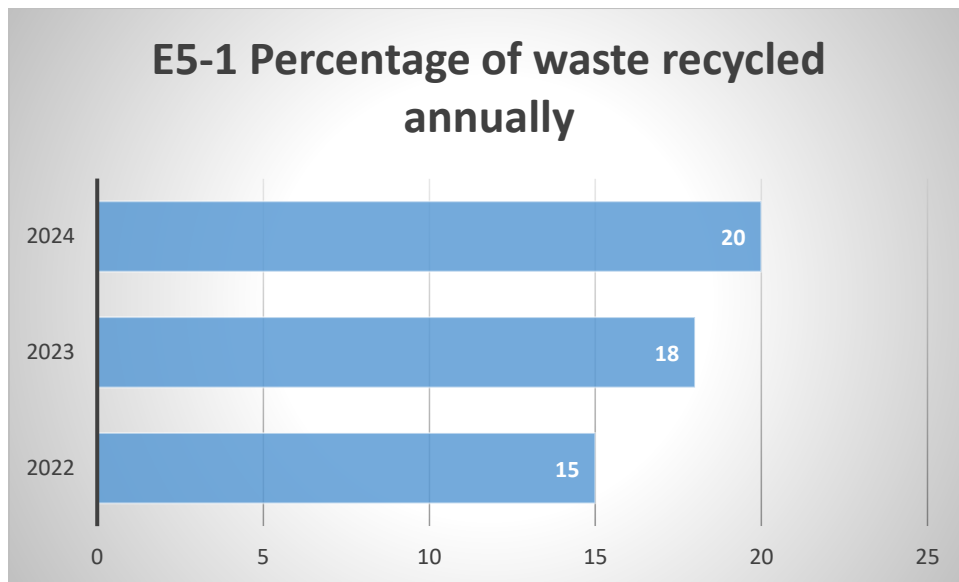


Diagram 4. Weight of waste recycled per year

E5-2 Recycling policies

Our company is committed to promoting sustainable practices through an efficient recycling policy. Every afternoon, the company's cleaner is responsible for distributing the waste by category. It is then managed by the municipality.

6. Social Disclosures

In the social disclosures section, the company must disclose at least the mandatory indicators presented in this report.

S1-Characteristics of employees

Table 11. Employee characteristics

	2022	2023	2024
S1-1 Number of employees	15	18	20
S1-2 FT/PT ratio	100% FT		
S1-3 Gender distribution	0,33	0,42	0,48
S1-4 Nationality breakdown	100% Greek nationality		

