POLICY ON THE SUITABILITY OF BOARD MEMBERS

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1. INTRODUCTION

This suitability policy for members of the Board of Directors (the "Suitability Policy") was drafted by the Board of Directors of the company "PAPOUTSANIS S.A." (hereinafter the "Company") in accordance with the provisions of Article 3 of Law 4706/2020 and Circular No. 60 of the Hellenic Capital Market Commission entitled "Guidelines on the Suitability Policy under Article 3 of Law 4706/2020," and was approved by its decision dated […] and subsequently by the decision dated […] of the Company's General Meeting of Shareholders.

The Fitness Policy takes effect upon the entry into force of Articles 1 through 24 of Law 4706/2020 or, with regard to the election of a new Board of Directors in the year 2021, whichever occurs first.

The scope of application includes the members of the Board of Directors. The Suitability Policy is consistent with the Company's Internal Operating Regulations, as currently in effect, and with the Corporate Governance Code implemented by the Company.

The Board of Directors, with the assistance of the Compensation and Nomination Committee, proposes candidates for the Board of Directors to the General Meeting, whether for new members or for the renewal of the terms of existing members, in accordance with the applicable legislation on the Suitability Policy. The Board of Directors continuously monitors the suitability of its members and, where deemed necessary under applicable law and the Suitability Policy, reassesses their suitability and, if necessary, initiates their replacement.

The Suitability Policy aims to ensure high-quality staffing, effective operation, and fulfillment of the Board of Directors' role in accordance with the Company's overall strategy and medium- to long-term business objectives, with the aim of promoting the Company's best interests.

The Suitability Policy is approved by the Board of Directors, in accordance with Article 3(1) of Law 4706/2020, and is submitted to the General Meeting for approval, in accordance with Article 3(3) of Law 4706/2020. Amendments to the Suitability Policy are approved by the Board of Directors and, if they are material, are submitted to the General Meeting for approval in accordance with Article 3(3) of Law 4706/2020. The Suitability Policy and any material amendment thereto shall take effect no earlier than upon its approval by the General Meeting. "Substantial" refers to amendments that introduce deviations or significantly alter the content of the Suitability Policy, particularly with regard to the applicable general principles and criteria. The currently effective Suitability Policy, as updated, is posted on the Company's website.

2. BASIC ELIGIBILITY CRITERIA

Each member of the Board of Directors must meet the following basic criteria:

- Be honest, of sound character, and of good reputation.
- Possess the intellectual acumen, determination, knowledge, and fortitude to form their own opinion on corporate matters with the company's best interests in mind, regardless of the views of the other members of the Board of Directors, to ask reasonable questions of the other members of the Board of Directors and insist on receiving specific answers, to submit proposals, and to point out

areas in need of improvement. In particular, non-executive members must be capable and willing to exercise the oversight and control of executive members as required by law. The above qualifications must be combined with the willingness and ability to engage in constructive cooperation in a spirit of trust and teamwork.

- Must be willing and able to devote sufficient time and energy to performing their duties as a member of the Board of Directors. Attendance and participation in meetings or decision-making, preparation for these, and active involvement are considered indicators of the time a member devotes to performing their duties.
- Possess skills, experience, and a background that complement the respective characteristics of the existing members.
- When selecting and proposing candidates for the Board of Directors to the General Meeting of Shareholders, or when appointing new members to replace departing members, the Board of Directors, with the support of the Compensation and Nomination Committee, seeks to propose candidates whose election ensures that the Board of Directors, as a collective body, possesses, in particular, the following characteristics:
  - In-depth knowledge of the Company's industry. In particular, members of the Board of Directors should possess an appropriate mix of experience and sufficient time to effectively oversee the Company's operations. Furthermore, members of the Board of Directors should have an understanding of the legal and regulatory requirements applicable to a company listed on a regulated market.
  - There is adequate representation of both genders.
  - The principle of diversity is upheld in the selection of Board members. Diversity is a factor that can enrich the functioning of the Board of Directors and facilitate the expression of independent opinions and constructive debate in the decision-making process.

The Board of Directors ensures that the Company has an appropriate succession plan in place to ensure the smooth continuity of the Company's affairs and decision-making following the departure of Board members, particularly executive members and committee members.

Conflicts of Interest Involving Board Members:

The following professional capacities are incompatible with the position of a member of the Company's Board of Directors:

- Positions as an executive, member of the Board of Directors, employee, or other affiliate of a business that is a competitor of the Company, which may give rise to systematic conflicts of interest with the Company's interests.
- An employee or associate of an auditing firm that has been appointed as the Company's external auditor.

