



**SUITABILITY POLICY
OF THE MEMBERS OF BOARD OF DIRECTORS**

**As it was approved by the annual Ordinary General Meeting of Shareholders
as of 25.06.2021**

JUNE 2021

G.E.MI. Number: 582101000

Contents

1. Introduction	2
2. Purpose of Suitability Policy	4
3. Scope	5
4. Content of Suitability Policy	5
5. Nomination & Remuneration Committee	12
6. Information provision and continuous training of the Board of Directors	13
7. Monitoring and updating of the Suitability Policy.....	13
8. Publicity of the Suitability Policy	14

1. Introduction

1.1 The Management of the societe anonyme company under the name “FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY” and the distinctive title "FLEXOPACK S.A." (hereafter called as "Issuer" or "Company" for abbreviation purposes), in compliance with the provisions of article 3 of Law 4706/2020 concerning the "Corporate governance of societe anonyme companies, modern framework of capital markets, incorporation into Greek legislation of Directive (EU) 2017/828 of the European Parliament and of the Council, measures to implement Regulation (EU) 2017/1131 and other provisions" (Government Gazette A' 136/17.07.2020), in conjunction with the Circular under number 60/18.09.2020 of the Hellenic Capital Market Commission regarding the guidelines on the Suitability Policy, proceeded with the preparation and subsequent approval by the Board of Directors (BoD) of this Suitability Policy of the Members of Board of Directors. The Suitability Policy is to be submitted for approval at the next annual Ordinary General Meeting of the Company's Shareholders.

1.2 The Suitability Policy of the Members of Board of Directors as submitted for approval to the annual Ordinary General Meeting of Shareholders, was drawn up and approved by all the BoD members (executive, non-executive and independent non-executive) in order to ensure a high quality and effective nomination process, the orderly operation and the effective fulfillment of the role of the Board of Directors as a collective body of the Company for the purpose of promoting the Company's objectives and activities and safeguarding its corporate interests.

1.3 The Suitability Policy of the Members of BoD that was submitted for approval to the Annual General Meeting of the Company's Shareholders is an integral and essential element of the broader corporate governance framework, has been designed in a clear and specified manner and is sufficiently documented. It also includes both the principles governing the selection, replacement and/or renewal of the term of the members of Board of Directors as well as the criteria for evaluating their suitability. The Policy embraces criteria that ensure to a satisfactory degree the diversity of the composition of Board of Directors in accordance with the applicable legislation. The above criteria have been aligned with the Company's operational organization and in particular with the strong extrovert nature of the business plan of both the Company and the Group, taking into account that Group's business activities

address not only the European market but also the international markets in which the Group has achieved a great degree of penetration along with the creation of a competitive position.

1.4 The proposed Suitability Policy is aligned with (a) the provisions of the Company's Operating Regulations, and (b) the Corporate Governance Code, formulated by the Hellenic Corporate Governance Council (HCGC or ESED) for Listed Companies, which the Company applies to date with relevant deviations as detailed in the corporate governance statement of each corporate year.

1.5 Any consequential amendments to the Suitability Policy are always approved by the Board of Directors and if they are material they are then submitted for approval to the General Meeting of the Company's Shareholders.

Material means modifications - changes that introduce deviations or substantially change the content of the Suitability Policy, especially in terms of the applied principles and criteria.

1.6 The Suitability Policy and any material amendment thereof shall be effective upon its approval by the General Meeting of the Company's shareholders.

2. Purpose of Suitability Policy

The purpose of preparing and establishing this Suitability Policy is the following:

(a) the harmonization and compliance of the Company with the existing legislative and general regulatory framework,

(b) to ensure an effective nomination process through the participation in the Company's Board of Directors of the most competent and appropriate individuals (fit and proper) facilitating high standards of quality and effectiveness in terms of formation, composition and operation of the Board of Directors. This is aimed in the context of placing the Board of Directors in position to serve the corporate purpose with a view to strengthening the growth trajectory of the business activities of the Company and the Group in general at both European and international level,

(c) the formulation of the appropriate framework and selection criteria for appointment, replacement and/or renewal of the term of the members of Board of Directors,

(d) to ensure diversity through, on the one hand, adequate representation by gender and the avoidance of any form of discrimination (due to gender, ethnic or social origin and more

broadly in terms of origin, religion, age, etc.), and on the other hand, the gathering of individuals who possess the appropriate qualifications and skills for the purpose of making better decisions on behalf of the corporate body.

(e) to also ensure that the Board of Directors is staffed by persons distinguished for their integrity, ethics and good reputation, as well as their ability to understand the wider business environment and be in a position to contribute towards the preparation of the Company's and the Group's medium-term as well as long-term policy planning.

(f) to strengthen the role of Board of Directors as a corporate body that is capable of drawing up, implementing and monitoring the policy and strategy of both the Company and the Group.