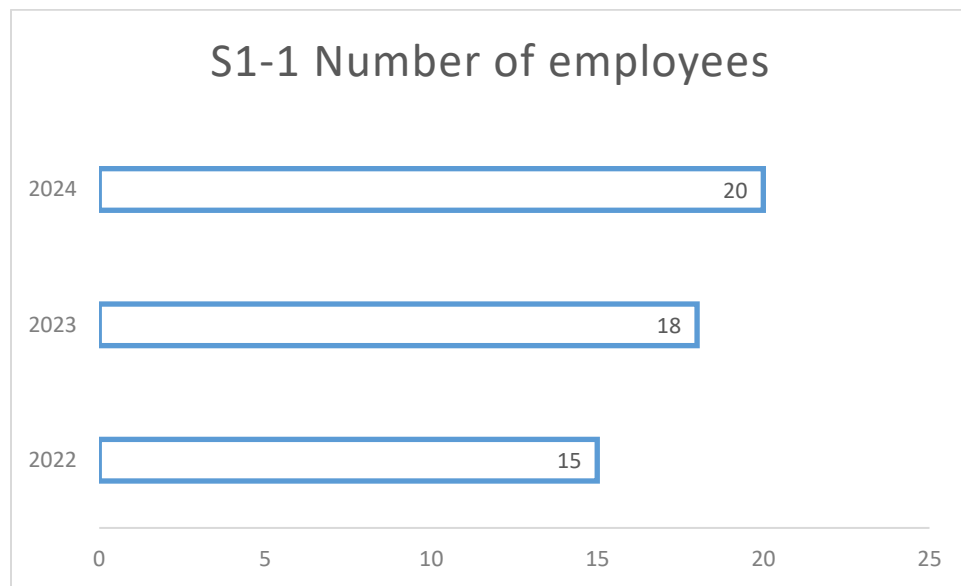


Diagram 5. Number of employees

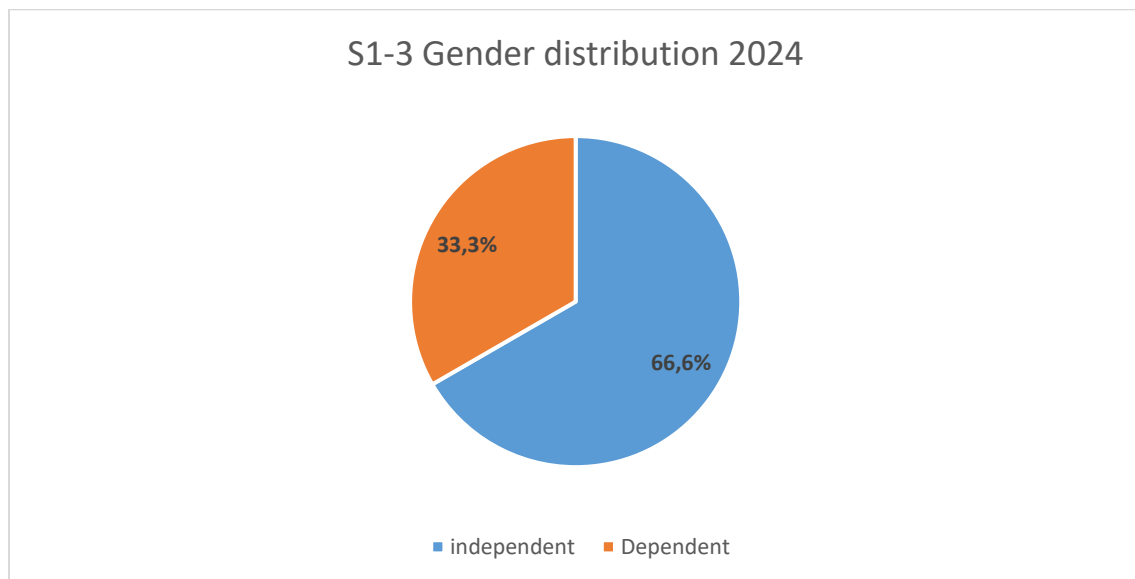


Diagram 6. Gender distribution

S2-Diversity & Inclusion Indicators

Table 12. P&E indicators

	2022	2023	2024
S2-1 Policies			X

S2-2 Gender distribution in number and percentage at senior management level.	3 A
S2-3 Employees over 50 years old	4 over 50 years old, 10 aged 30-50
S2-4 Percentage of employees with disabilities among employees	There are no employees with a disability

S2-1 Policies

The company does not follow a diversity and inclusion policy in the workplace. However, it applies an equal opportunities policy for all staff members, irrespective of gender, religion, disadvantage or other aspects.

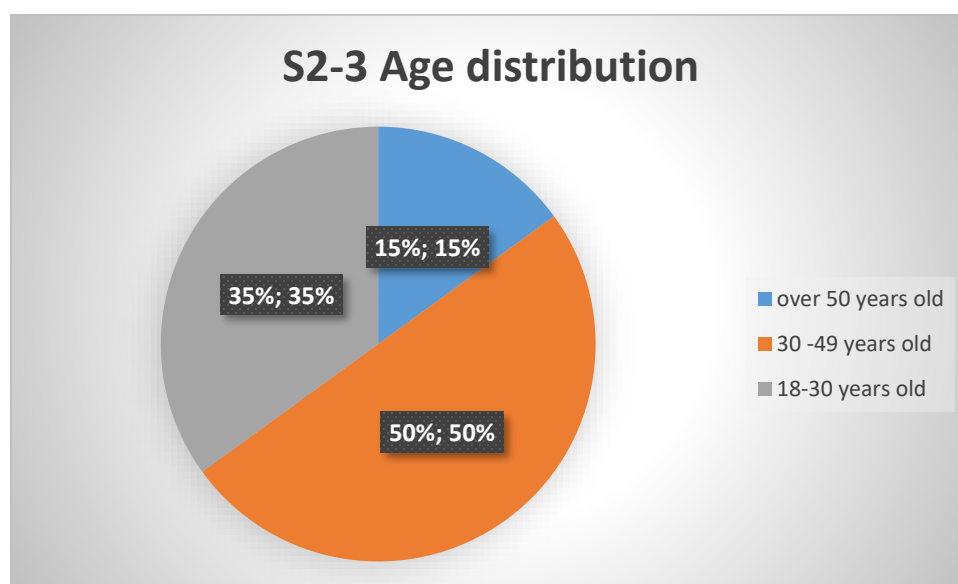


Diagram 7. Age distribution

S3- Work life balance

Table 13. Work-life balance

	2022	2023	2024
S3-1 Percentage of employees entitled to family-related leaves	33%	35%	35%
S3-2 Percentage of employees entitled to family-related leaves and breakdown by gender	0%	0%	0%

