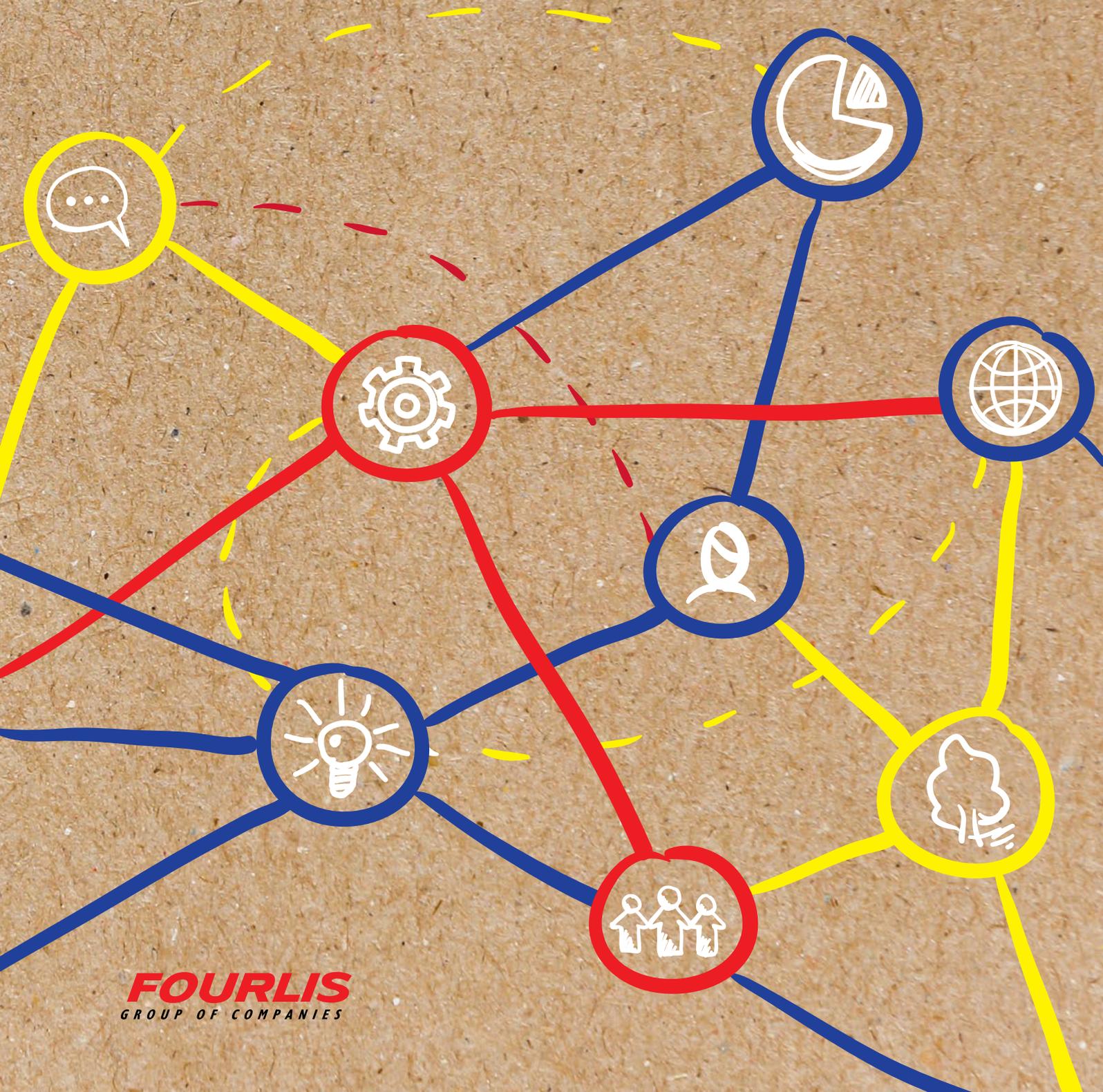


# 2019

SUSTAINABLE DEVELOPMENT  
AND SOCIAL RESPONSIBILITY REPORT



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# CEO Message

GRI 102-14



We are very proud to present to you the 11th Sustainable Development and Social Responsibility Report of FOURLIS Group for the financial year 2019. This Report reflects our contribution to sustainable development, through the responsible management of the material topics concerning the Group and our stakeholders.

## **SUSTAINABLE DEVELOPMENT AND BUSINESS ETHICS**

Sustainable development is an integral part of our business strategy and our day-to-day operations. In the Group, we work and operate responsibly based on the Group's Values for Integrity, Respect and Efficiency, aiming to create the conditions for a better life for all. In this regard, for another year we adhered to our commitment to the UN Sustainable Development Goals and we strictly applied the 10 Principles of the UN Global Compact, thus, sealing our responsible business operation. This Report has been prepared in accordance with the GRI Standards (2016 edition) and in the following pages we present our most important economic, social and environmental practices, as well as their results for 2019.

## **MOST IMPORTANT CHALLENGES**

In 2020, we are all experiencing an unprecedented challenge, the coronavirus pandemic, with multidimensional impacts that affect us both as a Group and as social beings.

We implement, whenever necessary, an emergency plan aiming at our smooth operation and the health and safety of our employees, customers and partners, always in compliance with the applicable laws. In this context, we monitor -on a daily basis- the developments of the pandemic, in order to adapt to the new conditions. As the phenomenon is in full swing, its quantitative and qualitative impacts on the operation of the Group and its Companies are being evaluated and will be presented at a later stage.

## **FOR OUR PEOPLE**

FOURLIS Group is its people, all those who support its operation on a daily basis. For this reason, our goal is to create the conditions for a better life for our employees. Creating and safeguarding jobs, safe working conditions, meritocracy and personal development, respect for human rights, but also the provision of equal opportunities for training, assessment and reward for all, are the focus of our Group's philosophy and the practices we apply.

### FOR THE MARKET

In 2019, we managed again to increase the Group's sales by 4%, which now amount to €466.3 million, compared to €448.5 million in 2018. For the Group, its successful economic course is always accompanied by a corresponding increase in its positive economic and social impacts. This is due to the creation and distribution of economic value in the countries where we operate, through the cash flows we generate for our stakeholders, such as wages and benefits to employees, direct and indirect state taxes, dividends to shareholders and payments to our partners and suppliers. In addition, the direct jobs in the Group reach almost 4,200, while through our operation thousands more jobs are created in the whole spectrum of our supply chain.

### FOR THE SOCIETY

At FOURLIS Group we work every day to create those conditions aiming at ensuring a better life for the societies in which we operate. The responsible management of social issues by the Group, presupposes continuous engagement and then the appropriate evaluation, prioritization, planning and implementation of programs and actions to meet real needs. Our actions aim to create partnerships for the Sustainable Development Goals, through which we focus on eliminating poverty and hunger, providing quality education, improving infrastructure, ensuring good health and prosperity, reducing inequalities, ensuring sustainable cities and communities, as well as combatting climate change.

### FOR THE ENVIRONMENT

At FOURLIS Group, as is the case every year, this year we increased our positive environmental footprint through the adoption of actions aimed at continuous monitoring and mitigation of the negative effects of the Group's activities, saving natural resources and raising employee awareness on environmental issues.

### FOR THE FUTURE

Given the challenges facing in 2020, due to the coronavirus pandemic, and despite the fact that we do not know the exact evolution and the potential financial and social impacts of the pandemic, we are optimistic about the future and prove it in practice, by setting specific short-term and long-term goals.

In this context, we will continue the unhindered effort to increase our socio-economic footprint, and to create and distribute value to our stakeholders through a multidimensional social program and the expansion of its activities, with the ultimate goal of benefiting as many social groups as possible.

For our people, our goal is to increase their number, always according to our business plans, to ensure their health and safety, to defend their human rights and continuous education and development in order to improve their knowledge, skills and abilities, both for their personal development and for achieving the Group's goals.

At a governance level, our commitment to zero tolerance for fraud or corruption as well as the full compliance with regulations and voluntary codes concerning the labeling and responsible communication of our products and the health and safety of customers and visitors, is self-evident.

Enjoy your reading,

**Apostolos Petalas**  
CEO  
FOURLIS GROUP

# Highlights 2019



## TRADE LOGISTICS

### PHOTOVOLTAIC SYSTEM OPERATION

Total annual production

**1,436 MWh**



## INTERSPORT

THE HEART OF SPORT

### “FTANOUME PANTOU” (REACHING EVERYWHERE) PROGRAM

9th year

Donation of sports equipment to

**14**

Public Primary Schools in affected areas of Greece for more than

**3,500** children

## FOURLIS

GROUP OF COMPANIES

### AVERAGE TRAINING HOURS PER EMPLOYEE

Men  
**13.4**

Women  
**12.2**



### “STATIONS OF JOY” PROGRAM

Greece  
- 7th year -

Cyprus  
- 3rd year -

Refurbishment of **6** municipal nurseries and kindergartens for more than

**380** children

Refurbishment of **3** public and community kindergartens for approximately

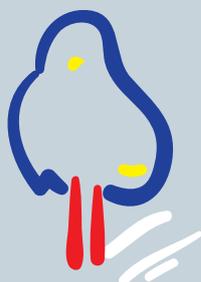
**70** children

## INTERSPORT THE HEART OF SPORT | the athlete's foot sport with style

Avoidance of the usage of approximately

**140,000**

paper boxes due to replacing them with reusable plastics for the transport of goods from the central warehouse (TRADE LOGISTICS) to stores in Attica and Thessaloniki



# Awards



## FOURLIS GROUP OF COMPANIES

### HR AWARDS 2019 (Boussias Communications)

**GOLD**  
"FOURLIS Group Internal Communication Application: Friend2Friend (F2F)"  
Section: Technology, e-learning & Integrated HR MIS  
Category: Most Innovative use of Technology in HR

**BUSINESS AWARDS  
HRIMA 2019**  
First award in  
Corporate Governance 2019

### TRUE LEADERS AWARDS (ICAP)

**True Leader 2018**  
(The award was presented at a ceremony held in 2019)



### PEAK AWARDS 2019

**GOLD**  
IKEA New Catalog Lower Prices 2018 Campaign  
Category: Best Performance in Home, Furniture & DIY

**GOLD**  
IKEA New Catalog Lower Prices 2018 Campaign, category Best Digital Multi-Channel Campaign for goals achievement, combining one or more online channels

**SILVER**  
Category: Best Video Campaign, for the effective use of advertising solutions in digital video platforms

**SILVER**  
Category: Best Display Campaign

**SILVER**  
Category: Best Paid Search Campaign, awarded for the effective use of possibilities offered by search engine advertising

### MOBILE EXCELLENCE AWARDS 2019

**SILVER**  
Mobile Applications for Retail and Consumers  
A1.4. Mobile Commerce-IKEA app

### SOCIAL MEDIA AWARDS 2019

**SILVER**  
Category: Best of Facebook Family of Apps - Innovation

**GOLD**  
Category: Best of Facebook Family of Apps - Communication

**GOLD**  
Category: Best of YouTube - Innovation

**TOP 25 FINALIST**  
in all EMEA in the category  
YouTube for Action

### INTERIORS AWARDS 2020 (Boussias Communications)

**BRONZE**  
Section: 1.Retail,  
Category:1.2. Retail chain stores,  
Nomination title:  
Renovation of Bedroom  
Department -  
IKEA Kifisos Store

### GOOGLE PREMIER PARTNERS AWARDS 2019

**e-Tailer of the Year**

### E-BIZZ & SOCIAL MEDIA AWARDS 2020

**E-shop of the year  
PLATINUM**  
Category: Customer Service & Operations  
**GOLD**  
Category: Home, Furniture & DIY

### RETAIL BUSINESS AWARDS 2020 (by Direction)

**GOLD**  
Category: RETAIL CAMPAIGN (#piopolla)

**GOLD**  
Category: SOCIAL MEDIA RETAIL STRATEGY (#piopolla)

**BRONZE**  
Category: CSR RETAIL STRATEGY (Stations of Joy)

### E-REVOLUTION AWARDS 2020

**GOLD**  
Category: Electronic Business Innovation

**GOLD**  
Category: Redesign - Relaunch (Website)

**GOLD**  
Category: Customer Support

**GOLD**  
Category: Omnichannel Experience

**SILVER**  
Category: E-commerce Innovation

**SILVER**  
Category: Mobile Commerce

**SILVER**  
Category: Information Architecture

## INTERSPORT THE HEART OF SPORT

### HELLENIC RESPONSIBLE BUSINESS AWARDS 2019

**SILVER**  
"Ftanoume Pantou"  
(Reaching Everywhere) program  
8th consecutive year  
Long-term investment

### E-REVOLUTION AWARDS 2019

**GOLD**  
E-Commerce Platforms

**SILVER**  
Email Marketing Strategy

**SILVER**  
Best in Sports & Equipment

**PLATINUM**  
Electronic Business Services & Infrastructure

### INFLUENCER MARKETING AWARDS 2019

**BRONZE**  
One Whole Communication Strategies, Mullenlowe Athens & INTERSPORT

### LOYALTY AWARDS 2019

**BRONZE**  
Best in Loyalty and engagement - Sports, INTERSPORT & QIVOS

# The Group at a glance

**FOURLIS**  
GROUP OF COMPANIES

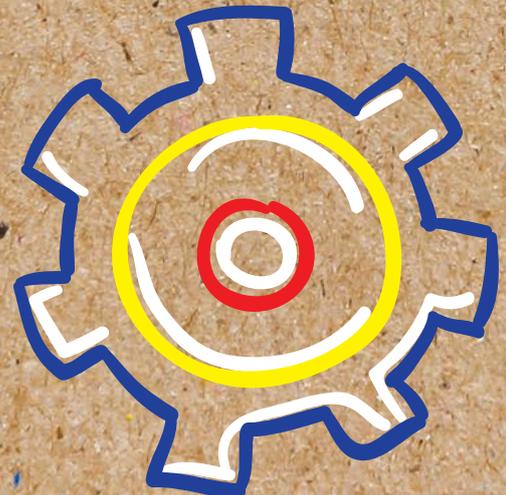
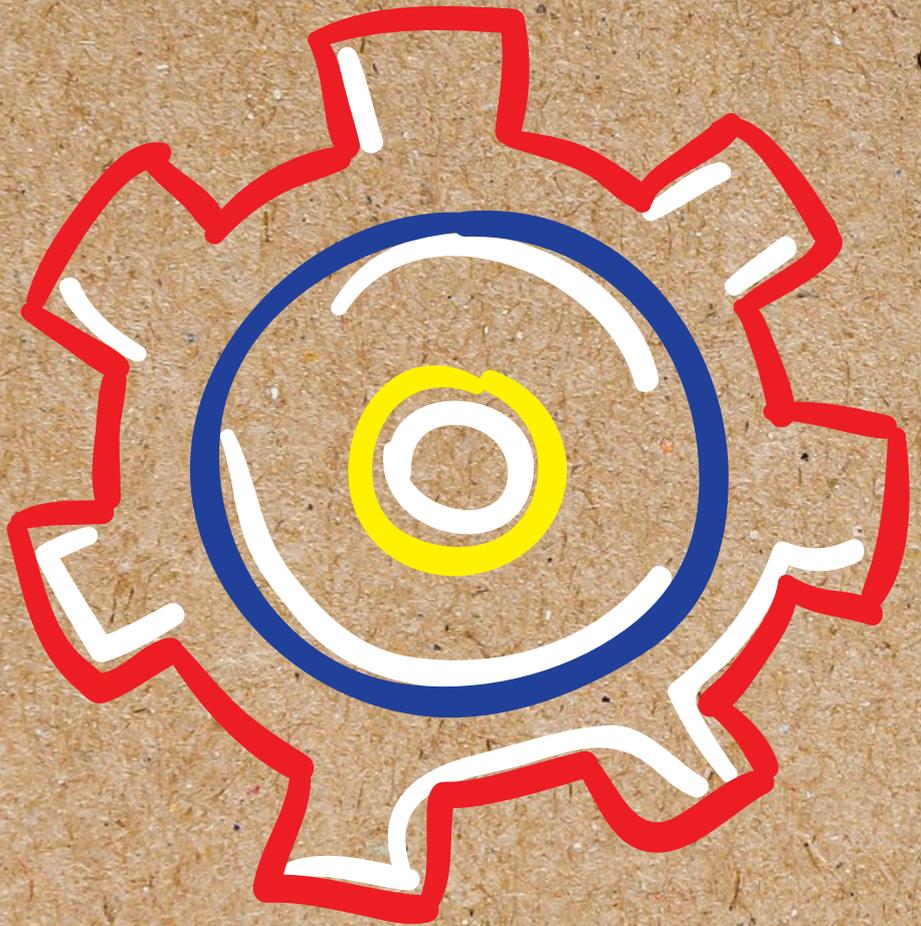


**INTERSPORT**  
THE HEART OF SPORT

the  **athlete's foot**  
sport with style

**TRADE LOGISTICS**

  
TradeEstates



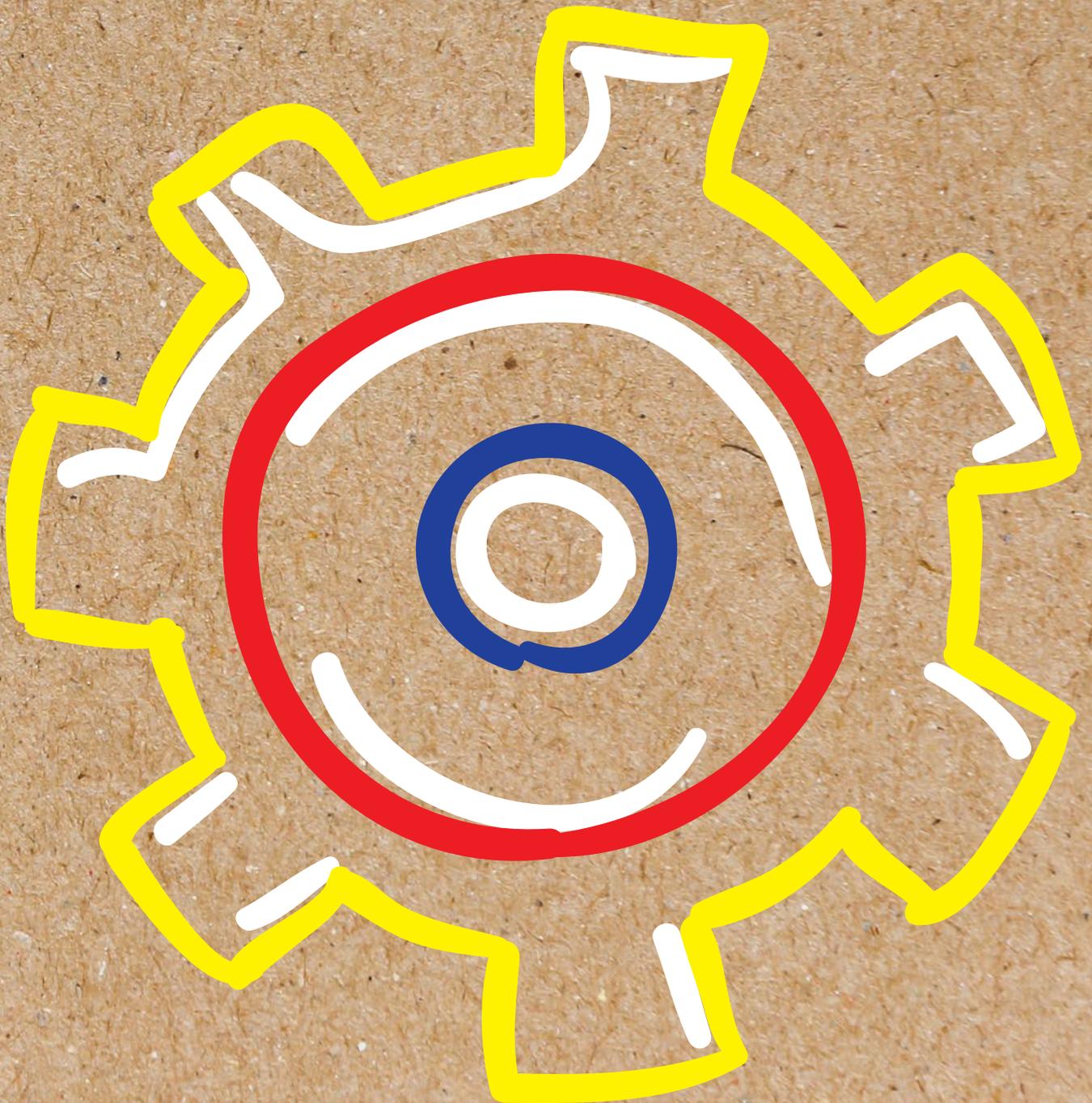
GRI 102-16

## Our Values

Integrity, Respect, Efficiency

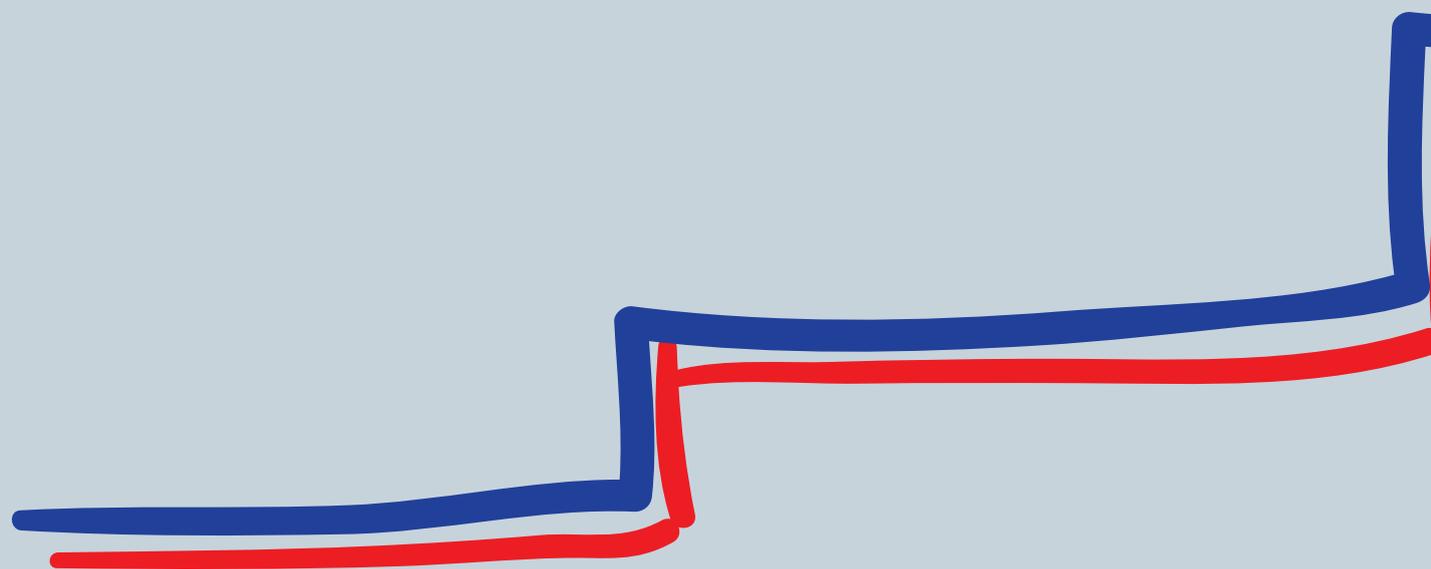
## Our Mission

To create superior value for our customers, people, shareholders and society, by delivering goods and solutions for better living.