Induction and Ongoing Training of Board Members:

Before assuming their positions, candidates for the Board of Directors are briefed by the Company's Compensation and Nomination Committee regarding the culture, values, and overall strategy of the Company, while during their term of office they are briefed on issues related to management, the Company's operations, financial risks, regulatory compliance, and corporate governance, among other topics.

Selection of Candidates and Election of Board Members:

- The Compensation and Nomination Committee formulates and manages the policy and procedure for selecting Board members who will be appointed by the Board of Directors or nominated to the General Meeting by the Board of Directors.
- Members of the Board of Directors are elected by the General Meeting for the term specified in the Company's Articles of Incorporation and may be re-elected without restriction.

3. ANALYSIS OF ELIGIBILITY CRITERIA FOR BOARD MEMBERS

The Compensation and Nomination Committee establishes and manages the selection process for members of the Board of Directors who will be elected by the Board of Directors or nominated to the General Meeting by the Board of Directors.

Suitability is divided into individual and collective suitability.

3.1 Individual suitability

a. Professional training, experience, and sufficient knowledge.

Members of the Board of Directors should understand the Company's business activities and the risks it undertakes, to a degree commensurate with their responsibilities. This includes an adequate understanding of areas for which an individual member is not directly responsible but for which they are collectively responsible together with the other members of the Board of Directors.

Members of the Board of Directors should clearly understand the Company's governance arrangements, their respective roles and responsibilities, and any potential conflicts of interest that may arise.

Members of the Board of Directors should be able to contribute to fostering an appropriate mindset, corporate values, and conduct within the Board of Directors and the Company.

In this regard, when assessing whether a candidate possesses sufficient knowledge, skills, and experience, the following should be considered: (a) the role and duties of the position and the required competencies; (b) the knowledge and skills acquired through education, training, and practical experience; (c) the practical and professional experience gained in previous positions; and (d) the knowledge and skills acquired and demonstrated through the Board member's professional conduct. For example:

- **Professional experience**. The nature of any management position, the hierarchical level, nature, complexity, and organizational structure of the organization in which the position was held, the scope of responsibilities, decision-making authority and accountability, the number of subordinates, the type of professional experience, and its relevance to the Company's industry.
- **Specialized experience**, such as strategic planning, regulatory compliance, risk management, accounting and auditing, sales development and exports, sustainable development, human resources management, research and innovation, etc.
- **Serving on the boards of directors of other companies and, more generally, experience managing legal entities**
- **Membership on committees of other legal entities**

Compliance with the required qualifications will be verified through resumes containing information on the candidates' education and professional experience, as well as other details such as academic degrees, recommendations from previous employers, positions as executive and non-executive board members, and other professional activities, membership in professional associations, seminars, and training courses attended, etc.

For the purposes of evaluating a member's theoretical knowledge, the level and type of education (field of study and specialization) documented through academic degrees and any seminars in which the member has participated are taken into account.

Practical experience is demonstrated through a detailed account of previous positions of responsibility held by the candidate. In this context, the type of employment held by the member is evaluated, taking into account the length of time spent in each position, the size of the entity where they worked, the scale and complexity of the business activities, the responsibilities they held there, the number of subordinates, the nature of the entity's activities, etc. Evidence of practical experience is also obtained from letters of recommendation from previous employers.

b. Personal Skills

Additional criteria for evaluating members of the Board of Directors include personal skills such as, for example, decisiveness and decision-making ability, communication skills, critical thinking, leadership, dedication, negotiation skills and persuasiveness, team spirit, a sense of responsibility, etc.

The character and contributions of prospective or current members of the Board of Directors are evaluated, among other things, based on their track record to date, the proposals they make, personal discussions / interviews with the candidate, and, more generally, by their overall participation in the management and operations of the Company.

c. Reputation, ethics, honesty, and integrity

Members of the Board of Directors must perform their duties with integrity, objectivity, and professionalism. More generally, they must manage corporate affairs with diligence and in good faith and act in accordance with the standard of a prudent businessperson, exclusively in the best interests of the company. Furthermore, they must:

- be distinguished by their moral character; above all, they must be honest and of sound character. These qualities are presumed to exist unless there is evidence to the contrary or a reasonable basis for doubt.
- not be subject to any legal disqualifications, such as those provided for in Article 3, paragraphs 4 and 5, of Law 4706/2020. Regarding the absence of the disqualification under the aforementioned provision, each candidate member (or any person to whom powers to manage and represent the company are to be delegated) must submit a sworn statement in accordance with the provisions of those articles and promptly notify the Company of the issuance of any relevant final court decision.
- meet the independence criteria of Law 4706/2020, in the case of independent, non-executive members (see Procedure for Disclosing Dependency Relationships of Independent Non-Executive Members of the Board of Directors).