3. Scope

The Company's Suitability Policy applies to:

- (a)** all members of Board of Directors (executive, non-executive and independent non-executive),
- (b)** both the elected members and the candidate members of the Board of Directors.

4. Content of Suitability Policy

The Suitability Policy includes the following:

- ✓ the general principles applied during the selection, replacement or renewal of the term of the members of Board of Directors,
- ✓ the criteria for evaluating individual suitability applied to all members of Board of Directors (executive, non-executive and independent non-executive),
- ✓ the evaluation criteria concerning the collective suitability of the members of Board of Directors,
- ✓ the diversity criteria,
- ✓ the specific evaluation criteria for the suitability of the members of Board of Directors who participate in the individual committees of the Board of Directors.

More specifically:

4.1 Principles applied during the selection, replacement, nomination or renewal of the term of office of the members of Board of Directors.

The selection of the members of Board of Directors, whether it concerns the election of new members, or concerns the replacement or renewal of the term of existing members in accordance with the applicable provisions of the Company's Articles of Association, is always performed with the purpose to facilitate or satisfy the following conditions:

(a) the sufficient formulation of the Board of Directors in such a manner that the number of members is proportional to the size of the Company and the scope of the business activities of both the Company and the Group.

In this case, the Company's Board of Directors, at the time of drafting this policy, consists of nine (9) members in total, and by virtue of the applicable statutory provision, their number may extend up to fifteen (15) members.

(b) the qualitative and appropriate composition of the Board of Directors in such a manner that the individuals who collectively form the competent body which in turn makes decisions about the daily operation of the Company requiring a high level of readiness and speed, possess the knowledge and the required experience in order to effectively contribute to the management of Company's affairs with the aim to further strengthen the presence and position of the Group in both the European and international markets.

(c) the participation in the Board of Directors of individuals who are distinguished for their reliability, ethics and integrity and who enjoy recognition in their wider field of professional activity, so they are able to evaluate, implement and supervise the implementation of the Company's strategy and overall policy.

(d) the level of familiarity of the candidate members with the business planning, the culture and in general the values and principles governing the operation of the Company, but also with the extroversion level that the Company possesses.

(e) the ability of the candidate - members to allocate sufficient time for the performance of their duties related to the status of a member of Board of Directors.

(f) the orderly succession in case of replacement of an existing member of the Board of Directors for the purpose of uninterrupted management of corporate affairs in accordance with the existing and approved succession plan for the members of the Board of Directors.

The election or retention of the status of member of Board of Directors is always governed by the provisions of mandatory law in accordance with the applicable legislative framework.

4.2 Suitability assessment criteria

In the context of the present suitability policy which is being applied both during the election process of the new members of Board of Directors and in the case of replacement, or renewal of term, of the existing members, the criteria relating to individual and collective suitability are always taken into consideration along the corporate business planning and the applied strategy of the Company, and also in light of the culture, values and principles which govern the broader operation of the Company.

4.2.1. Individual Suitability

The individual suitability assessment criteria are applied when deciding to replace or renew the term of:

- (a) executive members,
- (b) non-executive members, and
- (c) independent non-executive members of the Board of Directors.

The suitability criteria of the present policy are applied regardless of the special conditions of independence of the non-executive members, and/or the criteria for their participation in the individual committees of the Board of Directors in accordance with the provisions of the current legislative and regulatory framework.

In particular, the concept of individual suitability is assessed based on the following criteria:

(a) Adequacy of knowledge and skills

The status of a member of the Board of Directors is directly linked to the performance of the management duties which require:

- suitable and sufficient background of academic education and training, and
- previous relevant professional experience.

In particular, this process takes into account:

- ✓ the description of the more specific responsibilities and duties associated with the position of the member of Board of Directors

- ✓ the acquired knowledge and skills at an academic and broadly theoretical level
- ✓ the required skills in relation to the tasks to be performed (hard and soft skills)
- ✓ the relevant practical and professional experience, which especially for the executive members of Board of Directors is linked either to holding a position of responsibility or to the exercise of business activity for a sufficient period of time
- ✓ the sufficient knowledge and understanding of the activities and complexity of the business model of the Company and the Group in general, especially in light of the international nature of the corporate activities
- ✓ the sufficient knowledge and understanding of the legislative framework and the Corporate Governance Code applied by the Company

Especially for the executive members of the Board of Directors, in the process of nominating candidate members, in addition to the criteria of the present Suitability Policy, the elements that formulate the profile of the top management/administrative position to be filled are also taken into consideration, in accordance with the process followed and applied by the Company with regard to the recruitment and evaluation of top executives.