# Milestones in the Group's history

**FOURLIS**  
GROUP OF COMPANIES



**1970-1980**

General Dealership  
of GENERAL ELECTRIC  
household appliances

**1993**

Acquisition of 51%  
of P. KOTSOVOLOS S.A.

**1950**

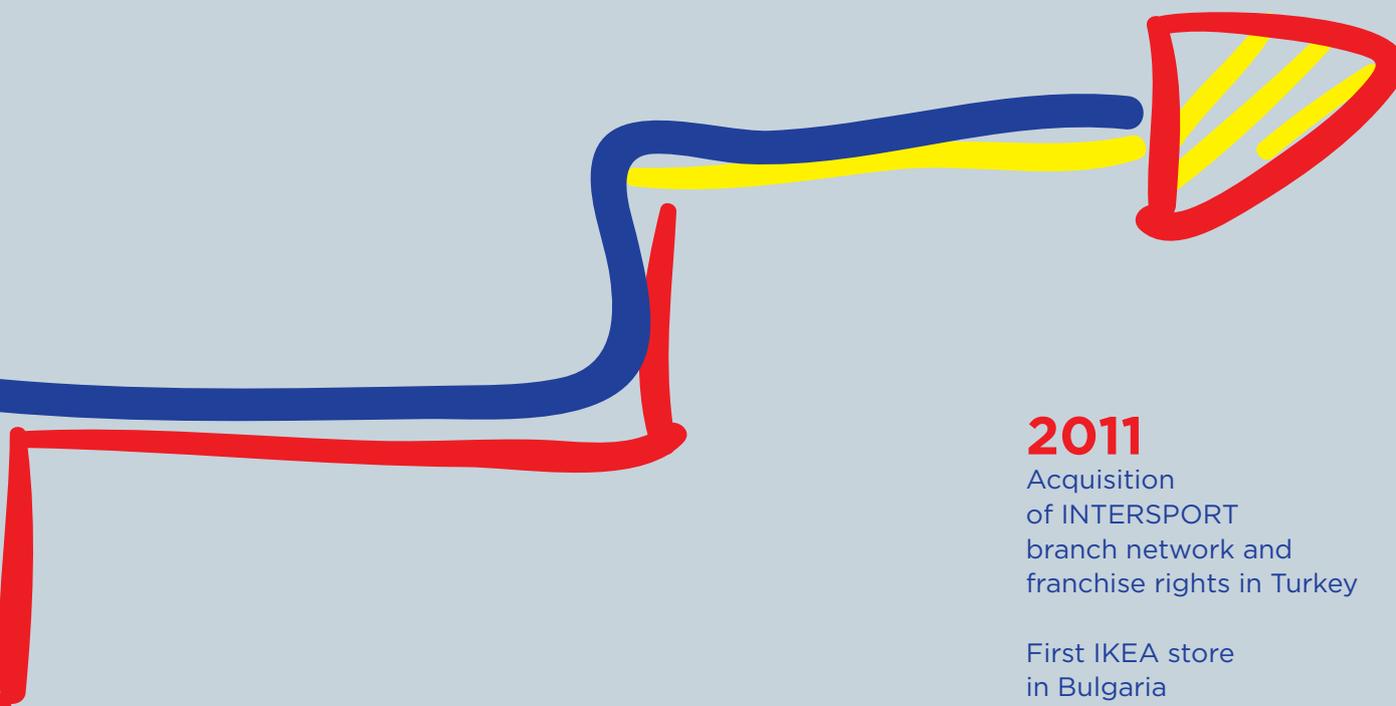
Founding of  
A. FOURLIS & Co.

**1988**

IPO in the  
Athens' Stock Exchange

**1999**

Agreement  
for the IKEA & INTERSPORT  
franchise rights



**2001**

First IKEA store in Greece (Thessaloniki)

Opening of the first 14 INTERSPORT stores

**2004**

First INTERSPORT store in Romania

Disposal of P. KOTSOVOLOS S.A. to DIXONS Group

**2006**

First INTERSPORT store in Bulgaria

**2007**

First IKEA store in Cyprus

**2010**

Disposal of Samsung Electronics representation for Greece and Romania

**2011**

Acquisition of INTERSPORT branch network and franchise rights in Turkey

First IKEA store in Bulgaria

**2014**

Acquisition of The Athlete's Foot franchise rights.

Completion of wholesale activity exit

**2019**

Licensing of the under establishment TRADE ESTATES REIC company

## Our business model

GRI 102-1, GRI 102-2, GRI 102-3, GRI 102-4, GRI 102-5, GRI 102-6, GRI 102-7

The history of our Group begins in 1950. FOURLIS HOLDINGS S.A. (FOURLIS Group) is the successor of FOURLIS BROS S.A., which was founded by Anastasios, Stylianos, Ioannis and Ilias Fournalis. Nowadays, FOURLIS Group, headquartered at 18-20 Sorou Street, (Building A) p.o. 15125 Maroussi, is one of the largest retail groups in Greece, Cyprus, Bulgaria, Romania and Turkey, in the following fields of business activity:



### Home Furniture and Household Goods retail sale through IKEA stores in Greece, Cyprus and Bulgaria

Upon its arrival in Greece, IKEA (HOUSEMARKET S.A.) introduced to the Greek market a new concept which is based on the supply of a wide range of well-designed, functional furniture and household goods at very affordable prices, giving as many people as possible the opportunity to purchase them. Currently, 5 IKEA stores operate in Greece (2 in Athens, 1 in Thessaloniki, 1 in Larissa, 1 in Ioannina), 1 in Cyprus and 1 in Sofia, Bulgaria.

Moreover, 6 IKEA Pick Up and Order points operate in Greece (Patra, Rhodes, Heraklion, Chania, Komotini and Kalamata), 3 in Bulgaria (Varna, Burgas and Plovdiv) and 1 in Cyprus (Limassol). Additionally, IKEA e-shops for online purchases operate in all countries where the company operates.



## Sporting Goods retail sale through INTERSPORT stores in Greece, Cyprus, Bulgaria, Romania and Turkey and through The Athlete's Foot stores in Greece and Turkey

INTERSPORT is the leading sporting goods retailer in the world, with more than 5,500 stores in 42 countries. In Greece, INTERSPORT (INTERSPORT ATHLETICS S.A.) started its dynamic course in September 2000 and until 31/12/2019 it operated 50 stores in Greece, 5 in Cyprus, 31 in Romania (GENCO TRADE), 8 in Bulgaria (GENCO BULGARIA) and 23 in Turkey (INTERSPORT ATLETIK). In addition, INTERSPORT e-shops for online purchases operate in all countries except for Turkey. Within the first half of 2020 an e-shop will start its operation in Turkey as well.

The Athlete's Foot is an international brand that began its operation in the U.S.A. in 1971 and offers athletic footwear and apparel that combine fashion with sports style. In 2015, the international chain entered the Greek and Turkish market with 2 stores opening in Greece and 1 in Turkey, by FOURLIS Group, and to this day it operates 16 stores (13 in Greece and 3 in Turkey).



## **TRADE LOGISTICS**

In the context of gaining benefits from synergies between the Group's companies, TRADE LOGISTICS S.A., a Group subsidiary, provides storage and distribution services in both sectors, for all countries.

TRADE LOGISTICS (TRADE LOGISTICS S.A.), located in Schimatari, Viotia, was established in 2008 and operates using modern automation systems for all its following activities:

### **1. Warehouse and distribution services for:**

- IKEA stores in Greece, Cyprus and Bulgaria
- INTERSPORT stores in Greece, Cyprus, Romania, Bulgaria and Turkey (central warehouse)
- The Athlete's Foot stores in Greece and Turkey



### **2. Delivery of e-commerce orders directly to customers for:**

- IKEA's e-shop ([www.ikea.gr](http://www.ikea.gr)) in Greece, and
- INTERSPORT's e-shop ([www.intersport.gr](http://www.intersport.gr)) in all the Group's countries of operation except for Turkey

The company, with its specialized and experienced employees, the use of technology and the implementation of innovative methods in logistics, aims at all warehousing and delivery procedures' proper operation as well as at its activities' development.



In 2018, FOURLIS Group decided to enter the real estate investment sector through the establishment of a new subsidiary company named TRADE ESTATES REIC.

The Group's new subsidiary, which was granted an operating license from the Hellenic Capital Market Commission on 28/02/2019, will invest in a real estate portfolio consisted of quality retail properties and E-Commerce infrastructure. FOURLIS Group, through its operation in this sector, aims to maximize its flexibility in accessing funds, to improve its overall returns on assets, to centralize ownership and management of its assets, and to improve its tax planning.

Finally, the parent company of the Group is FOURLIS HOLDINGS S.A., which has as its objective the participation in domestic or foreign companies and enterprises, of any type, independently from their purpose or their legal type.

# Our supply chain

## GRI 102-9

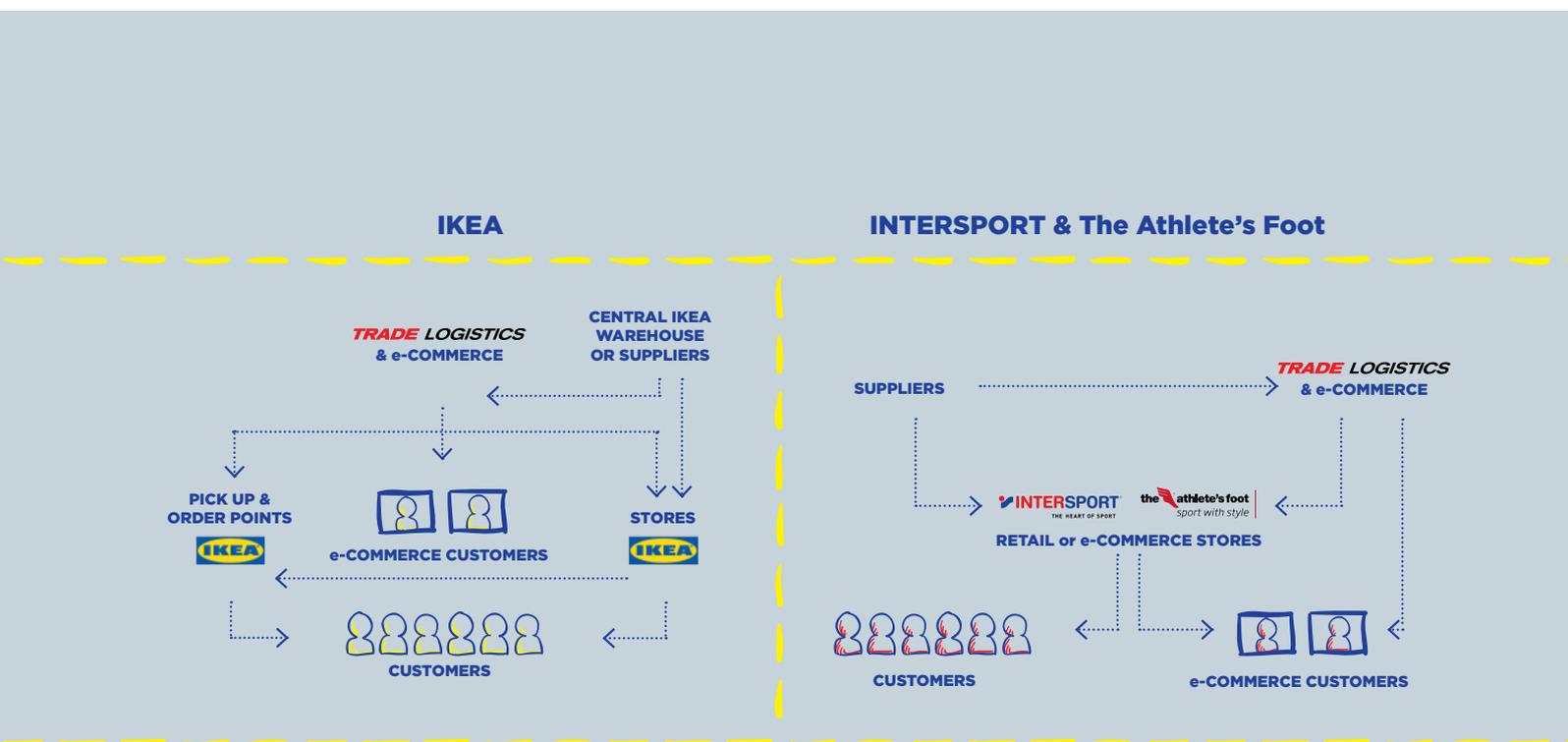
FOURLIS Group ensures the continuous improvement of its relations with suppliers through the communication of the terms of cooperation and the basic framework of principles and values that must govern the cooperation between them.

The business continuity of the Group is crucial for the uninterrupted provision of high quality services and products. The Group aims to maximize customer satisfaction and ensures the development of mechanisms aimed at the timely identification and response to situations that may adversely affect the operational continuity of its critical operations, such as the availability of its products. To ensure business continuity, the Group assesses its weaknesses and investigates the threats that may affect its business model and are related to its supply chain, and takes appropriate precautionary measures.

Regarding its supply chain, the Group is in the process of evaluating the possibility of implementation, within the next 3 years, of the following practices:

- Integration of the Code of Conduct in the contracts with suppliers.
- Integration of ESG criteria in the selection and evaluation of potential and existing suppliers.

The main provider of supply chain services for the Group is TRADE LOGISTICS.



# Our Group's memberships

GRI 102-13



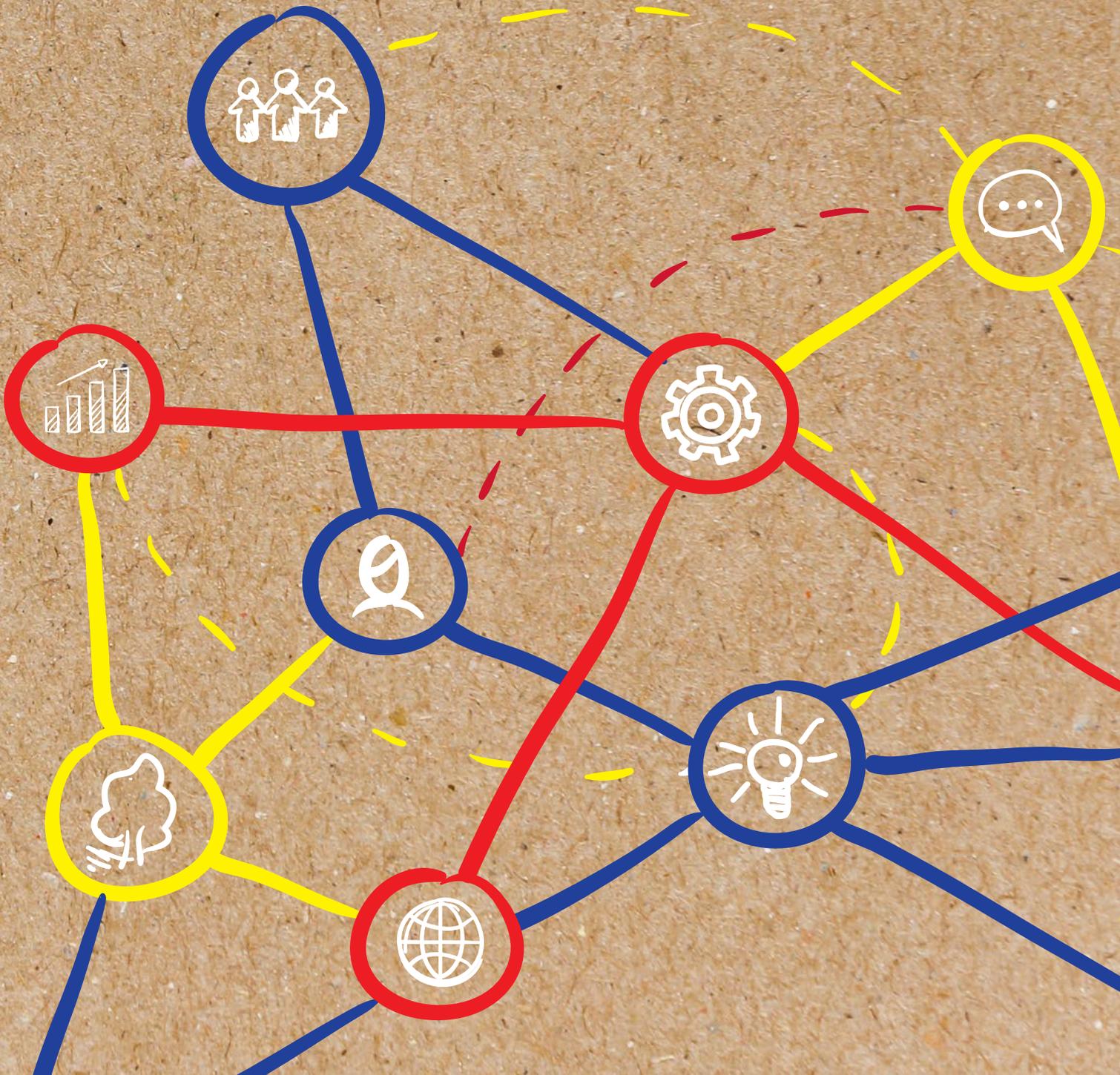
MEMBERSHIPS	FOURLIS HOLDINGS S.A.	INTERSPORT ATHLETICS S.A.	TRADE LOGISTICS S.A.	HOUSEMARKET S.A.
American-Hellenic Chamber of Commerce	✓			
Association of Chief Executive Officers (A.C.E.O.)	✓	✓		✓
Greek People Management Association (G.P.M.A.)	✓	✓	✓	✓
Association of Business and Retail Sales of Greece (H.R.B.A.)	✓	✓		✓
Listed Companies Union	✓			
Athens Chamber of Commerce and Industry (A.C.C.I.)	✓	✓	✓	✓
Hellenic Federation of Enterprises (SEV)	✓		✓	✓
Hellenic Advertisers Association (SDE)		✓		✓
Greek e-Commerce Association (GRECA)		✓		✓
Piraeus Chamber of Commerce & Industry (PCCI)		✓		

<b>MEMBERSHIPS</b>	<b>FOURLIS HOLDINGS S.A.</b>	<b>INTERSPORT ATHLETICS S.A.</b>	<b>TRADE LOGISTICS S.A.</b>	<b>HOUSEMARKET S.A.</b>
<b>Thessaloniki Chamber of Commerce and Industry (TCCI)</b>		✓		✓
<b>Hellenic Institute for Logistics Management (HILME)</b>			✓	
<b>European Logistics Association (E.L.A.)</b>			✓	
<b>National Board on Development and Supply Chain Competitiveness (Hellenic Ministry of Development)</b>			✓	
<b>Hellenic Organization for Standardization (ELOT)</b>				✓
<b>Communication Institute</b>				✓
<b>Hellenic-Swedish Chamber of Commerce</b>				✓
<b>Chania Chamber of Commerce and Industry (CCCI)</b>				✓
<b>Achaia Chamber of Commerce and Industry</b>				✓
<b>Greek-Turkish Chamber of Commerce</b>		✓		

# Sustainable Development and Corporate Responsibility at our Group



Responsible entrepreneurship will continue to be at the heart of our operations and activities, as it constitutes an integral part of our culture and daily operation.



# Sustainable Development and Corporate Responsibility at our Group

GRI 102-14

## SOCIAL RESPONSIBILITY DIVISION MESSAGE



At FOURLIS Group, for 70 years, we have been constantly evolving and moving forward, in all the countries where we operate, with a focus on responsible entrepreneurship and our Values, *Integrity, Respect, Efficiency*, aiming to create the conditions **for a better life for all**.

Since 2008, FOURLIS Group is an official member of the United Nations Global Compact, demonstrating in practice its commitment to responsible business. In addition, the Group contributes to the achievement of the UN Sustainable Development Goals, which are the guidelines for developing its strategy and the compass for its path to responsible development and prosperity.

The Sustainable Development and Social Responsibility Report you are holding in your hands is the 11th, in a series, published by FOURLIS Group. In the following pages, you will find information about the Sustainable Development and Social Responsibility strategy, but also about the programs that we implemented in 2019 -especially on the fundamental axes People, Society, Market, Environment- as well as their results.

Regarding the support of our Group's Human Resources, last year we continued the EF ZIN (Wellbeing) program which includes actions aimed at motivating employees to adopt a healthy lifestyle model, as well as the "SPOUDAZO ME IPOTROFIA" (I study with a scholarship) program, in the context of which we provide 5 scholarships, per academic year, to students-children of our employees.

At the same time, with the aim of supporting the society, we continued the implementation of multi-year programs such as IKEA's "Stations of Joy" and INTERSPORT's "Ftanoume Pantou" (Reaching Everywhere), we maintained important collaborations with organizations such as MAKE-A-WISH Greece, BOROUME and GIVMED for supporting vulnerable social groups, while INTERSPORT launched the #womanism action, which aims to "empower" all the women who are the modern "athletes" in the arena of life.

In countries abroad, and especially in Cyprus and Bulgaria, programs have been implemented with particular emphasis on child support. Our goal is to gradually strengthen the Social Responsibility programs that we implement in all our countries of operation, always taking into account the needs of local communities.

I would like to make a special mention to the actions that are fully supported by the employees of our Group, such as the annual voluntary blood donation, as well as the donation of food and other basic essentials to vulnerable groups. In 2019, the "Volunteer Day" was also inaugurated. The aim of this action is to further promote volunteerism in the Group, to strengthen the culture of raising the awareness of employees about the importance of giving to fellow human

beings and to participate in the social work of the Group, but also to strengthen the relations among employees, so that together to be ambassadors of the Group's voluntary contribution.

Regarding the environmental protection, we continued, among other things, the interventions and the practices for the improvement of the energy efficiency of our building installations, as well as the recycling programs that the Group companies implement. Our constant pursuit has been and will continue to be the reduction of our environmental footprint and the proper use of valuable natural resources.