In particular, the following are given serious consideration:

a. final administrative and judicial decisions against them, particularly for violations and offenses related to their capacity as members of the Board of Directors or to non-compliance with provisions of the Hellenic Capital Market Commission's legislation or, more generally, to financial crimes,

b. final court judgments for crimes of grave social reprehensibility, c. the

existence of investigations or pending legal proceedings in connection with the

above,

assessed by taking into account, in particular, the relevance of the offense or measure to the member's role, the severity of the offense or measure, the broader circumstances, including mitigating factors, the role of the person involved, the penalty imposed, the stage reached in the legal proceedings, and any remedial measures that have been implemented, as well as the time that has elapsed and the person's conduct following the violation or offense.

The above factors may be assessed at the discretion of the Board of Directors and based on:

- sworn statements by the candidates,
- excerpts from criminal records, to the extent that they may be requested in accordance with data protection laws;
- investigations, to the extent consistent with data protection laws;
- collection of other information and relevant supporting documents regarding any final administrative and judicial decisions.

d. Conflict of Interest

In accordance with the Company's applicable Conflict of Interest Policy, as part of the

evaluation of a candidate for the Board of Directors, as well as on a periodic basis, an assessment is made of the extent to which there are no impediments that

could prevent the member from effectively performing their duties in accordance with the requirements of their role.

For example, the extent to which the independence criteria set forth in the "Procedure for Disclosing Dependency Relationships of Independent Non-Executive Members of the Board of Directors," specifically for independent members of the Board of Directors, as well as any circumstances related to the candidate's family, professional, or social status of the candidate that could actually or potentially lead to a conflict of interest.

e. Dedication of Sufficient Time

The Compensation and Nomination Committee assesses whether a member of the Board of Directors is able to devote sufficient time to the performance of his or her duties and responsibilities, including understanding the Company's business, its key risks, and the implications of its business and risk strategies. Members should be able to fulfill their duties during periods of particularly high activity, such as the approval of financial statements, the acquisition of a stake, mergers, acquisitions, or a crisis, or as a result of a serious difficulty related to one or more of the company's activities, bearing in mind that during such periods, a greater time commitment may be required compared to normal periods.

To assess whether a member devotes sufficient time, factors such as the number of board positions held concurrently by that member, the size, nature, scope, and complexity of the activities of the entity in which the member serves on the Board of Directors, the member's place of residence, and the travel time required for that specific role, the number of scheduled Board meetings; the other Board positions held concurrently by the member in organizations that are not primarily for-profit; any necessary meetings to be held, the nature of the specific position and the member's responsibilities, including special roles such as that of Chief Executive Officer, Chair of the Board of Directors, or Chair or member of a committee, and whether the member holds an executive or non-executive position.

Accordingly, the Compensation and Nomination Committee also documents in writing the expected time commitment required for each position, while also taking into account the need to allocate sufficient time for orientation and training.

Each member of the Board of Directors is informed of the expected time commitment required for their duties, and the Compensation and Nomination Committee requires the member to confirm that they are able to devote this time to fulfilling role.

The Board of Directors monitors whether its members devote sufficient time to performing their duties. Attendance and participation in meetings or decision-making, preparation for them, and active involvement are considered indicators of the time a member devotes to performing their duties.

3.2 **Collective Suitability**

Beyond individual suitability, the members of the Board of Directors must collectively be capable of making appropriate decisions, taking into account the business model, risk appetite, strategy, and the markets in which the Company operates. All areas of expertise required for the Company's business activities should be covered by the Board of Directors. There should also be a sufficient number of members with expertise in each area to enable a discussion of the decisions that need to be made. Collectively, the members of the Board of Directors should possess the necessary skills to present their views and influence the decision-making process. Therefore, the composition of the Board of Directors should reflect the knowledge, skills, and experience required to carry out its responsibilities. This includes the requirement that the Board of Directors collectively possess a sufficient understanding of the areas for which its members are collectively responsible, and that it possess the necessary skills to exercise effective management and oversight, including with respect to:

- its business activities and the key risks associated with them,
- strategic planning,
- financial reporting,
- compliance with the legal and regulatory framework,
- understanding corporate governance issues,
- the ability to identify and manage risks,
- the impact of technology on its operations,
- adequate gender representation.