S3-3 Number of extra hours the employees work per year	D/A	D/A	N/A
S3-4 Policies on maintaining work-life balance (on-call/stand-by policies)			Not applicable

S4- Training and skills development

Table 14. Training and skills development

	2022	2023	2024
S4-1 Percentage of employees having participated in regular performance and career development reviews; such information shall be broken down by employee category and by gender	100%		
S4-2 Average number of training hours per employee, employee category and gender	30 hours/employee irrespective of gender		

S5 - Social protection

Table 15. Social protection

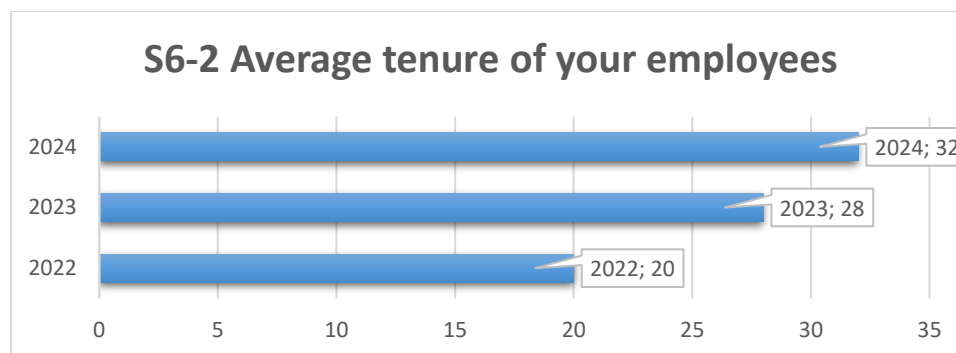
	2022	2023	2024
S5-1 Percentage of employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events	100% Provision of private insurance to all company employees		

S6 - Employee engagement

Table 16. Employee engagement

	2022	2023	2024
S6-1 Score/level of engagement			93%
S6-2 Average tenure of your employees	2 years	2,7 years	3,8 years

Diagram 8. Average tenure of your employees



S7 - Employee Health and safety

	2024
S7-1 Measures taken to protect health and safety	<p>Compliance with an occupational risk assessment study</p> <p>Visits by the Safety Technician and addressing any remarks made</p> <p>Private health insurance for all employees.</p> <p>Car maintenance/roadworthiness tests</p>

Table 17: Health and safety measures

S8 - Customer Data Protection and Privacy

The company applies data protection and privacy policies to protect customers. It complies with all the necessary security measures for safeguarding personal data, even though its main clientele is composed of companies.

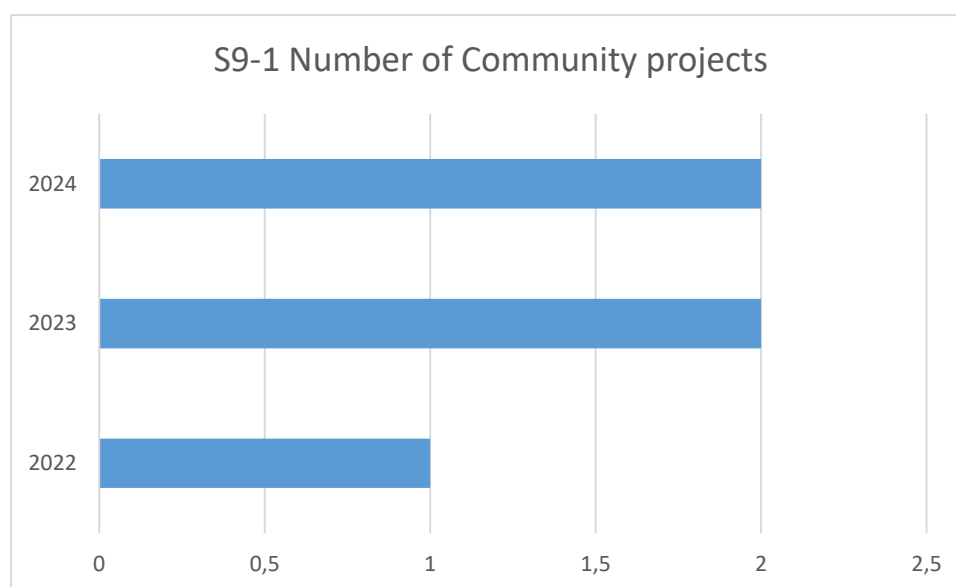
S9 - Community Engagement and Support

	2022	2023	2024

S9-1 Number of Community projects	1	2	2
S9-2 Number of volunteering efforts (hours)	20	28	32