As this Report will be available in June 2020, we could not omit to mention the critical moments our country and humanity are experiencing, on the occasion of the fight against the COVID-19 pandemic. At FOURLIS Group we closely monitor, from the outset, the developments regarding the spread of coronavirus, we comply with the official instructions of the competent authorities and we adapt to the specific conditions for dealing with and limiting the spread of COVID-19 with the main concern being the protection of our People and our stakeholders' health and more broadly the protection of public health.

At the same time, we remain deeply aware of the growing demands of the society as a whole, especially in the field of public health, and in this context our companies have actively participated in the collective effort to address the problem, providing numerous products that facilitate the fight against the pandemic.

Responsible entrepreneurship will continue to be at the heart of our operations and activities, as it is an integral part of our culture and our daily operation. We are committed to continue to move towards the future, always respecting our values, with the main concern being to meet the needs and expectations of all our stakeholders in the countries in which we operate.

### Lyda Fourlis

Social Responsibility Director  
FOURLIS Group



## Social Responsibility Division

Social Responsibility Division was established in 2008, aiming to coordinate the Group's companies in taking initiatives and actions in the field of Social Responsibility, driven by the Group's Values and Principles. The Division operates and is constantly growing having as a priority the respect for the Group's People, the support of both the Society and the Market and the protection of the Environment.

Social Responsibility Division plans and implements the Group's Annual Social Responsibility program in cooperation with executives of the Group's subsidiaries, who act as coordinators for issues related to the aforementioned four pillars. The Division is also responsible for monitoring and supervising the programs' action flow until their completion.

# United Nations Global Compact

GRI 102-12, GRI 102-16

Since 2008, FOURLIS Group is an official member of the United Nations Global Compact, the largest international voluntary initiative for responsible business practices.

The UN Global Compact consists of ten Principles that derive from internationally accepted standards pertaining to human rights, labour conditions, fight against corruption and environmental protection. FOURLIS Group is committed to adopt, support and promote these principles through its business operation.

FOURLIS Group's Annual Communication on Progress Reports, as well as the Sustainable Development and Social Responsibility Reports, including the Group's Communication on Progress Report (CoP) regarding the 10 UN Global Compact principles, are available at [www.fourlis.gr](http://www.fourlis.gr).

## The UN Sustainable Development Goals (SDGs)

On September 25th, 2015, the UN member states, including Greece, adopted a set of goals as part of a new sustainable development agenda for the next 15 years. According to the UN, these goals aim to promote actions that concern people, the planet, prosperity, peace and partnership. The Goals' adoption constitutes an ambitious commitment that may well be the roadmap for the modern way of making business.



# Sustainable Development Goals and FOURLIS Group

FOURLIS Group supports the Sustainable Development Goals (SDGs), an initiative that started with the identification of the Goals that constitute a priority for the Group.

In order to identify these Goals, we initially proceeded with a materiality analysis that took place during 2019 (p. 26-27), through which we evaluated our most important economic, social and environmental impacts and prioritized the material sustainable development topics for FOURLIS Group.

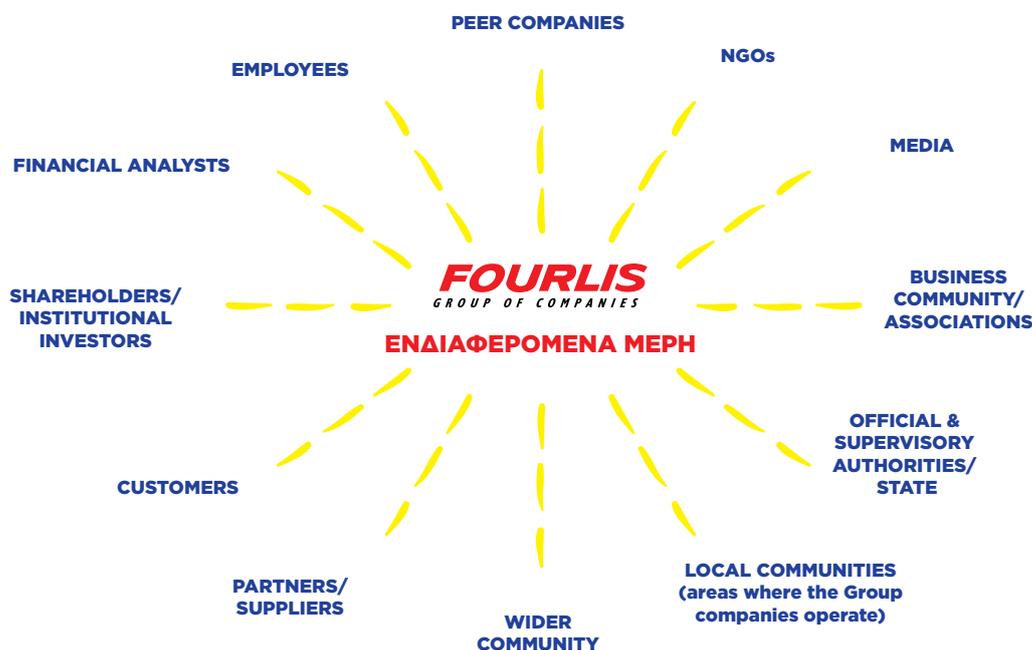
We then proceeded to link these material sustainable development topics to the Goals, using the appropriate tools, as those provided by the UN, and taking into account the prevailing conditions in the countries where we operate as well as the specificities of our industry (p. 28-32).

## Our stakeholders

**GRI 102-40, GRI 102-42, METRIC A-S1**

The Group defines as stakeholders anyone that affects or is affected by its operations.

Having identified and prioritized its stakeholders, the Group invests in a continuous and two-way contact and communication with them, in order to maintain a steady flow of information, from and to the Group, about their requests, concerns and expectations. The role and views of the Group's stakeholders are important in its effort to improve its products and services as well as for its sustainable operation and development.



**GRI 102-43**

The following table shows the categories of the Group's stakeholders and the practices followed, in order to maintain a balanced and constructive communication with them.

<b>Stakeholder Groups</b>	<b>Communication methods</b>	<b>Communication frequency</b>
<b>EMPLOYEES</b>	Employee Insight Survey	Biennially
	Corporate Events	Annually or on the occasion of a specific event
	Announcement boards	Continuous
	F2F Mobile application	Continuous
	Workshops	Within the framework of specific actions (e.g. following the Employee Insight Survey)
	TV-FOURLIS Group Flash News	Continuous
	360° Evaluation process	Implemented annually (with biennially periodicity per grade)
	Employee Performance and Development Review	Annually
	Meetings	* One to one: When a relevant need occurs * Statutory: At intervals specified by each Division/ Department based on their needs
<b>SHAREHOLDERS/ INSTITUTIONAL INVESTORS</b>	General Assembly	Annually
	Announcements	Depending on briefing needs
	Ad hoc Communication	Continuous
<b>FINANCIAL ANALYSTS</b>	General Assembly	Annually
	Announcements	Depending on briefing needs
	Ad hoc Communication	Continuous



Stakeholder Groups	Communication methods	Communication frequency
<b>CUSTOMERS</b>	Contact and communication within the stores and ad hoc (via telephone or emails)	Continuous
	Newsletters dispatch/SMS/Viber/Social Media Use	Continuous
	Satisfaction Surveys	Continuous (IKEA & INTERSPORT)
	“Help Us to Improve” Survey	IKEA: Continuous (via computers available to customers within the stores)
	Catalogues and Publications	IKEA: At least once a year Publications: According to relevant planning
<b>PARTNERS/SUPPLIERS</b>	Meetings	Continuous
	Participation in industry associations	According to relevant planning
	Joint programs implementation	According to relevant planning
<b>WIDER COMMUNITY</b>	Contact and informing through print and electronic media	Continuous
	Events	According to relevant planning
<b>LOCAL COMMUNITIES (areas where the Group companies operate)</b>	Contacts with local authorities	Continuous
	Events	According to relevant planning
	Implementation of Social Responsibility programs and actions	Continuous
<b>OFFICIAL &amp; SUPERVISORY AUTHORITIES/ STATE</b>	Discussions/ mailing with national and local Authorities’ representatives	Continuous
	Participation in organizations and unions	Continuous
<b>BUSINESS COMMUNITY/ ASSOCIATIONS</b>	Participation in organizations, associations and unions	Continuous
	Press Conferences	According to relevant planning
<b>MEDIA</b>	Brochures/Press Kits	Continuous
	Meetings	Continuous
<b>NGOs</b>	Meetings	Continuous
	Collaborations	Continuous
<b>PEER COMPANIES</b>	Participation in organizations, associations and unions	Continuous

# Materiality analysis

**GRI 102-44, GRI 102-46, GRI 102-49, METRIC A-G2**

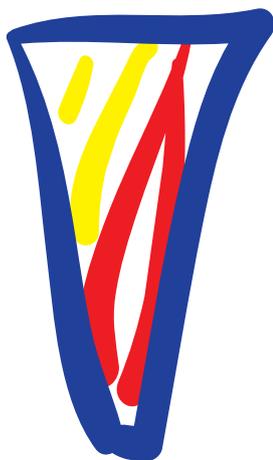
In the context of continuously improving the Group's approach to sustainable development and social responsibility topics, FOURLIS Group performed a materiality analysis (beginning of 2019) in order to prioritize the Group's topics with the most significant economic, social and environmental impacts and those that significantly influence its stakeholders.

In order to recognize the topics, the Group proceeded with the following actions, taking into account the GRI (2016 Edition) Principles of Materiality, Completeness, Stakeholder Inclusiveness and Sustainability Context:

**1.** Identification of potential topics and their boundaries within and outside the Group based, among others, on the wider sustainability context of the Group's countries of operation, the Group's strategy and wider objectives, the review of practices of peer companies at an international level in order to recognize sectorial issues, as well as the expectations of the Group's Stakeholders as those were identified by the Management through existing engagement methods.

**2.** Prioritization of topics (a) by the importance of their impacts on Sustainable Development and (b) by their importance for the stakeholders as identified by the Management.

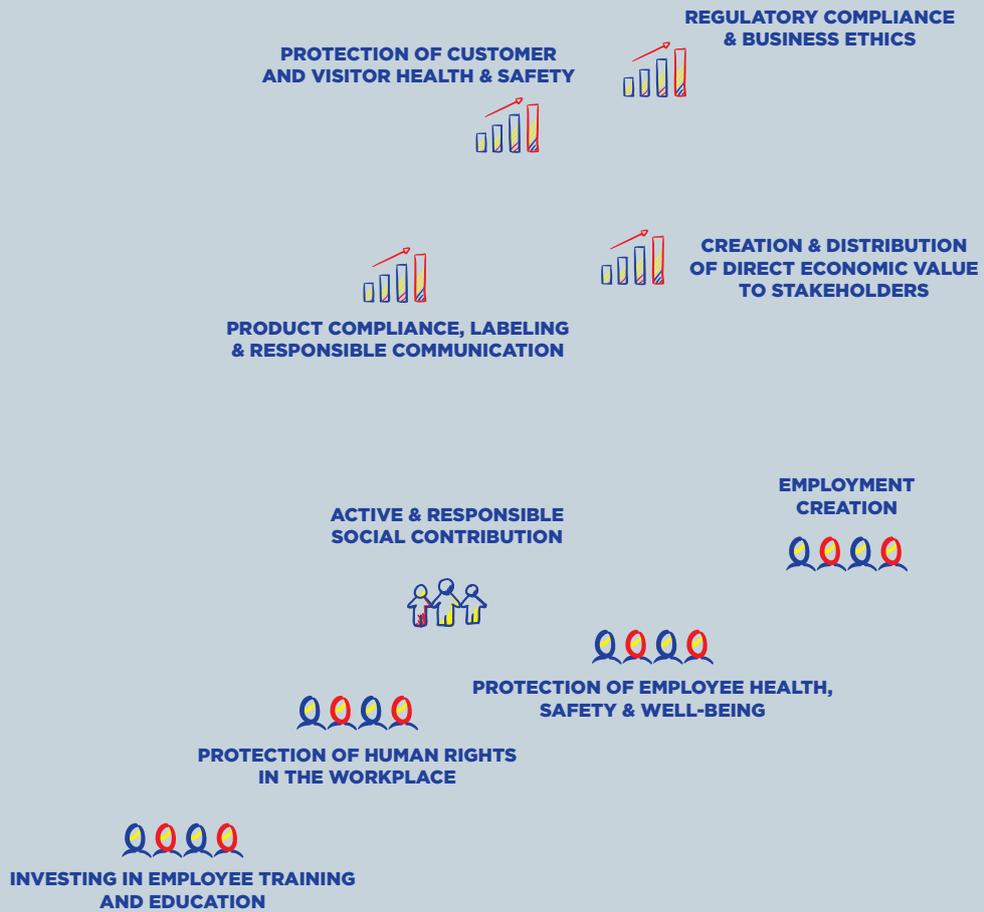
**3.** Validation of the results, through a dedicated workshop, in which Group's Senior Executives participated.



The following is a graphic representation of the analysis' results, while the list of material topics for 2019 along with their boundaries and their connection with the Sustainable Development Goals can be found on pages 28-32. Their link to the GRI Standard Disclosures is presented on pages 97-98. There were no changes in the material topics and their boundaries, as they were included in the Report of the year 2018.

## Materiality map

IMPORTANCE FOR STAKEHOLDERS



IMPORTANCE OF IMPACTS ON SUSTAINABLE DEVELOPMENT



**FOR OUR PEOPLE**



**FOR THE SOCIETY**



**FOR THE MARKET**



**FOR THE ENVIRONMENT**



# Our material topics for 2019

GRI 102-46, GRI 102-47, GRI 102-49, METRIC A-G2

The following table includes a description of each material topic and the reasons why it was prioritized as material for FOURLIS Group, the UN Sustainable Development Goals to which the Group contributes through the responsible management of each material topic and the topic boundaries. The boundaries of the material sustainable development topics, based on the GRI Standards, do not relate to where or on which stakeholders the issue has impacts but, on the contrary, to which stakeholders, inside or outside the Group, may cause these impacts.



**MATERIAL TOPIC**

**Regulatory compliance & business ethics**

**WHY IS IT MATERIAL?**

**GRI 103-1**

Ensuring the Group’s regulatory compliance and business ethics is extremely important because it increases the trust of the internal (e.g. shareholders, employees) and external (e.g. regulatory authorities, customers, suppliers) stakeholders, a fact that contributes more widely to the efficient operation of the economy and the market, contributes to the strengthening of justice and institutions, strengthens social cohesion and the culture of transparency, and protects the natural environment through compliance with the applicable regulatory framework.

The Group recognizes that natural persons or legal entities within (e.g. employees) but also outside the organization (e.g. suppliers, partners, customers) may cause risks associated with incidents of non-compliance with laws and regulations relevant to the Group’s operations, with corruption practices including blackmail and bribery, with the violation of human rights and the natural environment, etc. The elimination of these risks is managed through a set of practices and actions presented on pages 72-77.

**UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC’S MANAGEMENT**



**MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)**

- Management
- Employees
- Suppliers/Partners
- Customers





**MATERIAL TOPIC**

UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT

MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)

**Protection of customer and visitor health and safety**



- Management
- Employees
- Suppliers/Partners
- Customers

**WHY IS IT MATERIAL?**

**GRI 103-1**

The protection of the health and safety of customers, partners and visitors in the Group's stores and facilities is an extremely important topic, as it concerns the respect and protection of human life, while it also contributes to the strengthening of the relevant regulatory framework and institutions.

Impacts on the health and safety of customers during product use may mainly be caused by either defective design or inadequate operating instructions or product misuse or improper assembly of products. To eliminate this risk, the Group ensures cooperation with suppliers and franchisors that meet European and national quality and safety requirements for the products it sells, with regards to their design, their production, their use and their labeling.

Regarding the health and safety of employees, customers, partners and visitors during their stay at the Group's premises, the potential risks may be caused by inadequate compliance with the safety regulations both by the Group's employees and by the customers and store visitors.

More information is available on pages 78-79.

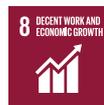


**MATERIAL TOPIC**

UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT

MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)

**Creation and distribution of direct economic value to stakeholders**



- Management

**WHY IS IT MATERIAL?**

**GRI 103-1**

The significance of the creation and distribution of direct economic value to the Group's stakeholders can be mainly attributed to its positive impact on their financial position (through remuneration and benefits to employees, dividends to shareholders, payments to providers of capital, payments to partners and suppliers, payments of direct taxes to the State, etc.) as well as due to the wider contribution to the economic development of the countries where it operates, through the direct, indirect, and induced impacts resulting from the aforementioned cash flows.

More information is available on pages 70-71.



**MATERIAL TOPIC**

**UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT**

**MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)**

**Employment creation**



- Management

**WHY IS IT MATERIAL?**

**GRI 103-1**

Similar with the creation and distribution of direct economic value to the stakeholders, the creation of employment is yet another significant impact of the Group on the economies and societies where it operates, due to the contribution to the improvement of the economic state of the countries and the social position of its direct and indirect employees, to the increase of productivity, as well as to the contribution to the wider economy through the cash flows from their payrolls as payments to several sectors and companies.

More information is available on pages 36-43.



**MATERIAL TOPIC**

**UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT**

**MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)**

**Product compliance, labeling and responsible communication**



- Management
- Suppliers/Partners
- Customers

**WHY IS IT MATERIAL?**

**GRI 103-1**

The compliance of the Group's companies concerning the labeling and communication of their products, including the provision of information on quality, health and safety issues, as well as on environmental and social impacts caused by the use of raw materials, up to the production processes throughout the supply chain, is important primarily to customers and consumers as it enables them to make informed decisions on what to buy, to ensure the elimination of risks associated with the potential impacts of products on their health and safety, as well as to contribute themselves to the wider goal of responsible consumption. At the same time, the compliance of the Group's companies concerning the labeling and communication of their products strengthens the transparency and trust of its stakeholders and contributes to the promotion of responsible production practices, as well as to the strengthening of the relevant regulatory framework and institutions.

Potential risks that are connected to the lack of compliance concerning the labeling and communication of its products may be caused either by the Group itself, or by its suppliers and partners.

More information is available on pages 80-83.



**MATERIAL TOPIC**

**UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT**

**MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)**

**Protection of employee health, safety and well-being**



- Management
- Employees
- Suppliers/Partners

**WHY IS IT MATERIAL?**



**GRI 103-1**

According to the International Labour Organization's 2019 report "Safety and Health at the Heart of the Future of Labour", nearly 3 million workers die each year from work-related accidents and illnesses. Additionally, 374 million workers suffer from non-fatal work-related accidents each year. In addition to this unacceptable human cost - which is obviously the most important - the days lost at work worldwide account for almost 4% of the world's Gross Domestic Product (GDP). The importance of the topic is therefore related both to the health and safety impacts on employees, but also to wider decent work and economic development. The protection of employee, health, safety and well-being topic remains material, mainly due to the wider significance of these topics in terms of both the physical risk for employees' lives and the mental and psychosocial impacts associated with the concept of well-being, work-life balance, as well as non-communicable diseases.

The potential risks associated with these topics might be caused either by deficiencies in the organization and management of the safety mechanisms by the companies' own management, or by misapplication of these mechanisms by their employees, their partners or their suppliers.

More information is available on pages 50-53.



**MATERIAL TOPIC**

**UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT**

**MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)**

**Active and responsible social contribution**



- Management
- Employees
- NGOs/Local Communities

**WHY IS IT MATERIAL?**



**GRI 103-1**

The Group's active and responsible social contribution, in all countries where it operates, constitutes an important factor for the improvement of the lives of citizens in local and wider societies, especially in the areas of fighting poverty and hunger, improving health and well-being, quality education, and the sustainable development of cities and communities through actions to strengthen cultural heritage. At the same time, through its partnerships, mainly with non-profit organizations and other institutions, the Group manages to multiply the impacts of its actions, as well as to financially support these institutions to carry out their work.

Hence, the impacts resulting from the management of this topic are caused by the decisions of the Group's Management with regard to the priorities it sets and also by the employees and their voluntary contribution, as well as by the NGOs/Institutions with which the Group collaborates.

More information is available on pages 56-67.



**MATERIAL TOPIC**

**Protection of human rights in the workplace**

**WHY IS IT MATERIAL?**

**GRI 103-1**

Protecting and safeguarding human rights, in addition to the regulatory requirement, presents a range of benefits for businesses and workers, such as increasing productivity, improving decision making, promoting gender equality, reducing inequalities, enhancing employee retention, satisfaction, corporate culture, etc. As a consequence, this topic is more widely connected to decent work and economic development, social cohesion and to the strengthening of justice and institutions.

Potential risks associated with incidents of discrimination or violation of human rights in the workplace might be caused either by the lack of an appropriate management framework by the Group's Management or its suppliers and partners as well as by the possible inadequate implementation of the appropriate practices by the employees'.

More information is available on pages 44-45.

UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT



MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)

- Management
- Employees
- Suppliers/Partners



**MATERIAL TOPIC**

**Investing in employee training and education**

**WHY IS IT MATERIAL?**

**GRI 103-1**

The topic of employee training and education is prioritized as material due to the added value it generates for the employees themselves, by improving their knowledge and skills, as well as by creating growth opportunities both inside and outside the Group. In addition, qualified human resources enhances task efficiency and improves the Group's growth rate. Therefore, the wider impacts on the economy and society are the Group's contribution to decent work and economic development, as well as to quality education, through the creation of intellectual capital.

These impacts are mainly related to the decisions of the Group's Management regarding the size and choices of the investment in its employees' training and education.

More information is available on pages 46-49.

UN SUSTAINABLE DEVELOPMENT GOALS TO WHICH THE GROUP CONTRIBUTES THROUGH THE MATERIAL TOPIC'S MANAGEMENT



MATERIAL TOPIC BOUNDARIES (ENTITIES INSIDE OR OUTSIDE THE GROUP THAT MAY CAUSE THE IMPACTS)

- Management
- Employees



# ESG strategic goals

## METRIC A-G3

For the following years, the main FOURLIS Group performance objectives, in relation to its material topics, are the following:

### **Creation and distribution of direct economic value to stakeholders:**

Maintain donations and sponsorships at least at the same levels as in 2019.

### **Regulatory compliance and business ethics:**

Full compliance with relevant legislation and zero significant cases of fraud or corruption.

### **Employment creation:**

Increase in the number of employees according to the operational plans of the Group.

### **Protection of human rights in the workplace:**

Maintaining zero cases of human rights violations in the Group.

### **Investing in employee training and education:**

Training and development of employees with the aim of continuously improving their knowledge, skills and abilities, both for their personal development and for the achievement of the Group's goals.

### **Active and responsible social contribution:**

Expansion of the Group's active and responsible social investment programs, with the aim of benefiting as many social groups as possible.

