



RULES OF PROCEDURE
OF THE ESG COMMITTEE

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Preamble

These Rules of Procedure of the Committee (hereafter **“the Rules”**) set out the role and responsibilities of the Committee in the context of the company’s strategy on sustainable development issues.

1. Purpose of the Committee

- 1.1 The ESG committee is an important body established by the Board of Directors to provide strategic direction for all initiatives related to sustainable development in environmental society and ESG governance (hereafter ESG). It reviews and analyses the ESG strategy, oversees the progress of the targets and performance set in relation to sustainable development and ensures that ESG-related policies are properly implemented in accordance with legislative requirements and voluntary commitments made by the company.
- 1.2 The ESG Committee is responsible for overseeing, identifying, monitoring and managing risks related to substantive ESG issues. In addition, the ESG Committee is responsible for communicating and developing initiatives to manage substantive issues with all stakeholders, including dialogue with the latter.
- 1.3 The ESG Committee informs the Board of Directors in writing (in at least every meeting) on ESG issues. Part of the update is the annual sustainable development report submitted to the Board of Directors for final approval.

2. Composition of the Committee - Competencies

- 2.1 The ESG Committee consists of the following members:
 - i. The Managing Director as Chairman of the Committee,
 - ii. The Director of Industrial Infrastructure & Technological Development, (Member of the Board)
 - iii. The Director of Corporate Communications & ESG as the main coordinator
 - iv. The Director of Internal Audit, GDPR & Compliance
 - v. The Director of Procurement
 - vi. The Director of Logistics
 - vii. The Director of Human Resources
 - viii. The Director of Quality Assurance & Quality Control
- 2.2 All members of the Committee, other than the Chairman, shall act as Secretary of the Committee on a rotating basis for each meeting. The role and responsibilities of the Secretary of the Committee are set out below.
- 2.3 The minutes of the Committee’s meetings are kept at the ESG & Corporate Communications Directorate, which is the main coordinator of the Committee.

- 2.4** The members of the ESG Committee possess the required knowledge and skills, as well as experience on issues related to sustainability and the fields of environment, society and governance.
- 2.5** To this end, they receive regular training and keep abreast of domestic and international trends and developments on relevant sustainability issues in the fields of environment, society and governance.
- 2.6** As many of the company's executives may participate in the committee as may be deemed appropriate at the relevant meetings.
- 2.7** The Committee shall, where it considers it appropriate, request the participation of the Legal Services Directorate in its meetings.

3. Mode of operation - Meetings

- 3.1** The ESG Committee shall meet in the physical presence of its members or via teleconference at least once every three months as well as in extraordinary meetings whenever necessary to carry out its tasks.
- 3.2** In addition to the full members of the Committee, its meetings shall be attended by its associate members as appropriate.
- 3.3** The Chairman of the Committee, assisted by the Secretary, shall draw up the agenda for each meeting of the Committee. Agenda items and supporting material shall be sent to the Committee members at least ten calendar days before the scheduled date of the Committee meeting. Any Committee member shall have the right to add items to the agenda at least five days before the meeting.
- 3.4** Decisions shall be taken by simple majority. The Committee is quorate when at least half of its members are present, and participation by proxy is not permitted. If decisions are not taken unanimously, the views of the minority must be recorded in the minutes. Non-unanimous decisions must be reported as such to the Board of Directors.
- 3.5** The Chairman shall ensure that the minutes of the meetings of the Committee are duly kept by the Secretary. The committee shall approve the minutes of each meeting and then the chairman and members shall sign them.
- 3.6** The Chairman of the Committee shall inform the Board of Directors of the proceedings, recommendations and decisions of the Committee after each of its meetings.

4. Powers of the institution

4.1 In order to achieve its purpose, the ESG Committee shall, inter alia:

- Ensure the adoption of sustainable development principles and their integration into the company's activities.
- Propose the ESG strategy, integrate the elements of the strategy into the organization's business model, and assess progress against established deadlines and implementation timelines.
- Oversee the effectiveness of systems and processes for sustainable development.
- Monitor the company's progress, assess its ESG performance and propose possible corrective actions.
- Monitor indicators and targets related to sustainable development issues and submit them to the Board for review.
- Propose a change in the governance model of the ESG strategy, including the reallocation of roles and responsibilities which it submits to the Board for approval.
- Review the annual budget of needs related to the implementation of the ESG strategy.
- Provide guidance for sustainable development initiatives.

4.2 The duties and responsibilities of the ESG Committee include:

- The submission of proposals, reports and all types of recommendations to the Board of Directors of the company with regard to:
 - improving environmental performance and strengthening the company's environmental actions and initiatives, including actions on climate change and the reduction of CO2 emissions
 - waste management and the protection of biodiversity, social issues such as health and safety of workers, labor and human rights, the development of local communities
 - corporate governance and business ethics
 - ESG information disclosure indicators
- Providing the Board of Directors with information on the monitoring of the implementation of the company's Sustainable Development Policy and providing any other assistance that may be required, in particular with regard to the existence of mechanisms for knowing and understanding the interests of stakeholders affected by the company's activities.
- Determining the impact of the company's activities on the environment and the wider community based on non-financial ESG-related factors that are of financial importance to the company and the collective interests of key stakeholders, such as employees, customers, suppliers, local communities and others.
- Monitoring and evaluation of the company's treatment of non-financial factors and proposal for their integration into the business strategy and decision-making process.

- The submission of recommendations to the Board of Directors for the establishment of working groups to promote sustainable development issues with the relevant directorates and committees of the company in order to promote the company's sustainable development objectives and the assignment of tasks and responsibilities.
- To promote the company's ESG activities to stakeholders.
- Ensuring that all publications on the company's management and performance on ESG issues are correct.

5. Access to information & resources

- 5.1** The Committee shall have at its disposal the necessary resources to perform its duties, as well as access to all internal information required for the fulfilment of its role, as well as any relevant information and material from the competent executives and employees of the company, which it considers important for the proper performance of its duties.
- 5.2** The Committee shall, where it considers it appropriate, obtain independent legal or other professional advice from external consultants on any matter within its mandate and propose such supporting tools, internal or external, as it considers necessary to achieve its objectives on Sustainable Development issues. The total cost of the means required to achieve this purpose is included in the corporate budget, which the committee documents and submits to top management for approval.
- 5.3** The company's management has an obligation to ensure that the ESG Committee is duly and adequately informed about decisions of the company that fall within its scope of responsibility and must ensure that the required information is provided to it.

6. Scope of application

The principles of the Rules of Procedure of the ESG Committee are strictly adhered to by the members of the Committee. The members of the Board of Directors, the senior and top management and the entire staff of the company are invited to assist in the work of the Committee.

6.1 Approvals - Policy Monitoring Mechanism

These Rules of Procedure shall be approved and/or revised by the Board of Directors. Once approved, the Rules of Procedure are posted on the corporate website and are effective immediately and universally.

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