(b) Guarantee of ethics and reputation

The members of Board of Directors must have proven reliability, good reputation and ethics which is mainly determined by their honesty and integrity. In particular, the following are taken into account:

- ✓ the non-existence of objective and proven reasons that indicate a lack of honesty and good reputation such as, indicatively, final administrative and judicial decisions, in particular for offenses related to the status of being a member of Board of Directors, non-compliance with the legislation of the Capital Market Commission or reasons that relate to the commission of economic crimes.
- ✓ the relevance of any committed offenses towards the role of BoD member, their degree of seriousness, the general conditions of the offense including any mitigating factors and the role of the person involved, the imposed penalty and any restitution measures.
- ✓ the existence of a decision by any competent authority to exclude the member from exercising duties as a member of the Board of Directors.
- ✓ the time that has passed since the offense was committed
- ✓ the general behavior of the person after committing the crime

The above criteria are always subject to the self-evident reservation of the applicable legislative and regulatory provisions on corporate governance.

(c) Conflict of Interests

The members of the Board of Directors follow and apply the framework of policies, mechanisms and procedures for the purpose of preventing, recognizing and effectively dealing with situations of conflict of interest established by the Company in accordance with the particular provisions contained on the one hand in the Policy and Procedure for Prevention and Dealing with Conflict of Interest Situations (where the members of Board of Directors fall as liable persons) and on the other hand, in the Operating Regulations of the Company.

According to the Policy and Procedure for Preventing and Dealing with Conflict of Interest Situations, a conflict of interest is defined as any real or potential situation (professional, personal or other situation or relationship), in which the private interests of the liable person may conflict with the interests of the Company or may affect the ability of the liable person to assess a situation or his/her judgment to make a decision in an independent and impartial manner, solely guided by the Company's interests, and which has the imminent result of placing the interests of the Company in risk.

Therefore, in order to obtain or maintain the status of a member of the Board of Directors, a person must observe and apply the framework and the described procedure for preventing, identifying and dealing with situations of conflict of interest in accordance with the Policy and Procedure established by the Company.

(d) Independence of judgement

The members of the Board of Directors must act with independent judgement, which is not only ensured by the absence of any conflict of interest and the fulfillment of the conditions of independence in accordance with the applicable legislation, but also requires the active participation of the members in the meetings of Board of Directors and the delivery of independent and objective judgments.

In particular, the following must be ensured:

- ✓ the absence of any kind of compromise during the performance of the duties of all members of Board of Directors
- ✓ exemption from conditions that prevent the member of Board of Directors from exercising his/her duties in an independent and impartial manner
- ✓ the contribution of behavioral skills towards effectively evaluating the proposals and opinions of the other members of Board of Directors in a manner that promotes constructive decision-making
- ✓ the ability to formulate and support a personal opinion and to avoid a general and not well-considered adoption of views or positions that may be expressed by the other members of the Board of Directors (group thinking)

(e) Allocation of sufficient time

The members of Board of Directors must have the required time for the orderly and efficient exercise of duties associated with their position. In particular, in order to determine the adequacy of the time to be allocated, the following are taken into consideration:

- ✓ the status along with the more specific powers and duties of the member of Board of Directors,
- ✓ the member's participation in the committees of Board of Directors,
- ✓ any position and responsibilities on the Boards of Directors of other companies and/or legal entities,
- ✓ other professional obligations,
- ✓ the personal commitments, age and special personal circumstances of each member of the Board of Directors.

In particular, the executive members of the Board of Directors, whose duties are directly linked to the expansion of corporate activities internationally in the context of the optimal implementation of the corporate objective, must have sufficient time to fulfill all relevant obligations.

In the context of pursuing the orderly operation of the Board of Directors, the Company provides information to the prospective member regarding the expected time required for the proper fulfillment of his/her duties both for the meetings of Board of Directors and for the meetings of the BoD individual committees as long as the subject member has also

become member of any of the committees. This is performed in accordance with the introductory information procedure for the members of Board of Directors as specifically provided in the Training Policy for Board Members and Executives established by the Company.

4.2.2 Collective Suitability

The Board of Directors, in the context of its function as a collective body, must be able to:

(a) make appropriate decisions taking into consideration the business strategy, the business growth model, the scope of risks undertaken, as well as the particular conditions that prevail in each market (domestic, European and international) in which the corporate activities are being carried out, and

(b) monitor in a meaningful manner the decisions of the top management and to exercise constructive criticism in the context of promoting the Company's interests.

In the context of the above-mentioned dual mission, the Board of Directors must have a sufficient number of members who possess the appropriate knowledge and experience in every field related to collective responsibility, so that the Company's management body can effectively perform administration, supervision and oversight of corporate affairs.