### **Product compliance, labeling and responsible communication:**

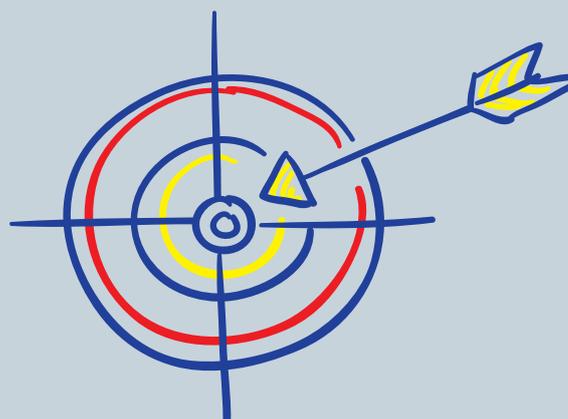
Maintaining the level of full compliance with regulations and voluntary codes concerning the labeling and responsible communication of products.

### **Protection of employee and customer health and safety:**

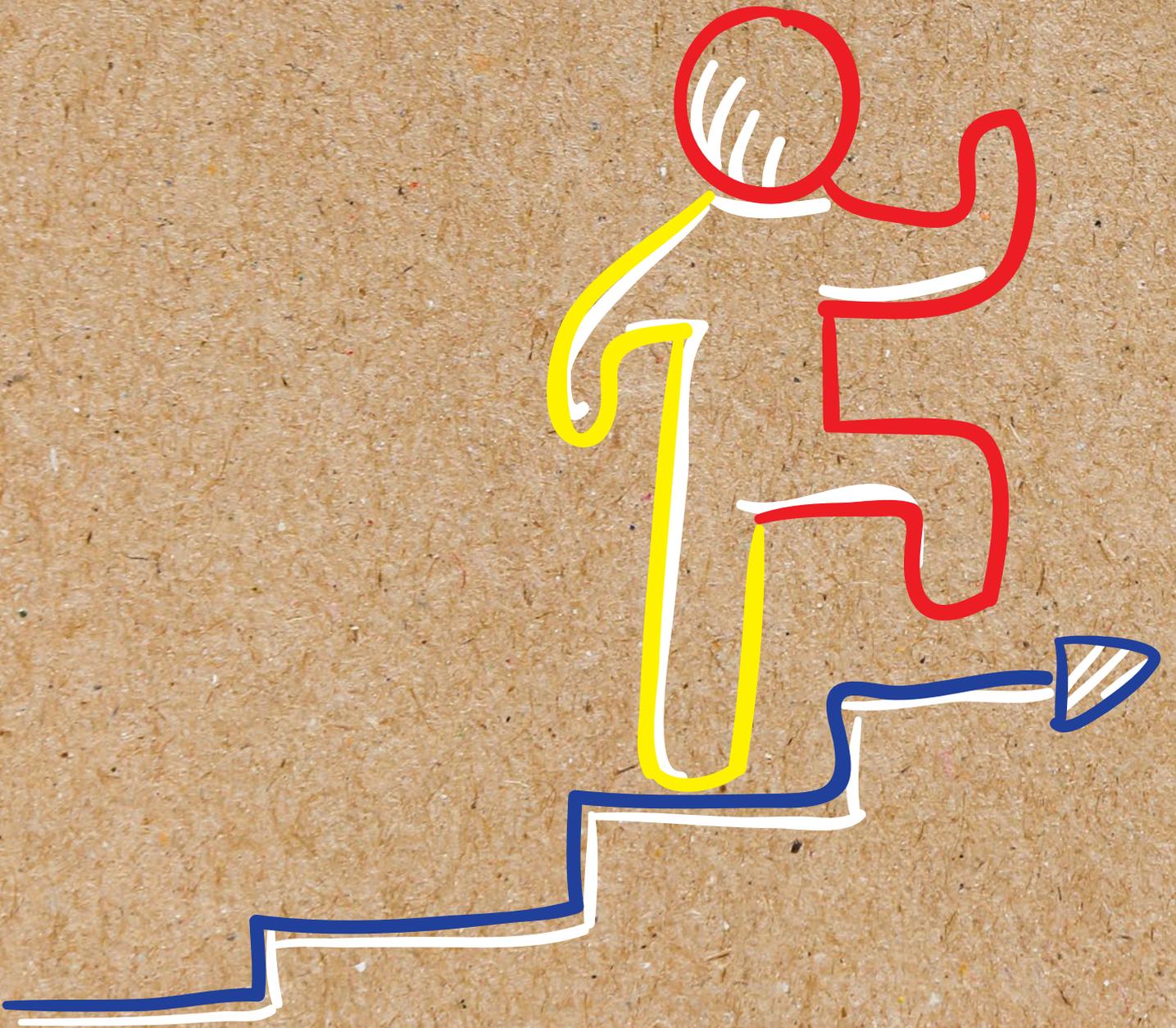
Maintaining zero incidents of non-compliance with regulations and voluntary codes concerning issues of health and safety of customers and visitors.

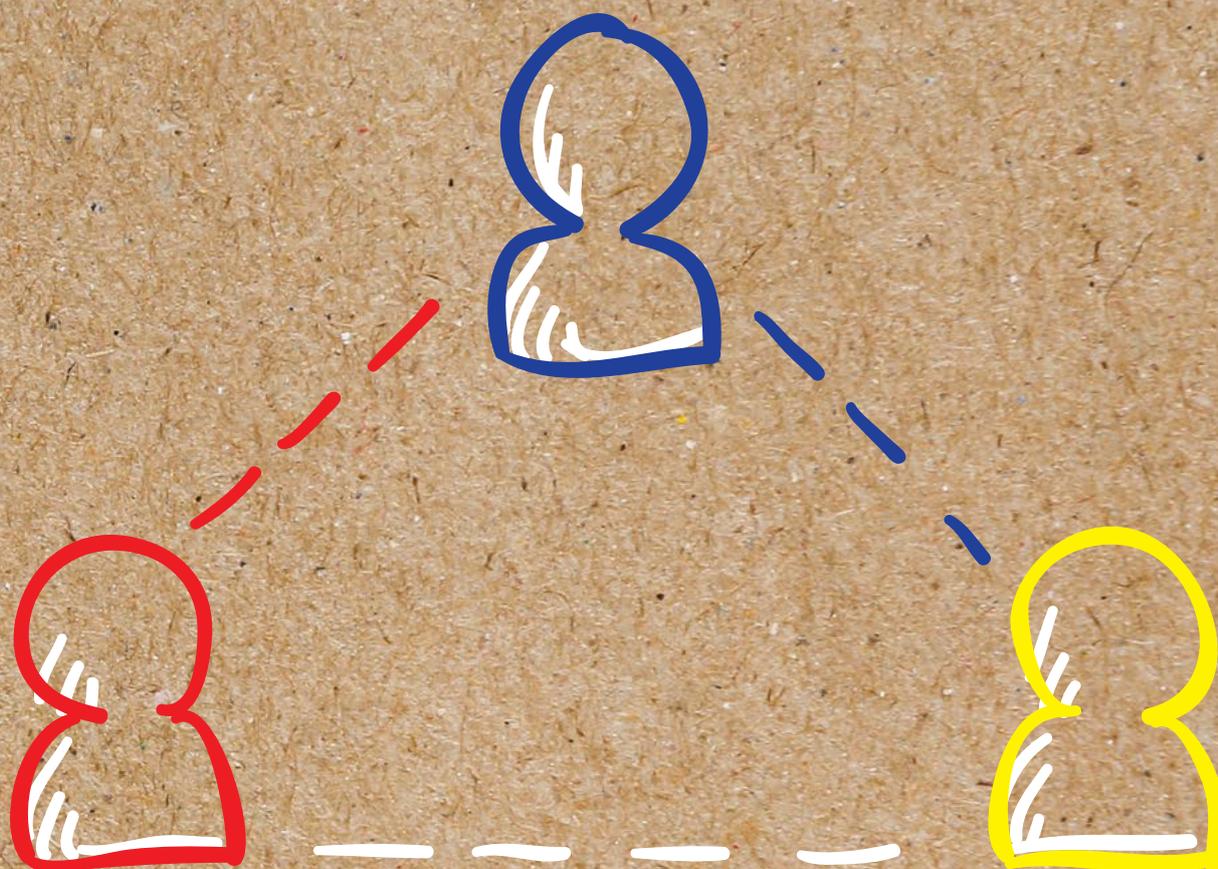
### **Protection of employee health, safety and well-being:**

Reduction of the percentage of injuries, occupational diseases, lost working days and unjustified absences.



# For our People

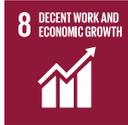




**FOURLIS Group is its People, all those who support its operations on a daily basis. At FOURLIS Group, the creation and safeguarding of employment positions, occupational health conditions, meritocracy and personal development, respect for human rights, as well as the provision of equal opportunities for all in relation to training, assessment and reward, constitute the focus of our philosophy and practices.**



# Employment creation



## OUR MANAGEMENT APPROACH

### GRI 103-2

At FOURLIS Group we aim at creating new job openings through the development of our activities in Greece and abroad. By doing so, we strengthen local communities and we stimulate national economies in the countries where we operate.

In cases where any of the companies have new job openings, these are readily covered either by internal employee transfers/promotions (through the Open Resourcing policy), or by a direct proposal to an employee for a transfer/promotion (for Executives) or by a new recruit.

Specifically, the Open Resourcing Policy we implement, ensures that all job openings are firstly announced to the Group's employees, giving them the opportunity to apply for and to participate -with priority, in the assessment and selection process.

Regarding new hires, FOURLIS Group also helps young people take their first professional steps and gain working experience through their participation in the paid employment program for young people called "ReGeneration" and through the Group's close cooperation with Universities, Private Institutions and Organizations like, for example, the Athens University of Economics and Business and the American College of Greece-Deree.

### GRI 102-7, GRI 102-8

On **31/12/2019**, FOURLIS Group's total number of employees was **4,198\*** compared to 4,038 employees on 31/12/2018.

## TOTAL NUMBER OF EMPLOYEES BASED ON LOCATION AND GENDER (PERMANENT AND FIXED-TERM, FULL-TIME AND PART-TIME)

### FOURLIS GROUP 2019



Countries	Men	Women	Total
Greece	1,178	1,344	2,522
Cyprus	228	190	418
Romania	222	234	456
Bulgaria	204	294	498
Turkey	182	122	304
<b>Total</b>	<b>2,014</b>	<b>2,184</b>	<b>4,198</b>

\* The number of employees is defined as the number of individuals employed as of 31/12/19. The term "employees" refers to the individuals who are directly employed by the Group. It is noted that no significant percentage of the work is carried out by people that are not in the "employees" category as defined above. Finally, there are no variations in the number of employees in the Group, such as seasonal fluctuations.

Group's Total		Men	Women	Total
Total number of employees by employment contract	Permanent	1,843	2,015	3,858
	Fixed-term	171	169	340
	<b>Total</b>	<b>2,014</b>	<b>2,184</b>	<b>4,198</b>
Total number of employees by employment type	Full-Time	1,367	1,096	2,463
	Part-Time	647	1,088	1,735
	<b>Total</b>	<b>2,014</b>	<b>2,184</b>	<b>4,198</b>



Greece		Men	Women	Total
Total number of employees by employment contract	Permanent	1,052	1,227	2,279
	Fixed-term	126	117	243
	<b>Total</b>	<b>1,178</b>	<b>1,344</b>	<b>2,522</b>
Total number of employees by employment type	Full-Time	769	529	1,298
	Part-Time	409	815	1,224
	<b>Total</b>	<b>1,178</b>	<b>1,344</b>	<b>2,522</b>



Cyprus		Men	Women	Total
Total number of employees by employment contract	Permanent	225	190	415
	Fixed-term	3	0	3
	<b>Total</b>	<b>228</b>	<b>190</b>	<b>418</b>
Total number of employees by employment type	Full-Time	107	88	195
	Part-Time	121	102	223
	<b>Total</b>	<b>228</b>	<b>190</b>	<b>418</b>



<b>Bulgaria</b>		<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Total number of employees by employment contract</b>	Permanent	199	282	<b>481</b>
	Fixed-term	5	12	<b>17</b>
	<b>Total</b>	<b>204</b>	<b>294</b>	<b>498</b>
<b>Total number of employees by employment type</b>	Full-Time	157	220	<b>377</b>
	Part-Time	47	74	<b>121</b>
	<b>Total</b>	<b>204</b>	<b>294</b>	<b>498</b>



<b>Romania</b>		<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Total number of employees by employment contract</b>	Permanent	185	194	<b>379</b>
	Fixed-term	37	40	<b>77</b>
	<b>Total</b>	<b>222</b>	<b>234</b>	<b>456</b>
<b>Total number of employees by employment type</b>	Full-Time	192	179	<b>371</b>
	Part-Time	30	55	<b>85</b>
	<b>Total</b>	<b>222</b>	<b>234</b>	<b>456</b>



<b>Turkey</b>		<b>Men</b>	<b>Women</b>	<b>Total</b>
<b>Total number of employees by employment contract</b>	Permanent	182	122	<b>304</b>
	Fixed-term	0	0	<b>0</b>
	<b>Total</b>	<b>182</b>	<b>122</b>	<b>304</b>
<b>Total number of employees by employment type</b>	Full-Time	142	80	<b>222</b>
	Part-Time	40	42	<b>82</b>
	<b>Total</b>	<b>182</b>	<b>122</b>	<b>304</b>

## Internal Communication

For FOURLIS Group, internal communication constitutes a priority for the organization's smooth operation. For this reason, we make sure to inform and engage our People in the Group's initiatives, while at the same time we give them the opportunity to communicate with each other, regardless of their level of seniority.

The management of internal communication is realized through a number of activities and tools such as:

- The F2F (Friend to Friend), an interactive and friendly to the user tool, that was created in 2018, exclusively for Group employees. It is a mobile application (social network) available in five languages, via which employees are able to browse all Group sites, to attend training programs that concern them, to communicate with all colleagues in real time,- as text can be automatically translated-, as well as to choose to stay informed on matters that concern them.
- In the context of the continuous internal communication improvement, we aim at periodically evaluating our efforts through the biennial "Employee Insight Survey". Under the slogan "Your opinion counts!" and the primary aim to enhance the satisfaction and commitment of the Group's Human Resources, all employees are invited, every 2 years, to participate in the survey and to express their views on issues pertaining to management, communication, organization, cooperation, training and development, work climate, remuneration, etc. Through the survey's results, areas for action and further improvement for the Group are highlighted and respective actions are taken.

Following the "Employee Insight Survey" conducted in 2018, we gathered our employees' proposals, processed them, and then proceeded to the design and implementation of actions, which focus on the following categories:

- Communication & Collaboration
- Training & Development
- Management & Organizational Issues
- Social Responsibility

Typical such examples are the mobile application F2F, as well as the organization of events for Group employees.

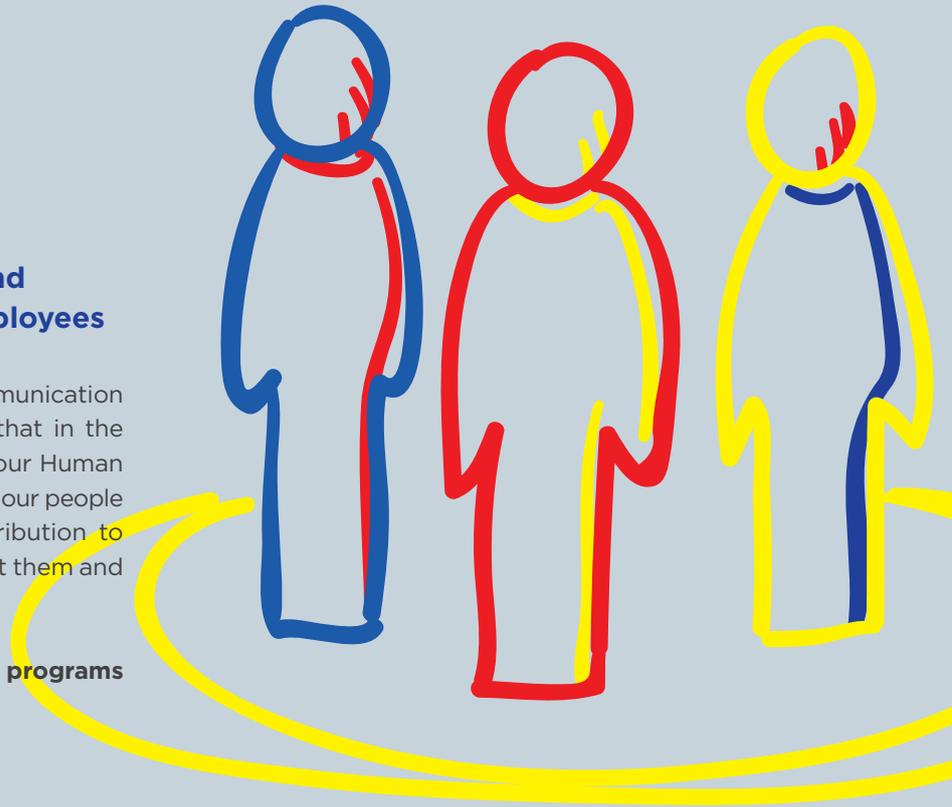


## OTHER ACTIONS FOR OUR PEOPLE

### Recognition of contribution and reward of FOURLIS Group employees

Besides the aforementioned communication tools, at FOURLIS Group we believe that in the context of a healthy relationship with our Human Resources, it is our moral duty to reward our people for their commitment and their contribution to the Group's success and also to support them and their families in any way we can.

**In this context, we implement the programs that are presented below.**



### YEARS IN SERVICE AWARD

Through this program, employees who have contributed for numerous years to the achievement of the Group's objectives are rewarded (10, 20 and 30 years of recognition and contribution). In 2019, the long-term contribution of 206 employees in Greece, 14 in Cyprus, 12 in Romania and 4 in Bulgaria was recognized.



### WE SAY BRAVO

The program "We Say Bravo" aims to highlight and award those employees who, through certain behaviors, stand out for their professionalism and distinct contribution, always in alignment with the Group's Values and Mission. It is worth mentioning that through this process the employees themselves distinguish and reward their colleagues for similar behaviors. In 2019, through this program, a total of 40 employees were awarded, of which 26 in Greece, 4 in Cyprus, 5 in Bulgaria, 3 in Romania and 2 in Turkey.

### AWARDING HONOR STUDENTS

At FOURLIS Group we annually reward employees' children, either for being honored students, or for their successful admission to Universities. In 2019, 86 students in Greece, 3 in Cyprus, 186 in Bulgaria, 18 in Romania and 4 in Turkey were rewarded.

### GROUP EMPLOYEES' CHILDREN ACQUIRING WORK EXPERIENCE DURING SUMMER

Since 2017, FOURLIS Group implements the "Group Employees' children acquiring work experience during summer" program, which aims to give employees' children the opportunity to gain work experience and to familiarize themselves with the work environment.

Teenagers, aged 15-18 in Greece and 16-18 years abroad, participate in the program and are hired by FOURLIS Group companies in accordance with each country's labour laws. The program is implemented only during summer and the children are employed for two weeks. Through this program, in 2019, 45 children were employed in Group companies and stores, of which 37 in Greece, 4 in Bulgaria and 4 in Romania.

## SCHOLARSHIP PROGRAM

Recognizing the value and importance of education for young people and everyone's right for equal opportunities, at FOURLIS Group and more specifically to its companies in Greece and Cyprus, since 2013, we implement a program called "SPOUDAZO ME IPOTROFIA" (I study with a scholarship). It's a program that aims to support employees' children who study in public Universities in Greece and Cyprus, away from their permanent residencies, and whose families face difficulties in meeting the financial requirements of covering the cost of accommodation in another city. Every academic year we offer 5 scholarships worth €3,000 each. In 2019, the scholarship program was launched for IKEA employees in Bulgaria, while the goal is to gradually expand it to employees of all Group companies in all countries where it operates.

## LENDING LIBRARY FOR FOURLIS GROUP EMPLOYEES

In 2019, the Group launched the operation of lending libraries for the Group employees in Greece, aiming to encourage them to read books. Lending libraries operate at the Group's headquarters in Maroussi, at TRADE LOGISTICS facilities in Schimatari, as well as at the five IKEA stores in Greece (Airport, Egaleo, Thessaloniki, Ioannina and Larissa). Libraries offer a wide range of books, from different categories, in order to meet employees' varying preferences.



## "INVESTORS IN PEOPLE" CERTIFICATION

In 2017, FOURLIS HOLDINGS S.A. was certified for the following 3 years with the internationally recognized 6th generation standard, "INVESTORS IN PEOPLE" (IIP). The "INVESTORS IN PEOPLE" standard is a tool that helps businesses and organizations improve their performance in achieving their business objectives through Human Resources management and development.

It consists of four phases (in chronological order):

- **Diagnosis:** During this phase, a discussion is held with an IIP representative regarding the organization's ambitions and objectives, as well as the way it operates (policies, procedures).
- **Online Assessment:** Employees complete a short electronic questionnaire.
- **Employee interviews and observation:** In this phase, an IIP representative visits the company's premises and holds meetings with both the Company's Management as well as its employees.
- **Relevant report development.**

**The organization's ambitions lie "at the heart" of the standard, while the standard examines the following 9 areas:**

1. Leading and inspiring people
2. Living the organization's values
3. Empowering/developing and involving people in the decision-making process
4. Managing performance
5. Recognizing and rewarding high performance
6. Structuring work
7. Building capacity
8. Delivering continuous improvement
9. Creating sustainable development

Each of the above 9 areas is divided into 3 separate sections and this way the company is evaluated on a total of 27 different criteria. For 2017, FOURLIS HOLDINGS S.A. has achieved the "Established" level in 5 out of the 27 criteria, the "Advanced" level in 2 criteria and finally, the "Developed" level in the 20 criteria.