The Company bears primary responsibility for identifying gaps in collective suitability. To this end, the Board of Directors conducts an annual self-assessment. The Board of Directors may also decide to have its assessment conducted by third-party consultants.

The Board of Directors should collectively possess, in addition to a high level of managerial skills, sufficient management skills to organize its work effectively so that it is able to understand and challenge the management practices in place and the decisions made by senior management.

A key criterion is to ensure, to the extent possible, adequate representation of both genders as well as the principle of diversity in the selection of Board members. In accordance with current legislation, the minimum representation rate for each gender is set at 25% of the total number of Board members. In the event of a fractional result, this percentage is rounded down to the nearest whole number.

Diversity is a factor that can enrich the functioning of the Board of Directors and facilitate the expression of independent opinions and

constructive debate in the decision-making process. By bringing together a broad range of qualifications and skills when selecting Board members, a diversity of views and experiences is ensured, with the aim of making sound decisions. In addition to ensuring adequate gender representation, the exclusion of candidates on the basis of discrimination due to gender, race, color, ethnic or social origin, religion or beliefs, wealth, birth, disability, age, or sexual orientation.

The assessment of collective suitability takes into account, on a case-by-case basis, factors such as the Company's current size and growth prospects, its geographic presence, the business model and core business strategy, the nature and complexity of business activities, the organizational structure, the risk strategy, and the risk appetite, etc. Another important factor is the level of competence of the overall composition of the Board of Directors' specialized committees.

Specifically, for each member of the Board of Directors, the following are evaluated: the type of knowledge, skills, and experience that the individual contributes to the collective suitability of the Board of Directors, how the member fits into the collective suitability of the Board of Directors, and how their appointment and service to date on the Board of Directors contribute to its collective suitability.

Specifically, for new and prospective members of the Board of Directors, any weaknesses identified in the overall composition of the Board are assessed, along with how the candidate under evaluation will contribute to resolving some or all of these weaknesses.

4. PROCEDURE FOR EVALUATING CANDIDATES COVERED BY THE POLICY

The evaluation of the suitability and reliability of candidates covered by the Policy must take place prior to the appointment of the new member of the Board of Directors.

The candidate evaluation process includes the following steps:

1. For each candidate, the necessary supporting documents are collected, and an "Evaluation Report" (hereinafter the Report) is prepared, which records whether the individual adequately meets the eligibility criteria.
2. In the Report, depending on the prospective member's qualifications, it is examined whether:

    - they fully meet the criteria,
    - partially meets the criteria, in which case it is clarified whether these criteria are critical and, in particular, whether their absence:

      (a) the performance of duties with professional competence and subject matter expertise is not ensured,

      (b) impediments are created in accordance with the provisions of the law.

3. Following the review and approval of the content of the Reports, a recommendation is made regarding whether or not to select a candidate.

With regard to disclosure rules, it should be noted that for the election of its members, the Board of Directors posts on the Company's website, no later than twenty (20) days before the general meeting, as part of its relevant recommendation, information regarding each candidate member, including the following:

- The rationale for the nomination of the candidate member.
- A detailed curriculum vitae of the candidate, which includes, in particular, information regarding their current or previous activities, as well as their participation in executive positions at other companies or their membership on other boards of directors and board committees of other legal entities.
- The assessment of the suitability criteria for candidates for the Board of Directors, in accordance with the Company's suitability policy, and, if the candidate is nominated for election as an independent member of the Board of Directors, ensuring that the requirements set forth in Article 9 of Law 4706/2020 are met.

5. IMPLEMENTATION AND AMENDMENT OF THE SUITABILITY POLICY.

Monitoring the implementation of the Suitability Policy is the responsibility of the Board of Directors.

The Board of Directors is primarily assisted by the Compensation and Nomination Committee, which follows and implements the Suitability Policy within the scope of its relevant responsibilities. The Company's Internal Audit Unit and the Compliance Unit, if such units exist, also assist in this process; otherwise, the department or personnel to whom these responsibilities have been assigned provide assistance.

If it is determined that a member of the Board of Directors no longer meets one or more of the eligibility criteria, for reasons that the individual could not have prevented even with the utmost diligence, the Board of Directors shall immediately remove and replace that member within three (3) months.

The Board of Directors shall document the results of the suitability assessment, and in particular any shortcomings identified between the expected and actual individual and collective suitability, as well as measures to be taken to address these shortcomings.

The Company's annual Corporate Governance Statement includes a relevant reference to the Suitability Policy.