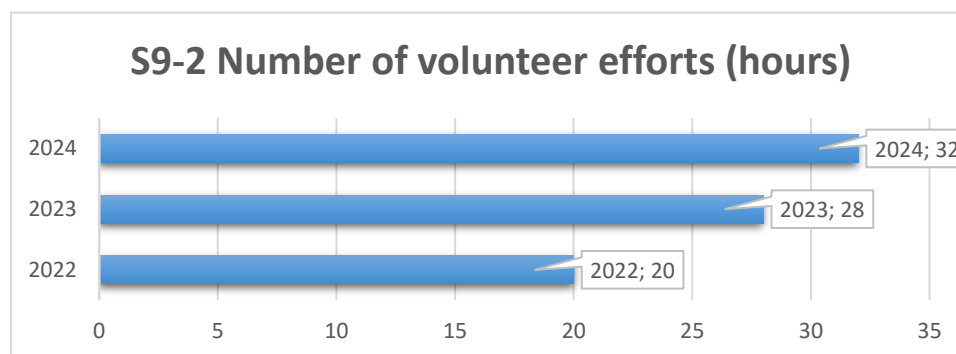
Table 18. Community engagement and support

Diagram 1. Number of Community projects



The company participates annually in the Marathon as well as the Race for Cure.

Diagram 10. Number of volunteer efforts



On Christmas 2024, the company donated 30 bags of supermarket items to “Boroume” (We Can) Association and 3 bags to "Se Folia Aetou" (In the Eagle's Nest) Association.

S11 - Customer Satisfaction and Loyalty

Diagram 11. Customer Satisfaction and Loyalty

	2023
S11-1 Customer satisfaction	93% through ISO 9001
S11-2 Percentage of returning customers	82%

7. Governance disclosures

G1 - Board Diversity and Independence

	2022	2023	2024
G1-1 Composition of the Board (gender, nationality, skills, expertise)	3 men, over 50 years old possessing the necessary expertise		
G1-2 Percentage of independent directors	66,6%		

Table 19. Board diversity

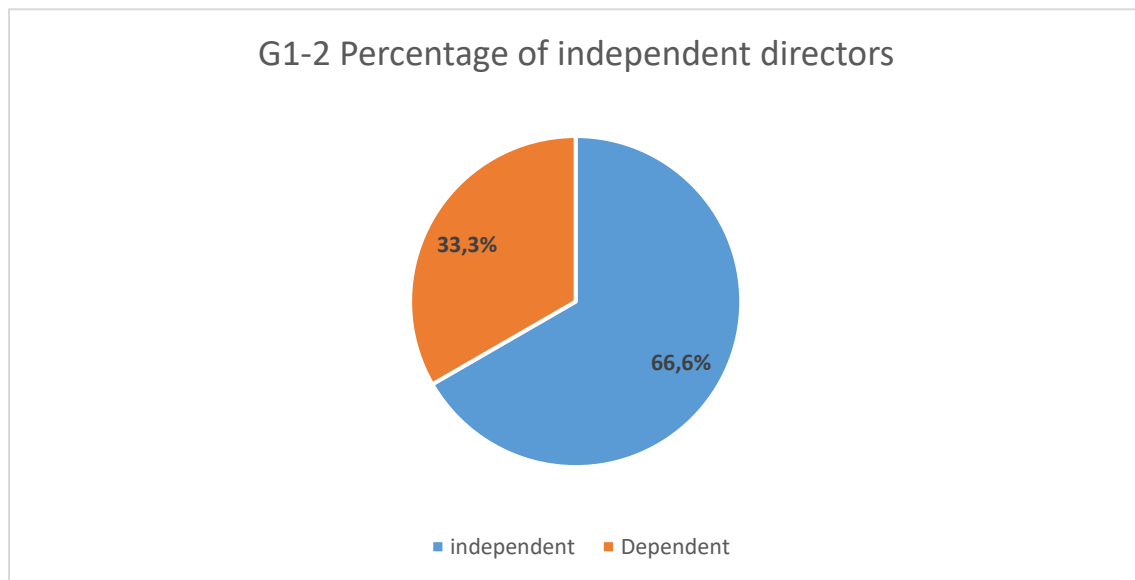


Diagram 12. Composition of the Board.

G2 - Corporate Governance Policy Adherence

	2022	2023	2024

G2-1 Set of key corporate governance policies	ISO 9001:2015	ISO 9001:2015	ISO 9001:
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Table 20. Corporate Governance Policy Adherence

Since December 2022 the company has been certified for ISO 9001:2015 management system of "merchandising" by the Certification Body LETRINA.

G5 - Stakeholder Engagement

	2022	2023	2024
G5-1 Customer satisfaction			93%

Table 21. Customer satisfaction