**In the 6th generation standard, a provision is made for a reassessment both 12 and 24 months after certification. This way, the company has by its side a valuable partner who assists in its efforts to achieve its goals on employee management and development.**

**In September 2018, the latest reassessment was performed, according to which the Group's progress is in accordance with the standard's guidelines.**



## OUR RESULTS

GRI 103-3, GRI 401-1

### TOTAL NUMBER (HEADCOUNT) AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION

#### FOURLIS GROUP

2019

		Employee Turnover	Number of employees	Turnover rate (%)	New Employee Hires	Number of employees	Rate of new employee hires (%)
Age Group	<30	901	1,479	60.9	1,280	1,479	86.5
	30-50	321	2,188	14.7	304	2,188	13.9
	50>	43	531	8.1	37	531	7.0
	<b>Total</b>	<b>1,265</b>	<b>4,198</b>	<b>30.1</b>	<b>1,621</b>	<b>4,198</b>	<b>38.6</b>
Gender	Men	663	2,014	32.9	908	2,014	45.1
	Women	602	2,184	27.6	713	2,184	32.6
<b>Fourlis Group Total</b>		<b>1,265</b>	<b>4,198</b>	<b>30.1</b>	<b>1,621</b>	<b>4,198</b>	<b>38.6</b>
Country	Greece	386	2,522	15.3	592	2,522	23.5
	Cyprus	219	418	52.4	284	418	67.9
	Romania	236	456	51.8	243	456	53.3
	Bulgaria	292	498	58.6	315	498	63.3
	Turkey	132	304	43.4	187	304	61.5
	<b>Total</b>	<b>1,265</b>	<b>4,198</b>	<b>30.1</b>	<b>1,621</b>	<b>4,198</b>	<b>38.6</b>

2018

		Employee Turnover	Number of employees	Turnover rate (%)	New Employee Hires	Number of employees	Rate of new employee hires (%)
Age Group	<30	712	1,254	56.8	932	1,254	74.3
	30-50	280	2,255	12.4	315	2,255	14.0
	50>	30	529	5.7	29	529	5.5
	<b>Total</b>	<b>1,022</b>	<b>4,038</b>	<b>25.3</b>	<b>1,276</b>	<b>4,038</b>	<b>31.6</b>
Gender	Men	579	1,917	30.2	693	1,917	36.2
	Women	443	2,121	20.9	583	2,121	27.5
<b>Fourlis Group Total</b>		<b>1,022</b>	<b>4,038</b>	<b>25.3</b>	<b>1,276</b>	<b>4,038</b>	<b>31.6</b>
Country	Greece	289	2,465	11.7	389	2,465	15.8
	Cyprus	145	351	41.3	162	351	46.2
	Romania	198	470	42.1	237	470	50.4
	Bulgaria	206	491	42.0	240	491	48.9
	Turkey	184	261	70.5	248	261	95.0
	<b>Total</b>	<b>1,022</b>	<b>4,038</b>	<b>25.3</b>	<b>1,276</b>	<b>4,038</b>	<b>31.6</b>

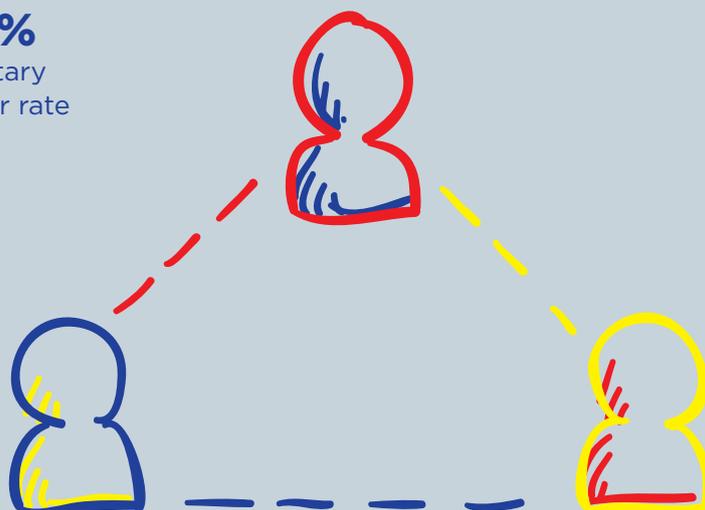
**FOURLIS GROUP 2019**

**METRIC C-S3**



**2.53%**  
Involuntary  
turnover rate

**28.19%**  
Voluntary  
turnover rate



**BENEFITS BY SIGNIFICANT LOCATION OF OPERATION**

(provided to full-time and part-time employees and not provided to seasonal employees)

GRI 401-2

**FOURLIS GROUP**

	Greece		Cyprus		Romania		Bulgaria		Turkey	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Life Insurance</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Healthcare</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Disability and inability coverage</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Parental leave</b>	*	*	*	*	*	*	*	*	*	*
<b>Retirement provision benefits</b>	✓	✓	✓	✓	**	**	**	**	**	**
<b>Stock option plan</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

\* Parental leave is granted according to legislation.

\*\* No retirement benefits are offered in Romania, Bulgaria and Turkey as this is not a common practice in these countries.



MATERIAL TOPIC

# Protection of human rights in the workplace



## OUR MANAGEMENT APPROACH

GRI 103-2, METRIC C-S5  
UNGC PRINCIPLES 1, 2, 3, 4, 5, 6

At FOURLIS Group we approach the issues of respect and protection of Human Rights in a systematic way through the policies we adopt and the initiatives we undertake.

This effort has the following main axes:

- Our participation in the United Nations Global Compact through which we commit to adhering to the respective Principles, such as those relating to freedom of association advocacy, the elimination of child and forced labour, as well as discrimination in the workplace and our supply chain.
- Our Internal Labour Regulations, that regulate labour issues such as training and performance appraisal, workplace behavior, relationships between colleagues, health and safety conditions, the disciplinary procedure as well as the dismissal procedure.
- The Code of Conduct which focuses on employees' obligation for ethical professional conduct, equality and protection of personal data issues.
- The Open Resourcing Policy and Procedure. The core of our Policy on employee recruitment and professional development of our Human Resources is:
  - Common recruiting assessment criteria at all Group companies, to ensure equal opportunities and anti-discrimination.
  - Providing equal opportunities for development through internal mobility and promotion processes to all Group employees.
  - The compensation and benefits policy that is based on the Group's financial results, on employees' performance appraisal that takes place on an annual basis and on the trends of the retail market regarding remunerations.
  - Taking into account gender balance, national, religious, political or other characteristics, as well as disability, sexual orientation etc., in the selection and development processes of our employees as well as in the compensation and benefits policies.
- The Health and Safety policy, which has been developed to provide the best possible health and safety conditions for both Group employees as well as clients and visitors at our premises.
- The responsible product policies of our Group's subsidiaries, which aim at ensuring safety and providing integrated product information to the end-user.



## OUR RESULTS

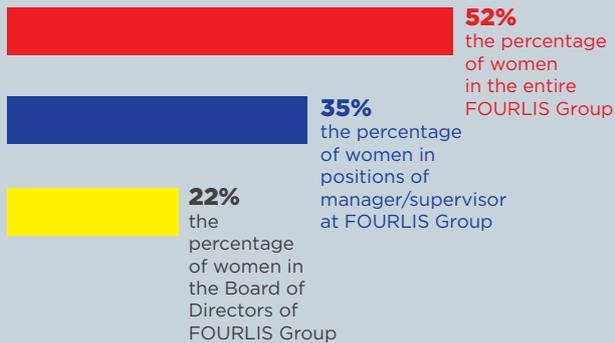
GRI 103-3, GRI 406-1

All Group employees have signed, independently of their position in the corporate hierarchy, the detailed or concise version of the Code of Conduct (the concise version is available at [www.fourlis.gr](http://www.fourlis.gr)).

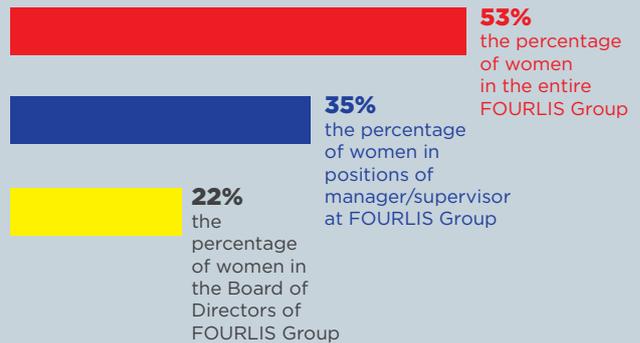
Additionally, the Group’s Code of Conduct line is operational 24 hours a day and anyone can call in order to report, anonymously or not, any concerns related to Code of Conduct violations or non-compliance with the applicable legislation. In the period 1/1-31/12/2019 no incidents of human rights violations and/or violations of any discrimination on the grounds of race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, were reported, in all Groups’ operations.

### FOURLIS INDICATOR

2019



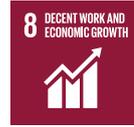
2018





MATERIAL TOPIC

# Investing in employee training and education



## OUR MANAGEMENT APPROACH

### GRI 103-2

The first training program for every Group employee is an induction program, through which we make sure that all newly hired employees are informed about the Group's Structure, its Principles, the Code of Conduct and each company's Internal Regulation Charter. This program is provided to employees either as an in-person or as an e-learning training.

Also, in 2011, FOURLIS Learning Academy was established. All FOURLIS Group employees are members of the Academy, participating in programs depending on the requirements of their role and their needs for personal development.



**FOURLIS Learning Academy consists of 4 programs in total:**

#### 1. GREEN PROGRAM

It is the base of the Academy and is addressed to all FOURLIS Group employees. It includes Induction as well as Product/Technical Training and Specialization programs, essential for any job position at all levels.

#### 2. SILVER PROGRAM

Development programs for FOURLIS Group newly appointed Managers and Supervisors.

#### 3. GOLD PROGRAM

Development programs for all FOURLIS Group Managers and Supervisors.

#### 4. PLATINUM PROGRAM

Development programs for FOURLIS Group Top Management Team.

**The training courses, which are annually updated, are developed in four pillars:**

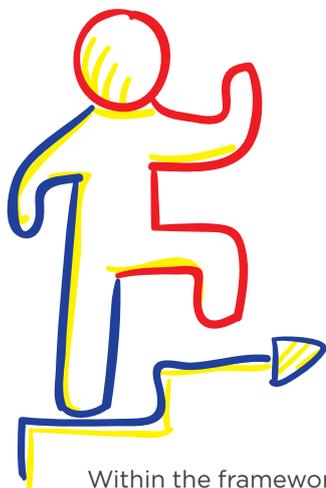


**Leadership**

**Business Operations**

**Health & Safety**

**Sales - Products**



Within the framework of the Academy a new program, FOURLIS Retail Diploma, was launched in 2016. This program was designed and created in order to provide high level knowledge from University professors and senior executives of both the market and FOURLIS Group in a range of fields, mainly focusing on Retail Management.

Each year a new class begins, with the participation -on average- of 16 employees, from all the countries where the Group operates. Their selection is based on a set of objectives and merit criteria. The program's total duration is 2.5 years. By the end of 2019, 60 employees in total, from all countries where FOURLIS Group operates, have attended the program, while 30 employees have graduated.

Apart from the training programs for skills development purposes that are addressed to each employee according to their position level and are included in FOURLIS Learning Academy, since 2015 the "Open Seminars" program is implemented. These seminars aim at skills acquisition by employees in subjects that do not cover knowledge related to their current job position but are essential for their future development.

In order to ensure the training programs' effectiveness for each employee, the following parameters are assessed:

- The company's goal that has to be achieved through each training
- The employee's job position specifications
- The employee's skills level

Regarding our employees' evaluation, since 2008, we have adopted a single performance Appraisal and Development Review process for all Group employees, to ensure that the employees' appraisal process is and will remain transparent. In this way we ensure a fair working environment and we create an operational succession plan for executives at high responsibility positions.

The Appraisal and Development Review process, which includes the assessment of both measurable agreed goals and the employees' skills and behaviors, takes place once a year for all employees in all Group companies. In addition, the evaluation form also records all actions related to Employees' Development Plan.

Furthermore, since 2013, we have been implementing a 360° Evaluation Procedure for the Group's Executives (Managers and Supervisors), in cooperation with an independent consulting company. The 360° Evaluation is a tool that offers the opportunity to those collaborating at any job level (supervisors, subordinates, colleagues), to openly express their opinion, providing constructive comments on the behavior and the management style of the employees under evaluation. This way, 360° Evaluation is a self-improvement tool that contributes to understanding the needs, to identifying the strengths and the areas for improvement and thus to empowering collaboration.

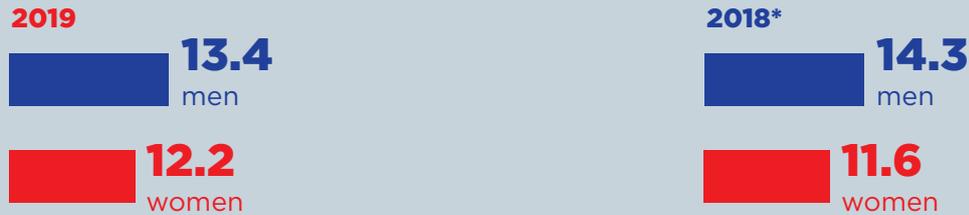


## OUR RESULTS

GRI 103-3, GRI 404-1

### AVERAGE HOURS OF TRAINING BY GROUP EMPLOYEE

#### AVERAGE HOURS OF TRAINING BY GENDER



#### AVERAGE HOURS OF TRAINING BY GROUP EMPLOYEE CATEGORY



\* The Group's activities in Turkey are not included

### PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND DEVELOPMENT REVIEW, BY GENDER AND EMPLOYEE CATEGORY

GRI 404-3

The Performance Appraisal and Development Review, which includes the assessment of the agreed measurable objectives and the assessment of employees' skills and behavior, is conducted once a year for all employees in all Group companies. At the same time, all actions related to the employees' Development plan are recorded on the Appraisal Review report.

## PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS

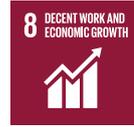
GRI 404-2



Thematic areas	2019	2018
Corporate Culture (e.g. Induction Training)	✓	✓
Health & Safety	✓	✓
Selling Techniques/Customer Service	✓	✓
IT/Systems Training	✓	✓
Product Training	✓	✓
Specialized training on topics relating to the functions of the Group's Divisions (e.g. payroll, interior design, supply chain & logistics, marketing, food & beverages, personal & technical skills)	✓	✓
Foreign languages	✓	✓
Developmental tools for all Group employees	✓	✓
Annual Performance Appraisal and Development Review/ Managing your People Potential	✓	✓
Managerial Skills for newly appointed Managers & Supervisors (Your Role and profile as a Manager, Giving and receiving constructive feedback, Interviewing Skills etc.)	✓	✓
Managerial Skills for Senior Managers (Managing people, Managing High performing Teams etc.)	✓	✓
Managerial Skills Trainings for Executive Managers/Directors (Managing Excellence & Self Leadership, Crisis Management, Change Management etc.)	✓	✓
E-learning programs for all Group employees in all companies and countries: FOURLIS Group Induction Training, GDPR Awareness & Training, Digital Transformation, FOURLIS Group's New Performance Appraisal	✓	-



# Protection of employee health, safety and well-being



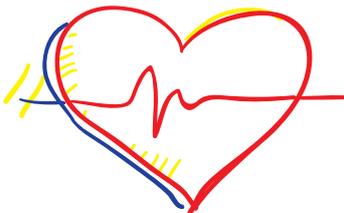
## OUR MANAGEMENT APPROACH

### GRI 103-2

An important priority for us is to safeguard compliance with Health and Safety Policy by conducting intensive inspections by safety technicians throughout the Group companies' facilities and by having the safety technician draw up a special occupational risk assessment study, which is then monitored for any recommendations so as to proceed with corrective actions.

At FOURLIS Group, as a minimum prerequisite, we comply with the local regulatory frameworks' requirements in the countries where we operate, as well as with the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". We also invest in the continuous and regular employee training so that they can respond to emergencies affecting both themselves and our clients'/visitors' safety. Especially at IKEA stores, we have created internal Safety, Fire Protection and First Aid teams, while at INTERSPORT and The Athlete's Foot stores selected employees have been trained in managing related issues. Our approach to employee and customer Health and Safety issues is common and is described in "Protection of Customer and Visitor Health and Safety" section. The Group's Health and Safety Department is responsible for the implementation of our policy.





## EF ZIN (WELL-BEING) PROGRAM

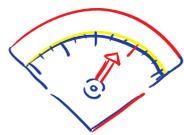
The EF ZIN (Well-being) program was launched by the Social Responsibility Division in 2010 with the main objective to inform employees on health and well-being issues and to encourage them to adopt a healthier lifestyle. In the context of this program, actions such as preventive medical examinations, informational speeches on health and wellness issues, sports tournaments etc., are organized every year. Some of the most important EF ZIN actions that took place in 2019, are presented below.

### MEDITERRANEAN DIET

In 2019, the Social Responsibility Division launched a new program for the Group employees, called **“Mediterranean Diet - live better, live more”**. The aim of this new program, which is implemented in collaboration with experienced dietitians-nutritionists, is to inform employees, through a variety of actions, about the characteristics and benefits of the Mediterranean Diet and how they can integrate it into their daily diet by adopting, more broadly, a Mediterranean lifestyle.

The program includes research on employee diet habits, speeches on the Mediterranean Diet, which were held in the Group’s facilities, weekly indicative menus with suggested recipes, and regular updates on other relevant topics.

The program was implemented throughout the year in Greece, Cyprus and Bulgaria.



### FAT MEASUREMENT

As part of the **“Mediterranean Diet-live better, live more”** program, in 2019 a fat measurement test was performed, in collaboration with experienced dietitians-nutritionists, at the Group’s companies’ premises in Greece, Cyprus and Bulgaria. As part of the action, 231 employees had the opportunity to learn about their body mass index and any excess weight, as well as to receive their personal evaluation and general dietary advice for maintaining the right weight.

### SPORTS TOURNAMENTS

FOURLIS Group employees in Greece (Attica) and Cyprus, participated in the established local Sports Tournaments organized, every year, by the Social Responsibility Division. In this context, the first Sports Tournament of the year took place in August at Rancho Relaxo in Sia, where FOURLIS Group employees in Cyprus competed in beach sports, while in October employees of the Group in Attica took part in the 2019 Hellenic Company Sports Games, which are organized by the Hellenic Organization for Company Sports and Health. During the event, employees competed with rival corporate and independent teams and athletes in individual and team sports, earning significant distinctions.





The following table contains information about INTERSPORT and The Athlete's Foot.

GRI 403-2

2019	Romania		Bulgaria		Turkey	
	Men	Women	Men	Women	Men	Women
Injury rate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Occupational diseases rate	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Lost days rate	0.0200	0.0300	0.0000	0.0000	0.0000	0.0000
Absenteeism rate	0.0000	0.0000	0.0064	0.0074	0.4100	1.0300
Work related fatalities	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The following table contains information about FOURLIS HOLDINGS S.A. and TRADE LOGISTICS.

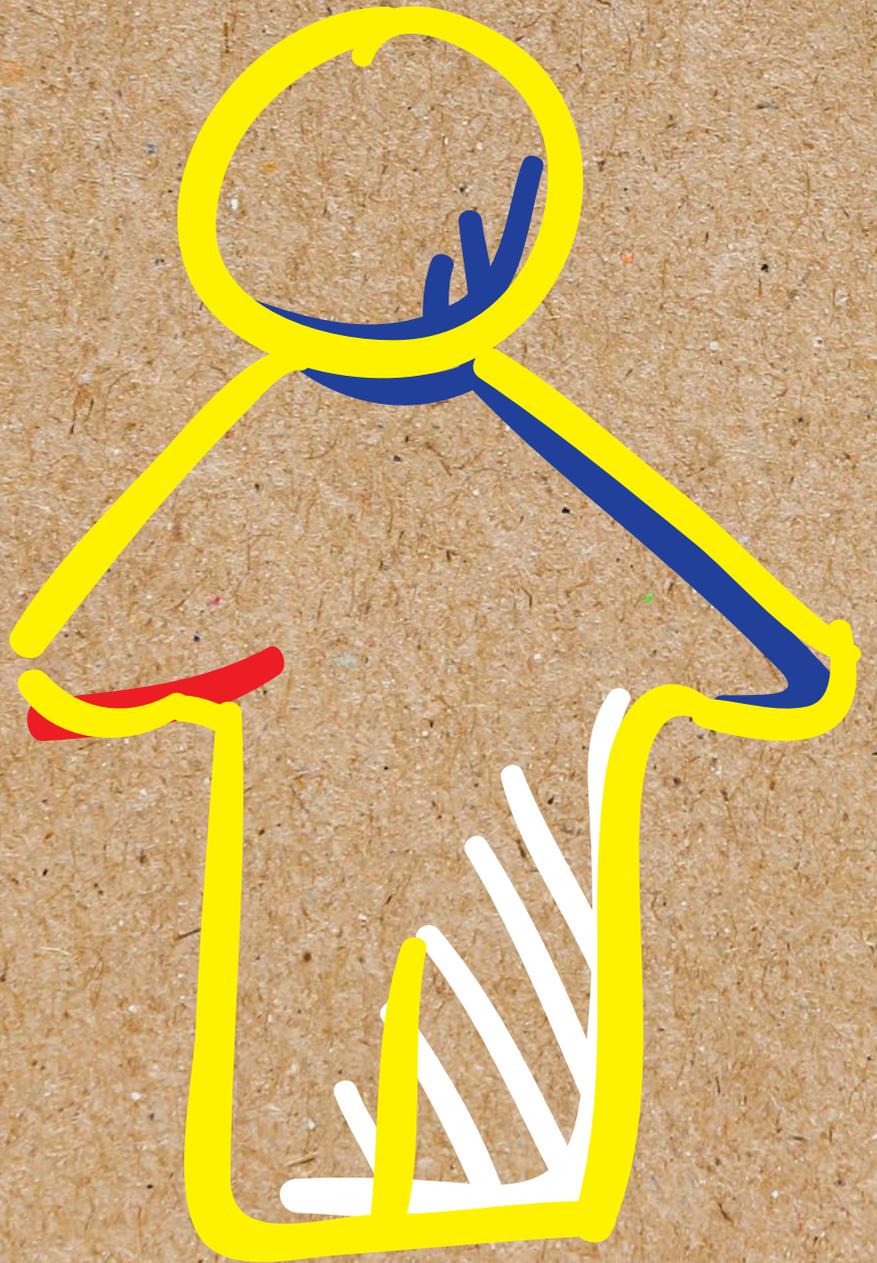
GRI 403-2

2019	TRADE LOGISTICS		FOURLIS HOLDINGS S.A.	
	Men	Women	Men	Women
Injury rate	0.0000	0.0000	0.0000	0.0000
Occupational diseases rate	2.2207	0.0180	0.0000	0.0000
Lost days rate	0.0000	0.0000	0.0000	0.0000
Absenteeism rate	0.0000	0.0000	0.0000	0.0000
Work related fatalities	0.0000	0.0000	0.0000	0.0000

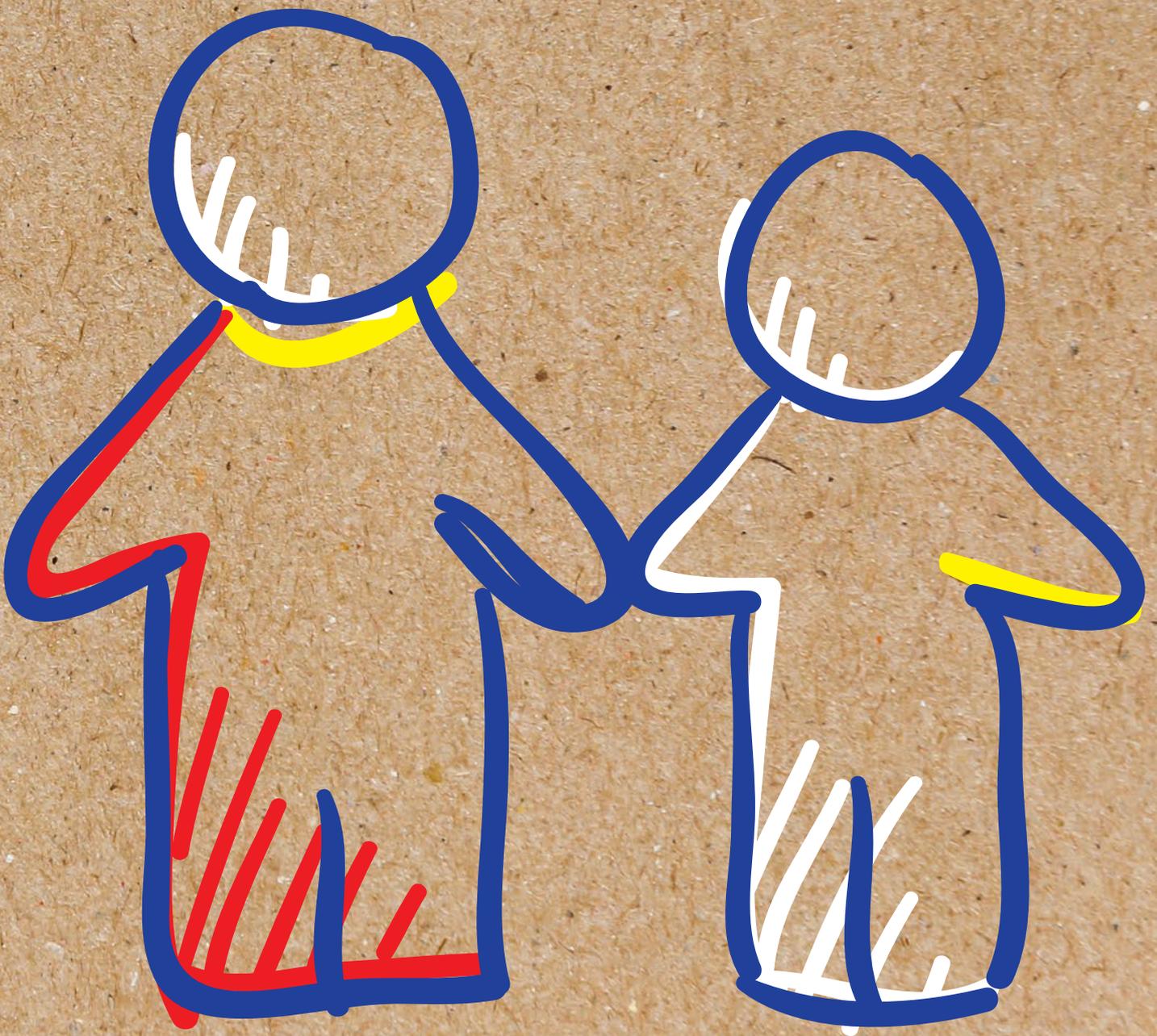
GRI 403-3

We note that there are no employees who are involved in occupational activities with high frequency or risk of disease appearance and that most incidences are musculoskeletal in nature.