The main areas of collective responsibility, among others, concern:

- ✓ in general the business planning and organization,
- ✓ the main risks associated with the business activity carried out, the ability to recognize and manage such risks appropriately,
- ✓ the applicable financial information and reporting framework,
- ✓ sufficient knowledge and understanding of corporate governance issues,
- ✓ compliance with the legislative, regulatory and the broader framework of rules.

The Board of Directors monitors the correct and proper application of the collective suitability criteria and conducts a self-evaluation on annual basis.

4.3 Diversity criteria

The present Suitability Policy, in the context of introducing and promoting an effective corporate governance model, which is in line with the requirements of the applicable legislative and also the broader regulatory framework, promotes at the same time the diversity criteria in the selection of the members of Board of Directors so that the corporate

body is ultimately composed of a diverse group of members, i.e. based on a sufficient degree of diversification.

The adoption of diversity criteria and the evaluation of the most specific qualifications and experiences of each member is mainly related to the following:

(a) the avoidance of outdated and anachronistic social stereotypes in terms of evaluating the suitability of members,

(b) promoting diversity of opinion within the body making at the same time more effective the decision-making process, and

(c) seeking to incorporate innovative approaches and ideas in the decision-making process.

More specifically, the most important criteria taken into account for the targeted diversity in the composition of the Board of Directors are as follows:

- ✓ the minimum percentage representation by gender (25% of all members),
- ✓ the prohibition of exclusion of a candidate or an active member of Board of Directors due to factors related to sex, race, color, ethnic or social origin, religion or belief, property, birth, disability, age or genetic orientation.

5. Nomination & Remuneration Committee

The purpose of the Nomination & Remuneration Committee, apart from supporting the Board of Directors in matters of reviewing the Remuneration Policy and drawing up the Remuneration Report, relates to finding and submitting a documented proposal - recommendation to the Board of Directors regarding persons suitable to obtain the status of being member (executive, non-executive and independent non-executive) of the Company's Board of Directors in accordance with the set of conditions provided by the legislative framework, the statutory provisions and in particular the present Suitability Policy.

The procedure followed by the Nomination & Remuneration Committee regarding the nomination of candidates with the purpose of becoming members of the Board of Directors, and in particular the steps for identifying and submitting a proposal for recommendation to the Board of Directors of persons who are considered suitable for acquiring a membership status of the Board of Directors in accordance with the present Suitability Policy is defined in the Operating Regulations of the Nomination & Remuneration Committee as well as in the Operating Regulations of the Company itself.

6. Information provision and continuous training of the members of the Board of Directors

The Nomination & Remuneration Committee along the implementation of the introductory education program provided towards the new members of Board of Directors, ensures -along with the Chairman of the Board of Directors and in cooperation with the Human Resources Department and the support of the Company's Legal Service- the process of introductory training and information provision towards the new members of the Board of Directors in accordance with the Training Policy established by the Company in relation to the Board Members and the Executives. It is noted that the above mentioned introductory program starts from the early stage of the evaluation of the candidate members in accordance with the criteria set out in the present Policy and in line with the process of nomination of candidate members as contained in the Operating Regulation.

In addition to informing the candidates and the new members of the Board of Directors, the Company through the Nomination & Remuneration Committee and in cooperation with the relevant departments, also ensures the preparation and implementation of the continuous training program for the existing members of Board of Directors in line with the criteria and the present Suitability Policy.

7. Monitoring and updating of the Suitability Policy

The Company constantly and diligently monitors both the implementation and effectiveness of the principles of the present Suitability Policy, as drawn up and approved by the relevant corporate bodies (Board of Directors and General Meeting of Shareholders) and with the assistance of the Company's Internal Audit and / or Regulatory Compliance Unit, the Nomination & Remuneration Committee and if applicable of the Secretary of the Company's Board of Directors to the extent it is deemed appropriate. At the same time a relevant reference is also included in the Company's annual Corporate Governance Statement. The results of the assessment of the suitability of the members of Board of Directors, and in particular any discrepancies or weaknesses identified between the predicted and actual individual and collective suitability, as well as the proposed measures and actions to address these discrepancies are maintained in the Company's records.

In the event that any modification and/or redesign of the content of the present Suitability

Policy is required, then it must be processed and approved by the Board of Directors (as contained in Section 1 hereof). The relevant process takes into consideration the more specific instructions and recommendations of the aforementioned competent corporate bodies and/or other external consultants and bodies.

8. Publicity of the Suitability Policy

Within the framework of the principle of transparency and following the approval by the General Meeting of the Company's shareholders, the Suitability Policy is published with the purpose of informing the investors' community and any other interested party on the Company's website (<https://www.flexopack.com>).

It is pointed out that any subsequent modification of the Suitability Policy, after receiving the relevant approvals in accordance with the provisions contained in Section 1 hereof, will also receive the relevant publicity, in such a manner that the updated and applicable version of the Suitability Policy is always posted on the Company's website.