# For the Society



Under our main motto **TOGETHER FOR A BETTER QUALITY OF LIFE**, at FOURLIS Group we daily work together as well as individually, for the realization of our common commitment and vision: *the establishment of the preconditions for a better life for all.*





# Active and responsible social contribution



## OUR MANAGEMENT APPROACH

GRI 103-2, GRI 413-1

At FOURLIS Group we get informed about the needs of the citizens and the societies where we operate, through established communication and consultation channels, as presented in pages 23-25. Through these channels, we receive relevant requests to support social programs. Then we evaluate and prioritize them and proceed to the design and implementation of programs and actions with criteria to meet real and important needs of each local community, but also those needs that are more in line with the social responsibility strategy of our Group (support of vulnerable social groups and especially children), the number of beneficiaries, as well as the nature of our activities. The Social Responsibility Division in Greece is constantly in close cooperation and communication with executives from all Group companies in order to jointly plan, coordinate and implement these actions.

The countries where social responsibility programs and actions took place in 2019 were Greece, Cyprus, Bulgaria and Romania. For the programs and actions we implement, we do not proceed with a quantitative evaluation of their social impact, while there is no committee for the evaluation of the proposed actions, in which local community participates. However, each local community may contact the Group, through the available channels of communication and engagement, and report any issues of concern for the Group and its impact on the local community.

The following are some of the most important programs and actions that were implemented in 2019 to support society.



## OUR RESULTS

GRI 103-3, GRI 413-1



### “STATIONS OF JOY” PROGRAM



In 2019, IKEA and FOURLIS Group continued, for the 7th year, the “Stations of Joy” program through which they support municipal nursery schools and kindergartens throughout Greece, creating functional spaces where children can enjoy their stay. The program is implemented in cooperation with the respective Municipal Authorities, while every space is always equipped in cooperation with the schools’ teachers, taking into consideration the children’s needs and the IKEA decorators’ experience.

In 2019, IKEA fully refurbished 6 municipal kindergartens and nurseries for more than 380 children in various areas of Greece. Since the beginning of the program, in 2013, and until the end of 2019, IKEA has equipped 72 stations for more than 3,100 children.

The “Stations of Joy” program was implemented for the 3rd year in Cyprus, where in 2019 the IKEA Cyprus store proceeded with the full refurbishment of 3 public and community kindergartens for approximately 70 children. Since the beginning of the program and until the end of 2019, IKEA Cyprus has equipped 8 public and community kindergartens for more than 190 children.

In 2020 IKEA and FOURLIS Group will continue the implementation of “Stations of Joy” program both in Greece and in Cyprus.





## SUPPORT TO “MAKE-A-WISH GREECE” ORGANIZATION



IKEA supports “Make-A-Wish Greece” organization, contributing to granting the wishes of children diagnosed with critical illnesses. According to research, children regain physical and emotional strength when a wish is fulfilled. This power helps to confront their illness.

In this context, in 2019, IKEA proceeded with the donation of materials and furniture from its stores, to grant the wishes of 20 children who wished to acquire the room of their dreams.

IKEA and FOURLIS Group’s goal is to create, through their activities and actions, the conditions for a better everyday life for children. In this context, during 2020 they will continue to support the work of “Make-A-Wish Greece” organization as they share the same belief, which is that we should never stop trying for children.

Make-A-Wish.





## MEALS DONATION



### GREECE

Since 2012, IKEA and FOURLIS Group have been cooperating with “BOROUME” (We Can), the Non-Profit Organization whose mission is the reduction of food waste and fighting malnutrition in Greece.

In the context of this cooperation, in 2019 IKEA continued the daily donation of meals not consumed at its stores’ restaurants in Greece, as well as at the Group Headquarters’ restaurant, to people in need.

Since 2012, meals have been distributed to the following organizations:

- RETO Hellas Association (Attica)
- Municipality of Egaleo Social Grocery (Attica)
- Municipality of Egaleo Social Service Department (Attica)
- Community House “Ariadne” (Attica)
- Parish breadline of Estavromenos Church in Tavros (Attica)
- Western Athens Direct Social Intervention Network (Attica)
- Municipality of Thessaloniki Social Service Department
- Social breadline of Toumba (Thessaloniki)
- Trion Ierarchon Church of Evosmos (Thessaloniki)
- Agios Georgios Church (Larissa)
- Agioi Saranta Parish (Larissa)
- Metropolitan Cathedral of Ioannina
- Church of the Assumption Perivleptou (Ioannina)

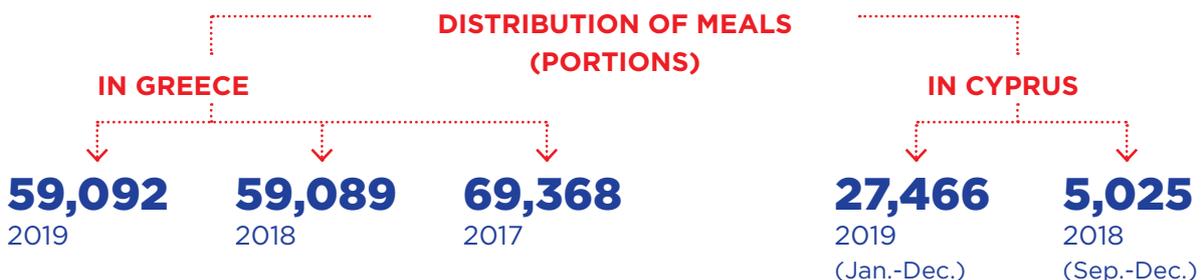
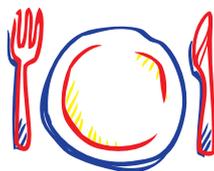


### CYPRUS

In 2019, IKEA Cyprus store continued -for the 2nd year- the donation of meals not consumed at the store’s restaurant to people in need.

Since 2018, meals have been distributed to the following organizations:

- Cyprus Red Cross Society
- Association for the Prevention and Handling of Violence in the Family (SPAVO)





## “FTANOUME PANTOU” (REACHING EVERYWHERE) PROGRAM



In 2019 INTERSPORT carried out, for the 9th consecutive year, the “Ftanoume Pantou” (Reaching everywhere) program, through which it visits public elementary schools in remote and affected areas of Greece and offers free sports equipment for the physical education course. INTERSPORT’s delegation is accompanied by distinguished athletes from local sports clubs, who have the ideal profile to instill values and ideals in children that would be invaluable for their future development.

“Ftanoume Pantou” is an initiative that serves INTERSPORT’s mission to instill the values of sport to children and to create the necessary conditions for them to have access to it. For this reason, priority is given to those areas and schools that are in need of increased awareness, due to their limited access to sporting events and facilities, as well as to schools in affected areas where the needs are particularly high.

In 2019, INTERSPORT’s mobile unit visited 14 public elementary schools in the areas of Marathonas, Rafina and Mandra to provide high quality sports equipment for more than 3,500 students, as well as to inform them of the benefits of sports and proper nutrition.

“Ftanoume Pantou” is being implemented since 2011 in cooperation with the respective municipalities and through this initiative INTERSPORT, accompanied by 110 acclaimed athletes, has visited a total of 230 public elementary schools throughout Greece, reaching approximately 28,000 students.

Every year, the voluntary contribution of INTERSPORT and FOURLIS Group employees is important for the successful completion of the program.



Για 9η χρονιά



**INTERSPORT**  
THE HEART OF SPORT

## INTERSPORT #womanism



In 2019, INTERSPORT launched the *#womanism* action, which aims to empower all women, the modern “athletes” in the arena of life.

INTERSPORT’s goal is *#womanism* to be the reference point of every woman who, through her daily life, is called to become the master of herself and to conquer what belongs to her. In this way, INTERSPORT addresses her and creates a digital track of “power and energy”, the [womanism.intersport.gr](https://www.womanism.intersport.gr), to inspire her at every step so as to believe in herself and her abilities and to be free to define her body, style, choices, time, health, self-confidence and ultimately her whole life.

The 6 pillars of *#womanism* represent the main areas that women are called to dominate: **Own Your Time, Own Your choices, Own Your Style, Own Your Confidence, Own Your Health, Own Your Body**. Each pillar is represented by female, unique personalities, whose unique stories are hosted on [womanism.intersport.gr](https://www.womanism.intersport.gr), in order to be a source of inspiration for every woman.

As part of *#womanism*, in 2019 INTERSPORT supported the Non-Profit Association for Skeletal Health “Petalouda” ([www.osteocare.gr](http://www.osteocare.gr)) for the implementation, among others, of 400 free osteoporosis measurements to women, as well as the Hellenic Association of Women with Breast Cancer “Alma Zois” ([www.almazois.gr](http://www.almazois.gr)), while was a sponsor of Ladies Run event, which supported the Shelter for Women Victims of Violence and Trafficking, of the National Center for Social Solidarity. At the same time, during 2020, it highlighted true stories of both well-known and next-door women, inspiring more than 3,000,000 women in Greece who watched the video of the initiative.

**INTERSPORT**  
**#WOMANISM**



**FOURLIS**  
GROUP OF COMPANIES

**INTERSPORT**  
THE HEART OF SPORT



## COLLABORATION WITH “GIVMED” ORGANIZATION

In November 2019, FOURLIS Group participated, for the 2nd time, in GIVMED’s “Companies Give Meds!” program.

GIVMED is a Non-Profit Organization that bridges the gap between the 34,000,000 medicine packages that expire each year in Greece and the 2,300,000 citizens living below the poverty threshold. The organization’s main programs concern the donation of medicines between public benefit bodies, the donation of medicines by citizens and pharmaceutical companies, as well as informative actions for the public.



As part of the “Companies Give Meds!” program, the Organization was hosted at the IKEA Thessaloniki store, in order to inform employees about the importance of donating and utilizing surplus medicines and to collect the medicines they no longer needed. Employees of IKEA stores in Larissa and Ioannina also took part in the action, collecting medicines for this purpose.

Through this program, FOURLIS Group employees managed to collect 151 medicine packages, worth a total of 810 euro, which were offered at the Social Pharmacy of Kalamaria in Thessaloniki.

At the same time FOURLIS Group, wishing to bolster its employees’ contribution, proceeded to a financial sponsorship to support the Organization’s goals.



**FOURLIS**  
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## INTERSPORT ELLINIKON CROSS COUNTRY RACE

FOURLIS Group was the main sponsor of “INTERSPORT Ellinikon Cross Country Race” supporting, together with INTERSPORT and IKEA, the event that took place in Elliniko village, in Arcadia, for the 4th year in a row. Ellinikon Cross Country Race is an original race that combines fair play in sports, culture and the area’s unique natural environment. In addition to the mountain running races, with the participation of notable names in the field, for another year the event was attended by athletes of Special Olympics who had the opportunity to run on a separate route of 1,000m. created by the organizers for this purpose. As part of the event, a sports show was also organized by Special Olympics organization.



**INTERSPORT**  
**ELLINIKON**  
Cross Country Race



## FOURLIS HOLDINGS S.A., A CORPORATE MEMBER OF DIAZOMA

FOURLIS Group is a corporate member of “DIAZOMA” Association, which aims to connect and motivate all forces of the Greek society (e.g. citizens, mayors, regional governors, universities, cultural institutions) for the promotion and universal protection of a special category of monuments, that of the ancient theaters.

More information as well as the results of the Association’s actions, are available at [www.diazoma.gr](http://www.diazoma.gr).



## FOURLIS HOLDINGS S.A. SUPPORTS OPHELTES

FOURLIS Group supports the Non-Profit Association “OPHELTES – THE FRIEND OF NEMEA”, which was founded with the aim to promote the cultural heritage of Nemea’s archeological site.

More information as well as the results of the Association’s actions, are available at [www.opheltes.gr](http://www.opheltes.gr).



## FOURLIS HOLDINGS S.A. SUPPORTS THE SOCIETY FOR THE REVIVAL OF THE NEMEAN GAMES

FOURLIS Group supports the “SOCIETY FOR THE REVIVAL OF THE NEMEAN GAMES”, which has two basic principles: The games should be as authentic, as true to historic precedent as possible and they should be for the participation of everyone. Their purpose is not to provide entertainment for spectators - although that would be a corollary result - but an opportunity for anyone and everyone to become an ancient Greek athlete, if only for ten minutes.

More information as well as the results of the Society’s actions, are available at [www.nemeangames.org](http://www.nemeangames.org).





**FOURLIS**  
GROUP OF COMPANIES

## FOURLIS HOLDINGS S.A. SUPPORTS ELLINIKI ETAIRIA - SOCIETY FOR THE ENVIRONMENT & CULTURAL HERITAGE



“ELLINIKI ETAIRIA - Society for the Environment & Cultural Heritage” (ELLETT), as its name suggests, has been actively fighting for the preservation of the environmental and cultural heritage of our country since 1972. For the preservation of the environment, due to the complex ecological and environmental crisis that the world is experiencing. For the preservation of culture, because on the one hand, the causes of the environmental crisis are cultural while on the other, the monuments created by traditional societies are usually admirable themselves, often embodying an attitude to life which has much to offer in relation to today’s environmental concerns. For this reason, ELLINIKI ETAIRIA has from its inception been concerned not only with traditional but also with contemporary culture, especially where this has something positive to contribute in dealing with the complex environmental crisis of our time.

Since 2019, ELLETT has undertaken the coordination of communication, publicity, awareness and environmental education activities as well as the impact of climate change on the landscape and archeological sites and land uses, under the **LIFE IP adaptInGr** program, the most important program that our country has ever undertaken regarding climate change adaptation.

This is an 8-year program in which 19 prominent organizations participate, such as the Academy of Athens, the National Technical University of Athens, the Bank of Greece and the National Observatory of Athens, as well as five Municipalities and three Regions. The coordinator of the program is the Ministry of Environment and Energy.



ELLETT is the only Environmental Organization that participates in the program and has participated in all stages of its preparation, from the conception to the submission of the final proposal.

FOURLIS HOLDINGS S.A. co-finances LIFE IP adaptInGr project, supporting ELLETT in this important initiative.

For more information and the results of the actions of ELLINIKI ETAIRIA - Society for the Environment & Cultural Heritage, you can visit the website [www.ellet.gr](http://www.ellet.gr).



## IKEA BULGARIA SUPPORTS CHILDREN



IKEA Bulgaria continued to implement actions to support children and young people from vulnerable social groups. In this context, in 2019 IKEA Bulgaria:

- donated all proceeds from the sale of SAGOSKATT plush toys to support UNICEF programs for children,
- provided equipment to 5 UNICEF-supported Non-Profit Organizations that act to support vulnerable social groups,
- continued the implementation of the “Together from Kindergarten” program by equipping 2 kindergartens hosting more than 300 children,
- offered furniture and refurbished spaces of the day care center for children “CONCORDIA” in Sofia,
- fully equipped a study and socialization space for university students in collaboration with the “Students in Action” association, and
- continued equipping municipal lending libraries.

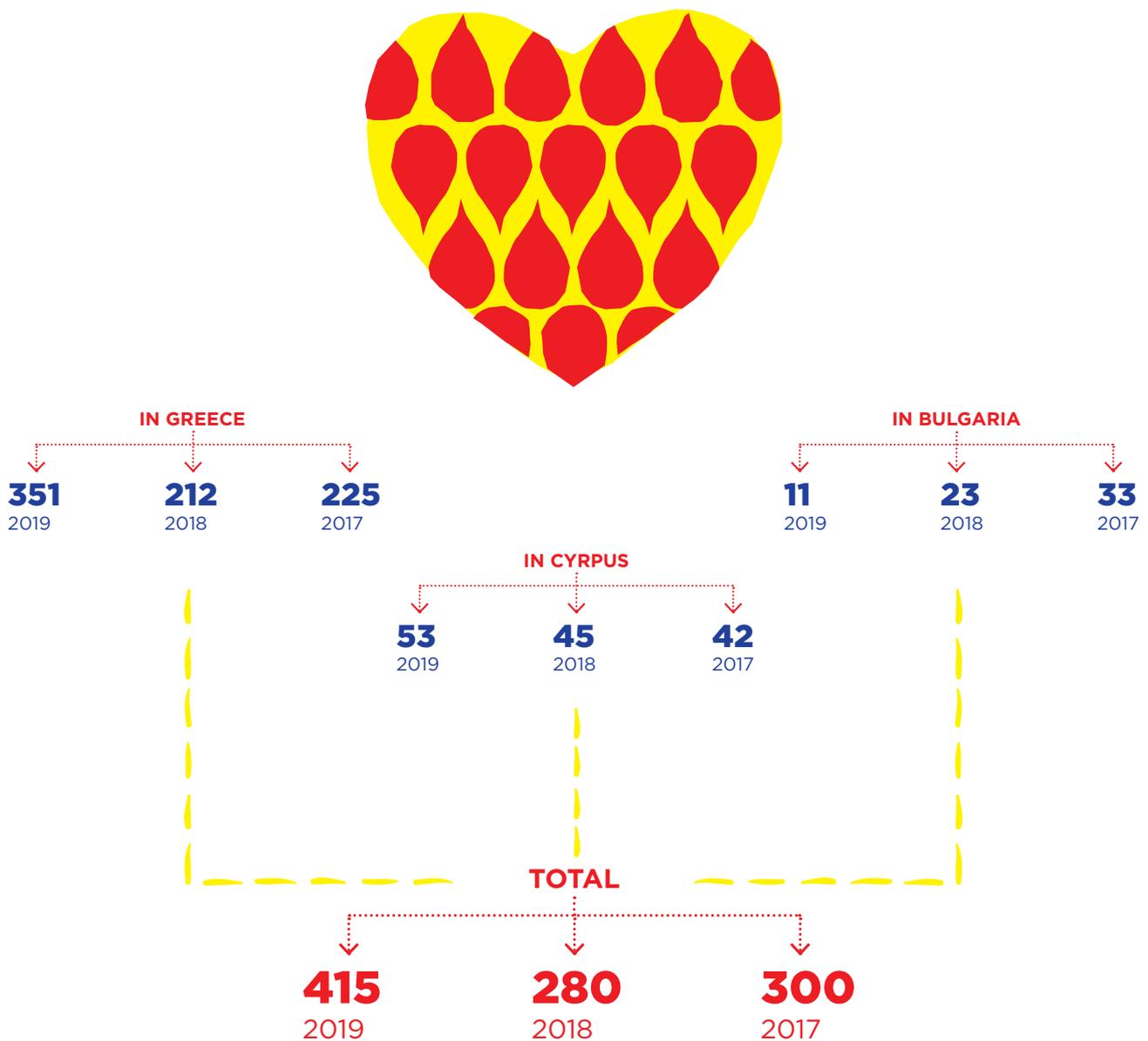


## CORPORATE VOLUNTEERISM



### VOLUNTARY BLOOD DONATION

Under the slogan “Everyone can save a life” FOURLIS Group employees participated, in 2019, in the established voluntary blood donation that took place in January and in June at the Group companies’ premises in Greece, Cyprus and Bulgaria. With their valuable contribution and active support to this important action, a total of 415 blood units were collected.



## DONATION OF FOOD AND OTHER ESSENTIAL SUPPLIES



On the occasion of Christmas holidays, FOURLIS Group employees in Greece and Cyprus supported, for the 10th year, vulnerable social groups by collecting and offering food and other essentials to Organizations and Foundations.

Altogether, 121 boxes and 47 bags of necessary supplies were collected and distributed to the following organizations:

- Attica: “Meropio Foundation”, “Agia Anna” Home for Girls and “Mazi gia to Paidi” (Together for Children) Association.
- Thessaloniki: “Greek Children’s Village at Filiro”, Association for the Social Support of Youth “Arsis” and “Gerontas Paisios” Association.
- Larissa: “The Smile of the Child” – Thessaly Support Center.
- Ioannina: Educational and Cultural Association of I.M. Dourachani “To Anthos”.
- Komotini: “Agiol Theodoroi”, Association for People with Disabilities of the prefecture of Rodopi.
- Patra: Pedagogical Center for People with Disabilities “Merimna”.
- Rhodes: “Agios Andreas”, Healthcare Institution for Chronic Diseases of Children of Rhodes.
- Heraklion: Child Protection Center.
- Chania: Social Grocery of Chania.
- Cyprus: Cyprus Red Cross Society.
- Kalamata: Hospice for neuro-disability.



FOURLIS Group employees in Greece and Cyprus voluntarily participated in the preparation of the packages distributed to the organizations.

FOURLIS Group employees in Romania also participated in this important action. Specifically, INTERSPORT Romania employees collected 85 boxes of clothes, shoes, toys and food that they delivered to vulnerable families, living in isolated villages of the country.

## VOLUNTEER DAY



The “Volunteer Day”, a new institution for employees and their families, was inaugurated in April 2019 by FOURLIS Group Social Responsibility Division.

This new institution aims to further promote volunteerism, to strengthen the culture of raising employees awareness about the importance of supporting society, to enhance their effective participation in the Group’s social contribution, but also to empower team spirit.

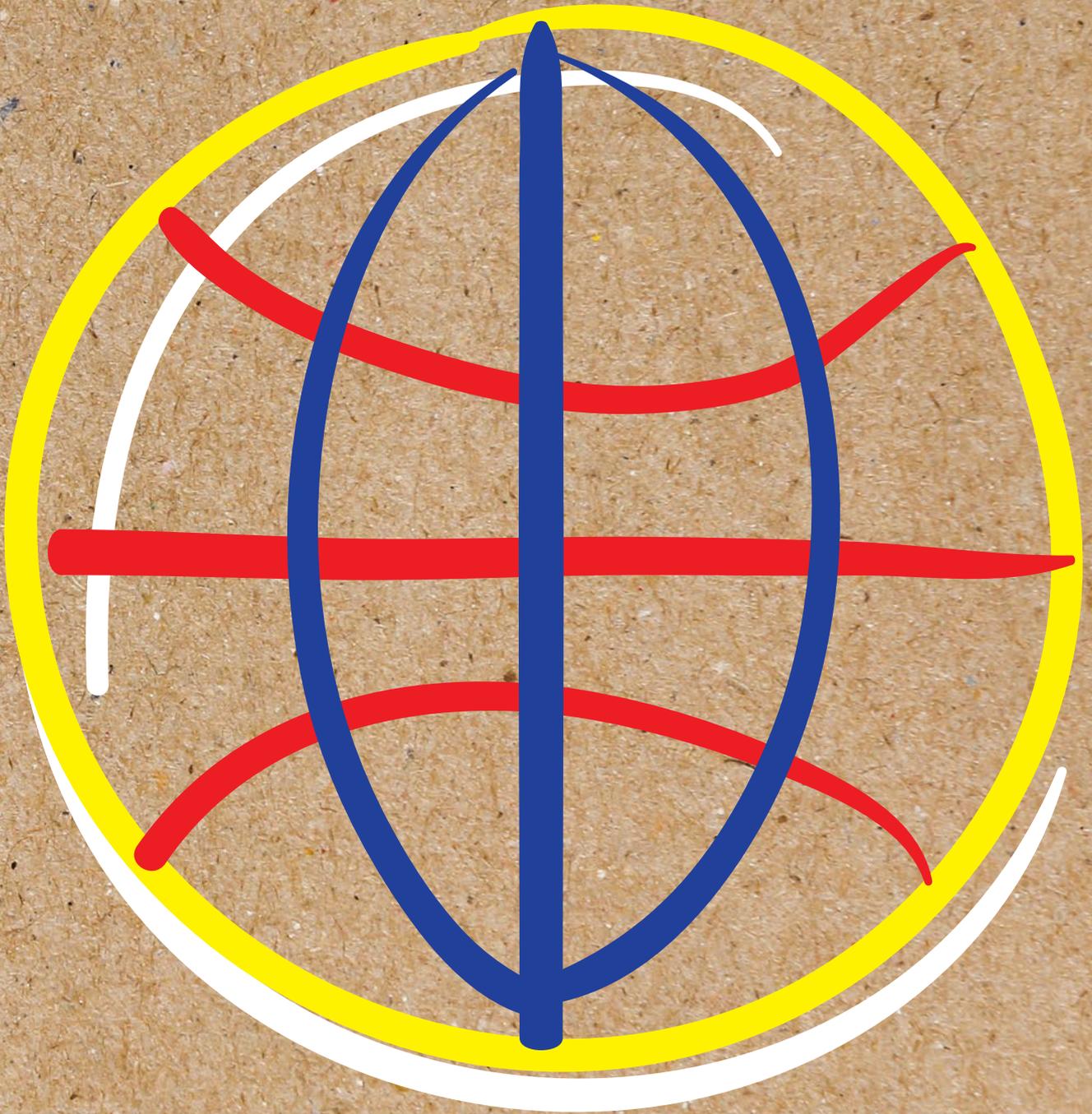
As part of the “Volunteer Day” action, employees from all Group companies had the opportunity to voluntarily participate in events, which were hosted at the IKEA stores in Kifissos (Attica), Thessaloniki, Larissa and Ioannina, where along with their families and with the help and guidance of experienced associates, they had the opportunity to create Easter gifts, such as ornaments and candles.

The employees creations were offered to “Make-a-Wish Greece” and to the Panhellenic parents association of children with cancer “Floga”, in order to be distributed to the Organizations’ Easter bazaars organized for fundraising and to support their work.



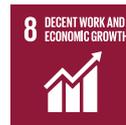
# For the Market







# Creation & distribution of direct economic value to stakeholders



## OUR MANAGEMENT APPROACH

### GRI 103-2

Despite the fact that the developments concerning COVID-19 are not included in this reporting period -that is 2019-, however they significantly affect the operation of the Group and given than the phenomenon is in full swing, its quantitative and qualitative impacts on the Group's operation are under assessment.

The portfolio management service determines, estimates and hedges the financial risks and provides guidance for the management of this specific risk, so as to provide protection to investors. Apart from the cost and liquidity management, the Group has strengthened its infrastructure not only regarding its informational systems but also its logistics center operation, in order to support its business and commercial operation. Regarding the products supply, based on assurances of suppliers, it is mentioned that there is adequacy in all markets of operation.

In this context, the Group's Management aims to:

- reduce the losses resulting from the pandemic,
- continue the strictly chosen investments in both retail segments of activity,
- further gain benefits from synergies and scale economies that have been achieved within the Group with the completion of new investment of mechanical equipment for the automation of warehouse and distribution services supply of e-commerce products towards all companies of sporting goods segment of the Group by the company TRADE LOGISTICS SA,
- continue to exploit new investment opportunities including the approval received from HCMC on 28/2/2019 for the granting of license for the company under formation "TRADE ESTATES REAL ESTATES INVESTMENT COMPANY" for its operation as a) a Real Estate Investment Company according to the provisions of L. 2778/1999 and b) an internally managed Alternative Investments Fund Manager ("AIFM") according to the provisions of L. 4209/2013. In the same context, the actions of the Group for the establishment of companies operating in real estate management in Cyprus and Bulgaria and for the strategic planning of TRADE ESTATES S.A. including finding a strategic partner who will implement a real investment in the incorporated company which along with the imminent public offering will arise in percentage of at least 50%,
- continue investments in innovation, technology and services upgrade, following the fast changes at consumer needs but also the nature of retail trading,
- support the fulfilment of its consumers' growing expectations and creation of an entire positive experience for the customer,
- smooth connection between e-commerce and "traditional" growth model, by totally utilizing digital means and new technologies so as to offer an omnichannel experience both offline and online,
- in the retail sector of sports goods segment, add 4 new INTERSPORT stores to the network and start operating the e-commerce store in Turkey, within 2020. Also add 4 new stores in the The Athlete's Foot network and start operating the e-commerce store in Greece,
- the home furniture and household goods segment, add in the network the first medium-sized IKEA store in Varna, Bulgaria, within 2020.

More information is available in the 2019 Annual Financial Report at [www.fourlis.gr](http://www.fourlis.gr).



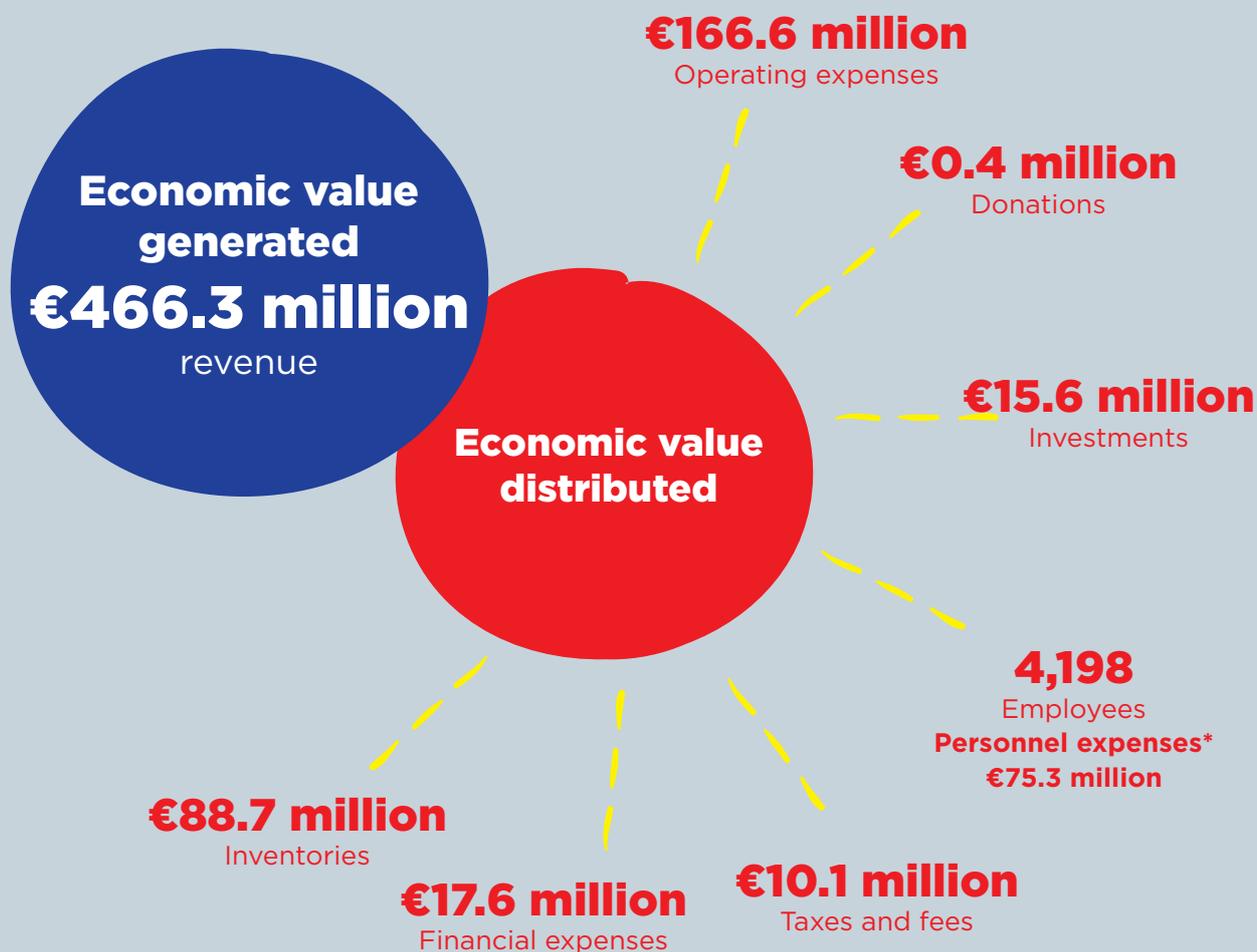
## OUR RESULTS

GRI 103-3, GRI 102-7, GRI 201-1

In 2019, FOURLIS Group's **net profits** after taxes and minority interests were **€11.9 million** versus profits of €14.3 million in 2018.

**Revenue** reached **€466.3 million**, increased by 4% compared to 2018 (€448.5 million).

The Group's **total equity** amounted to **€180.2 million** and the **total debt** to **€129.2 million**

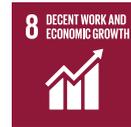


\*Includes employer contributions regarding personnel-related taxes.

The complete FOURLIS Group financial results are available in the 2019 Annual Financial Report at [www.fourlis.gr](http://www.fourlis.gr).



# Regulatory compliance and business ethics



## OUR MANAGEMENT APPROACH

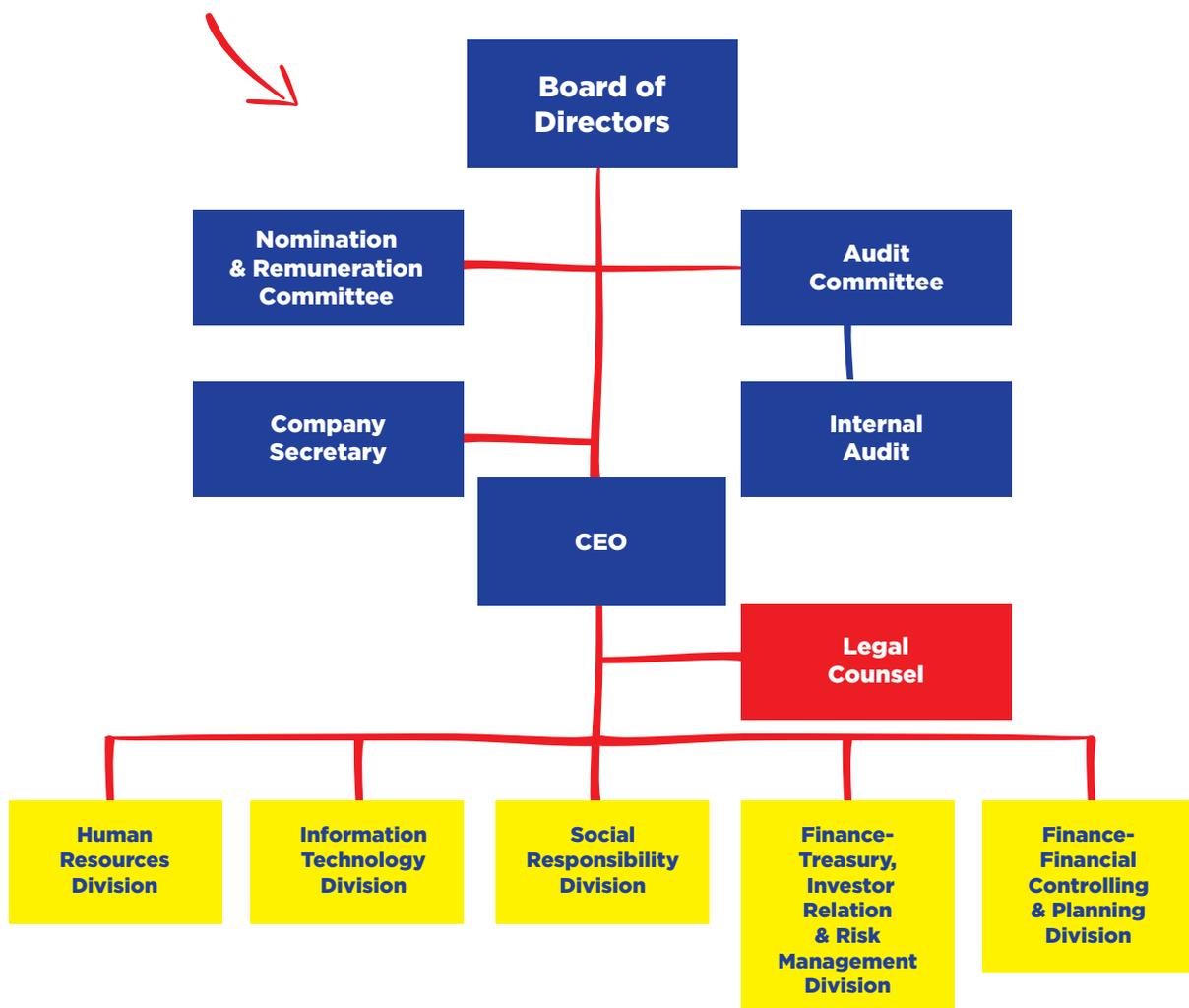
GRI 103-2, GRI 102-18

UNGC PRINCIPLES 1, 2, 3, 4, 5, 6, 10

At FOURLIS Group, sustainable development is integrated to our management style and constitutes an integral part of the Group's activities and management practices. Within this framework, regulatory compliance and anti-corruption issues' proper management affects the Group's reputation and performance while, at the same time, reduces the risks associated with non-compliance incidents.

The following organizational chart depicts the communication and interaction of the Board Members with the Committees, as well as the Divisions of FOURLIS HOLDINGS S.A.

## ORGANIZATIONAL STRUCTURE



Our approach on Regulatory Compliance issues is based on and has as a prerequisite three key pillars: corporate governance, business ethics and anti-corruption and anti-competitive behavior. The way we manage each one of these pillars is described below.



## **BOARD OF DIRECTORS (BoD)**

The Company has chosen to set up its BoD with the maximum number of members allowed by its Articles of Association (9 members) to ensure quality, diversity, age, knowledge, skills and experience that serve the Company's objectives, as well as the balance between executive and non-executive members. The Company's Articles of Association provide a 5-year service for BoD Members.

During the Annual General Assembly, the company's Shareholders evaluate the Board Members' performance and activity. The Annual General Assembly also elects the BoD, its independent members, as well as the Audit Committee Members. FOURLIS HOLDINGS S.A. current Board was elected in 16/6/2017. The Corporate Governance Statement contains detailed information about the BoD operation and its members. In the same Statement, which is included in the Annual Financial Report, the operation of both the Audit Committee and the Nomination and Remuneration Committee is also described.

More information is available at [www.fourlis.gr](http://www.fourlis.gr).

## **CORPORATE GOVERNANCE CODE**

### **METRIC C-G2**

The Company has decided (Board of Directors decision on 28/2/2011) to voluntarily comply with the Hellenic Corporate Governance Code for listed Companies.

The Code is adapted to Greek legislation and business reality and constitutes a best practices standard for corporate governance. It aims at enhancing Greek companies' transparency and increase investors' confidence both on listed companies overall, as well as in each one individually, while it broadens the horizons to attract investment capital.

The Company includes in its Annual Financial Report a Corporate Governance Statement, with which it discloses its voluntary compliance with the Code. The Statement also describes how the BoD and its committees operate and includes information on BoD Members, risk management and internal control.

More information is available at [www.fourlis.gr](http://www.fourlis.gr).



## CODE OF CONDUCT

### GRI 102-16, METRIC C-G2

FOURLIS Group has adopted high standards of professional ethics ensuring the commitment and cooperation of all its executives. The Code of Conduct is an “active” document of the Group and focuses on creating a working environment that promotes respect and protection of human rights. Through the Code, FOURLIS Group promotes and implements an equal opportunities policy applicable to all employees, as well as a policy that prohibits sexual harassment and is in full compliance with labour legislation. Furthermore, FOURLIS Group’s violence prevention in the workplace policy, as it is set out in the Code, strictly prohibits acts of violence, threatening messages or behavior and weapons’ use or possession by any person in the workplace or during any transactions with external partners.

All FOURLIS Group employees are obliged to adopt and implement the Code of Conduct. The Code’s detailed version is delivered to all company Executives, while the summary version and any potential changes are distributed to all employees. The Code is translated into English, but also into all the languages of countries where the Group operates.

All employees have signed, based on their position in the company’s hierarchy, the Code’s detailed or concise version (the concise version is available at [www.fourlis.gr](http://www.fourlis.gr)).

When changes are made to the provisions of the Code on the part of the company, then employees are required to sign the new version of the Code of Conduct. If, in the meantime, any changes occur in relation to the Code’s prerequisites from the employees’ part, the latter must notify Management.

The Code states the policies/procedures that all employees must follow, including -among others- the following:

- Obligation of adherence to business ethics and compliance with legislation.
- Communication of cases where unethical or unlawful behavior is observed.
- Conflicts of interest.
- Business gifts, payments and fair transactions.
- Working environment at FOURLIS Group.
- Trade and competition practices.
- Merchandise quality and natural environment protection.
- Confidentiality.

In the 2nd paragraph of the Code of Conduct, which is available at the Company’s website, instructions are provided for “Communicating unethical or unlawful behavior”, as follows:

*“The Group Code of Conduct line is available 24 hours a day and anyone can call in order to report, anonymously or not, any concerns related to Code of Conduct violations or non-compliance with the legislation. Access to the Group’s Code of Conduct line is possible via phone, mobile or landline, at (+30) 210 6293010, or via sending an email at [codeofconduct@fourlis.gr](mailto:codeofconduct@fourlis.gr).”*

More information is available at [www.fourlis.gr](http://www.fourlis.gr).

## INTERNAL REGULATION CHARTER

The Internal Regulation of operations of the parent company of the Group (FOURLIS HOLDINGS S.A.) is approved by the Board of Directors. It refers to the organizational structure and the risk management and internal control systems. It includes the main company procedures and operating principles, while it describes the Audit Committee, the Nomination and Remuneration Committee and the Internal Audit Division's composition and responsibilities. Additionally it contains the transaction code basic principles for its securities and compliance with the relevant regulation.

## INTERNAL AUDIT DIVISION

The Group's Internal Audit Division is organized in such a way that allows its independent, confirmative and advisory role, and is designed to add value and to improve the company's processes. The Division supports the Group to achieve its objectives through assessment, which contributes to corporate governance, internal audit and risk management systems improvement by the Management. The Audit Committee is the supervising body of the Internal Audit Division and informs, on a quarterly basis, the parent company's BoD about the work that is being implemented.

## AUDIT COMMITTEE

The BoD operation at FOURLIS HOLDINGS S.A. is supported by its Audit Committee. The Audit Committee is appointed by the Shareholders General Assembly and its main responsibilities indicatively include:

- Monitoring the financial reporting process and financial statements credibility.
- Supervision of any formal announcement regarding the Company's financial performance and review of the company's key announcements.
- Monitoring the effectiveness of internal control and risk management systems.
- Ensuring the independence of internal audit and evaluation of the Head of internal audit.
- Examining cases of conflict of interest.
- Monitoring the progress of statutory audit.
- Reviewing and monitoring issues related to the existence and maintenance of objectivity and independence of the external auditor.

The Audit Committee operation is analytically described in the Corporate Governance Code and the Audit Committee Charter approved by the company's BoD.





## NOMINATION AND REMUNERATION COMMITTEE

### METRIC A-G4

The Nomination and Remuneration Committee's main role is to supervise the procedure for electing Board Members and selecting senior executives, as well as for the proposals submission to the BoD, regarding the remuneration (basic salary, bonuses or financial incentives and benefits) of executive directors and key executives.

Issues related to variable remuneration will be included in the Remuneration Report (based on Art. 112, L.4548/2018) which will be submitted for discussion to the regular General Assembly of FOURLIS HOLDINGS S.A. in June 2020. It will then be posted on the website [www.fourlis.gr](http://www.fourlis.gr).

## SUSTAINABLE DEVELOPMENT SUPERVISION

### METRIC C-G1

Sustainable development topics are discussed at least once a year in the Executive Committee, which is attended by executives of the Group's companies, as well as by executive members of the BoD, who in turn transfer sustainable development topics to the other Members of the BoD according to the results of the materiality analysis, in order to set priorities and corresponding goals.

## PERSONAL DATA PROTECTION

### METRIC C-G3

The Group adheres to both the European legislation, as well as the local laws of the countries where it operates, in order to protect the personal data of the natural persons involved in transactions with the Group. Respect of privacy is part of both the Code of Conduct and the Internal Labour Regulation.

At FOURLIS Group we value the trust of all people involved in transactions with us and we have designed and implement a personal data protection policy for all natural persons (visitors, partners, customers, suppliers and current, ex and applicant employees). We protect with due diligence the personal information we collect for business needs, after legal consent, and we make sure to safeguard the rights of natural persons, in accordance with the existing legislation and the General Data Protection Regulation (GDPR), in all the countries where the Group companies operate.

Some of the practices followed by all the Group companies, regarding the protection of personal data, are the following:

### For Employees

- Commitments they undertake through the Code of Conduct (according to the position they hold) for the implementation of confidentiality.
- Controlled access to sensitive personal data electronic files with the use of a special password that is subject to regular changes.
- Training for all Group employees, in all countries where it operates, in GDPR issues either through live seminars or through e-learning. GDPR training is also part of the induction program for new employees.

## For Customers

- Informing visitors/users of the Group companies' web pages and e-commerce websites for their acceptance and unconditional agreement with the terms of use that apply to all content.
- Informing them about their required consent in order to participate in customer loyalty programs (IKEA Family, INTERSPORT Score for More).
- Providing information on corporate websites and forms, where customers' personal data is required regarding:
  - Their rights relating to the use of their personal data.
  - Their consent to the use of their personal data by the Group companies.

In 2018, the revision of standards, policies and procedures to fully comply with the EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of personal data, was completed on time. All policies and procedures are posted, in electronic format, to a site accessible to all employees.



## OUR RESULTS

**GRI 103-3, GRI 205-3, GRI 418-1, METRIC C-G3**

- All Group employees have signed the detailed or concise version of the Code of Conduct, according to their position in the corporate hierarchy.
- While implementing the Senior Management informational procedure for addressing fraud and corruption incidents, during the period 1/1-31/12/2019, 3 cases of small-scale fraud and non-material from a financial perspective, were recorded. These cases were detected by the Group companies' internal safeguards and were evaluated as non-material. There was no other notification or complaint relating to corruption or bribery incidents that the Group's Management was made aware of.
- Indispensable application, by the Group, of the current policies and procedures regarding the protection of personal data. In addition, no violation of the provisions of the GDPR and Law 4624/2019 was found by the competent Authority.



# Protection of customer and visitor health and safety



## OUR MANAGEMENT APPROACH

GRI 103-2

### HEALTH AND SAFETY POLICY

By placing great emphasis on prevention, at FOURLIS Group we comply with the applicable legislation and we implement a Health and Safety policy for all Group subsidiaries, in all countries where the Group operates. The policy includes a wide range of relevant procedures, measures and initiatives regarding the safety of visitors, customers and business partners on the Group's premises. Any variations in the relevant procedures per country or region depend on the premises' size and on the existing legislation of the country where each Group company operates.

In this context, some of the practices we apply at FOURLIS Group are the following:

- Cooperation with an external service on accident protection and prevention.
- Written occupational risk assessment based on existing methodology and legislation.
- Implementation of measures for reducing "emergency pick" incidents aiming to prevent accidents in IKEA stores.
- Training of First Aid Teams.
- Training of Fire Safety and Firefighting Teams.
- Operation of infirmaries equipped with medical beds and automatic external defibrillator in all IKEA stores, as well as in the TRADE LOGISTICS distribution center.
- Provision of wheel chairs at IKEA stores' entrance, as well as of accessible lavatories and parking spaces, aiming to provide safe accommodation and transportation for people with disabilities.
- Observance of a certified Food Safety System -according to the international standard ISO 22000- for the IKEA stores in Greece and Cyprus. The Bulgarian store is in the process of being certified.



## EMPLOYEE TRAINING ON HEALTH AND SAFETY ISSUES

We regularly train employees, so as to be able to respond to emergency incidents that affect not only their own safety, but also the safety of the visitors on our premises. In particular, employee training includes the following:

- Scheduled annual exercise on store evacuation with the participation of customers.
- Scheduled biannual exercise on store evacuation without the participation of customers.
- Monthly fire safety exercise.
- Training of stores' Managers on Health and Safety issues.



## OUR RESULTS

GRI 103-3, GRI 416-2

In order to ensure compliance with Health and Safety Policy, regular inspections are conducted by safety technicians for all Group operations. All Health and Safety incidents occurring within the Group's premises and stores are reported and in the context of this policy a Safety Report is compiled for each store as well as a consolidated one for all of them. The report include information not only on the number and type of incidents, but also on the way they were addressed. Through these reports we are able to receive useful information on the effectiveness of our policies and to improve our practices, where needed.

The implementation of our Health and Safety policies led to significant results in 2019. Indicatively we mention that:

- No accidents occurred at the playgrounds of IKEA Stores.
- No incidents of non-compliance with the legislation related to Health and Safety issues occurred.



# Product compliance, labeling and responsible communication



## OUR MANAGEMENT APPROACH

GRI 103-2



IKEA products have special labeling and signs aiming to provide information and advice to consumers, like for example in relation to product manufacturing, to whether a product must be used only by adults, to its dimensions, etc.

It is also worth mentioning that IKEA provides a multiannual product guarantee, which in some cases reaches 25 years, while a product withdrawal policy is applied. If necessary and depending on the importance of the incident the withdrawal case is publicly disclosed.

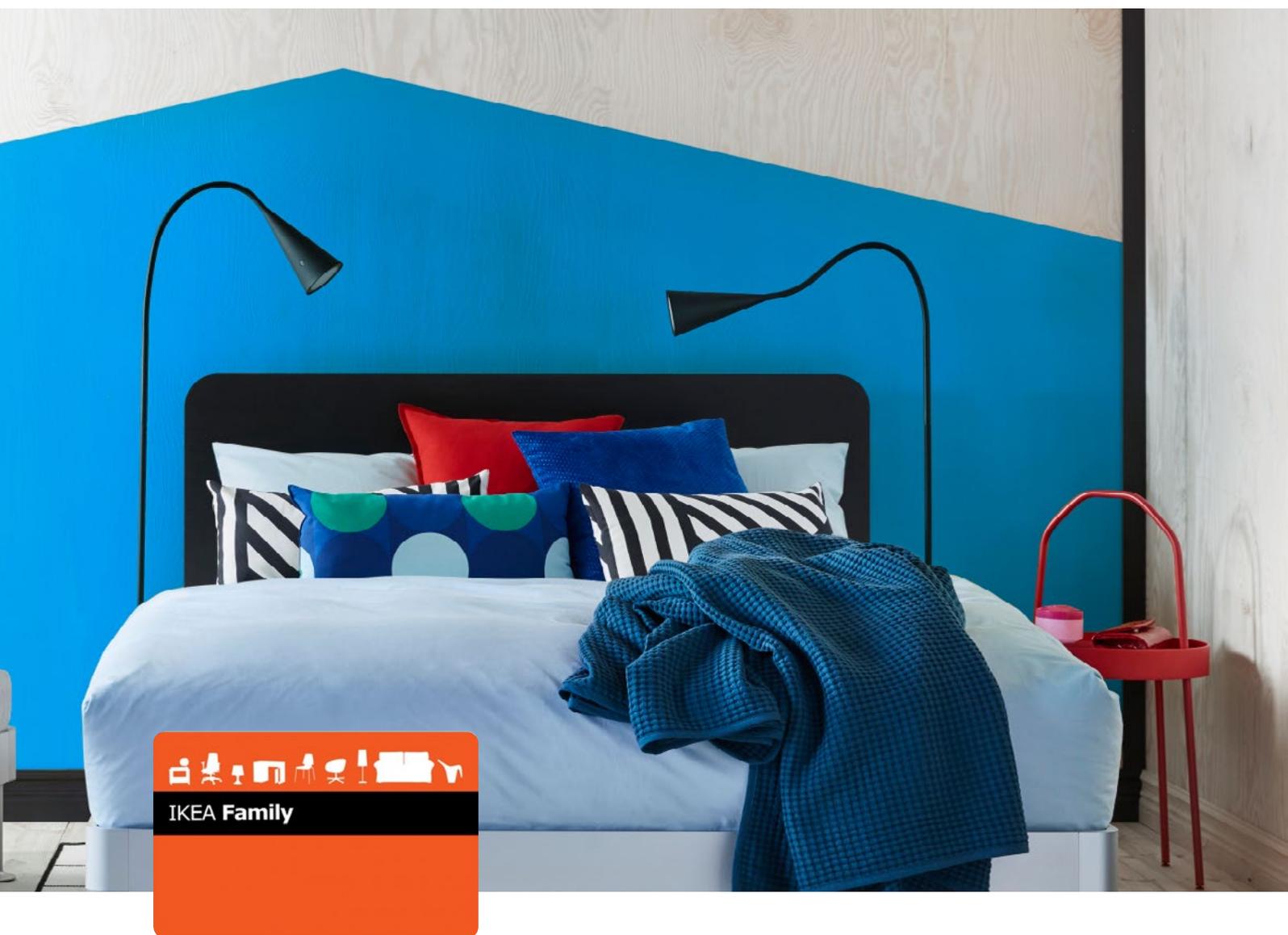
For the advertising and promotion of IKEA products, the company follows the communication code applied by IKEA worldwide and all codes of conduct, marketing and communication and the market rules which it is obliged to comply with, while it takes into consideration all local needs. The company's policy concerning product marketing is adapted to both local as well as to consumers' needs. For this reason, IKEA stores differ depending on their location, in order to meet the standards and culture of the respective local community.

Company mainly uses print and electronic media, with a steady increase in the use of new forms of communication, such as digital media and social networks. The Communication Division and the Marketing Department are responsible for the company's marketing policy.



At IKEA, aiming to constantly making the shopping experience as pleasant as we can, we offer free playground facilities and parking. Furthermore, we facilitate our customers' purchases by offering 36 interest-free installments for purchases of €500 and above, which is the most competitive market regulation, while we offer food at our restaurants at very low prices. In addition, we had offers and discounts during the whole previous year (September 2018 - August 2019).

Aiming to reward IKEA customers and to create added value, we developed *IKEA Family* program, which at the end of 2019 had 767,977 members in Greece, 107,484 in Cyprus and 186,328 in Bulgaria. *IKEA Family* is an important initiative which aims to improve consumer loyalty. In the context of this program, members are rewarded with points that can be redeemed in discounts on their purchases at IKEA stores. At the same time, the members are informed about the company's promotional activities and news.





INTERSPORT and The Athlete's Foot Commercial Division, which is also responsible for product compliance, ensures the adherence to market regulations and European Union CE labeling.

The products have specific labelling and indications to provide information and advice to consumers regarding their use, as well as information on their production, etc.

INTERSPORT and The Athlete's Foot product policy focuses on the inclusion of terms, within supplier contracts, which foresee compliance with all the rules and laws applicable to products procured by INTERSPORT ATHLETICS S.A. from them. In the case of defective products, the company proceeds immediately to their withdrawal and repair, as well as to all necessary actions in order to inform any pertinent bodies, such as the Ministry of Development and Investment, consumer associations and the consumer community, with a special press release.

INTERSPORT ATHLETICS S.A.'s marketing and communication strategy is defined by its vision, which is *to be always at the heart of sports and at the pulse of sporting events* and that of the Athlete's Foot's, which is *to bring style to sports, redefine the rules of style and challenge its consumers to stand out*. Both INTERSPORT's and the Athlete's Foot's marketing policies focus on two areas: corporate



communication and product promotion, while INTERSPORT ATHLETICS S.A.'s Commercial Division is responsible for the implementation of these policies. The product communication and promotion methods include various media such as TV and radio, online advertising, etc., while all codes of conduct, marketing and communication codes, as well as the market regulations that the companies are obliged to adhere to, in all countries of operation, are being followed.

Additionally, since 2000, the year when INTERSPORT ATHLETICS S.A. started operating in Greece, we constantly support consumers by offering a wide variety of quality sports equipment in a range of prices, making sporting goods more affordable, while with the aim to reward INTERSPORT customers and to create added value, we developed the *Score for More* program, which has over 565,000 members in Greece (since the end of 2012 until today), 180,000 members in Romania (since September 2017 until today) and 20,000 members in Cyprus (since April 2018). The *Score for More* loyalty program is an important responsible product promotion initiative, aiming to improve consumer loyalty and to develop consumer relationships with the company. In the context of this program, members are rewarded with points that they can redeem on discounts on their purchases at INTERSPORT stores. At the same time, members are informed about the company's promotions and news.

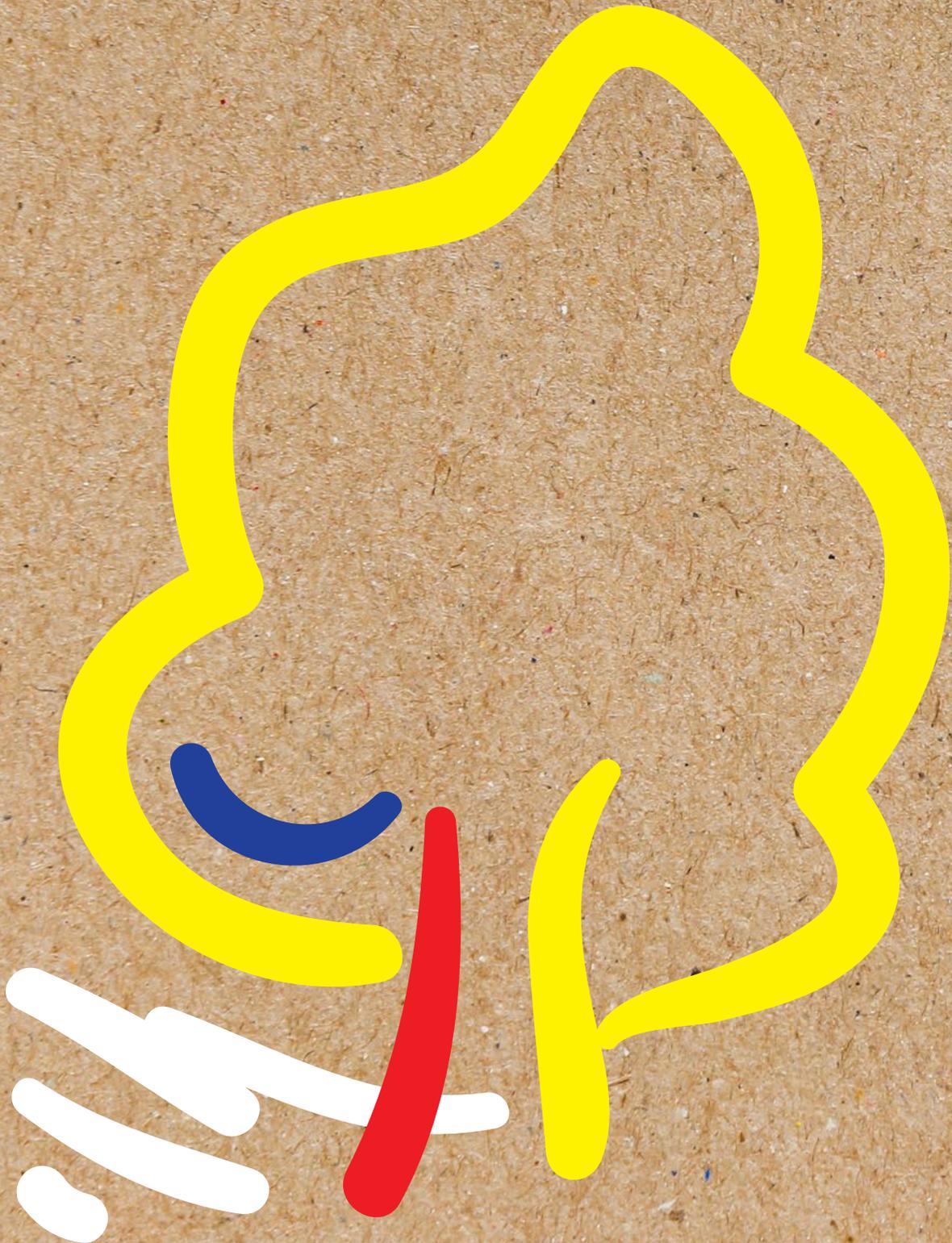


## OUR RESULTS

GRI 103-3, GRI 417-2, GRI 417-3

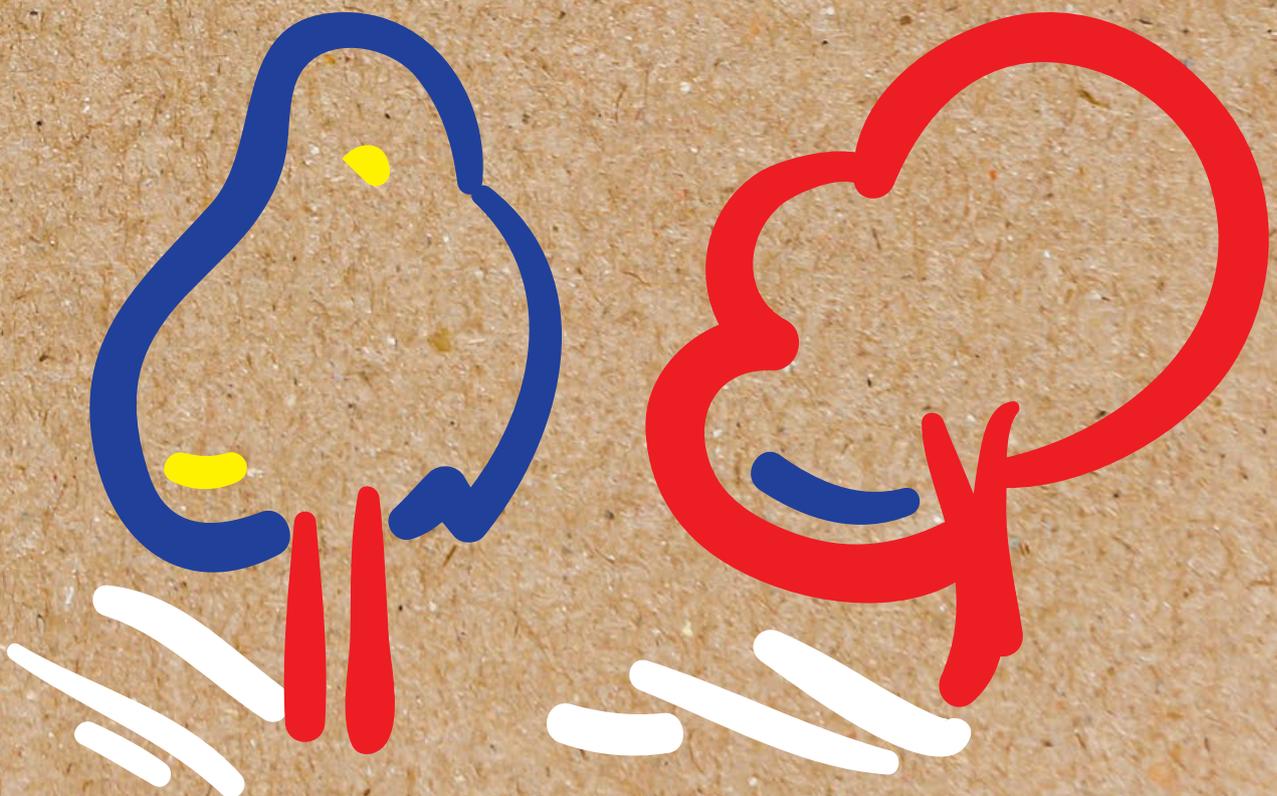
- In 2019 there were no incidents of non-compliance concerning the provision of information and labeling of goods and services.
- In 2019, there were no cases of non-compliance with regulations and voluntary codes regarding marketing communications, including advertising, promotion and sponsorship.

# For the Environment



GRI 102-11

At FOURLIS Group, the actions we implement to protect the environment are not limited to those dictated by the legislation. We systematically monitor our activities' impacts and implement a number of voluntary actions and interventions. More specifically, we aim at reducing our environmental impacts, saving and recycling natural resources, reducing greenhouse gas emissions deriving from our operation, and raising awareness among employees and the public on environmental protection and the adoption of a responsible way of life.



The Group's subsidiaries are responsible for the management of environmental issues that concern them, including the monitoring and application of the legislation related to their activities, as well as the voluntary measures taken and the voluntary implementation procedures and practices, aiming to reduce their environmental impacts. The role of the Group's parent company, through the Social Responsibility Division, is to monitor the relevant procedures and practices and to collect and compare their results with previous years' data. Through this process, the Group is able to present to its stakeholders the results of the practices it applies and to set up new objectives for the following years.



## Responsible energy management and reduction of GHG emissions



### UNGC PRINCIPLES 7, 8, 9

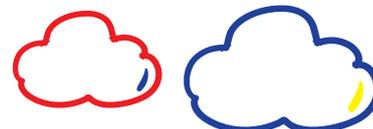
FOURLIS Group companies systematically monitor electricity, heating oil and natural gas consumption at their facilities and proceed with the necessary interventions, where and when necessary, in order to reduce it.

Given that the Group's facilities are highly diversified, and aiming to the effectiveness of the interventions made for the reduction of energy consumption, the differences between the companies' facilities are taken into consideration and special measures and practices for improving their energy efficiency are applied.

Below we present some indicative examples of such practices.

### **FOURLIS** GROUP OF COMPANIES

- Continuous replacement of IT systems with similar of new technology and lower energy consumption.
- 100% use of new technology LED screens with an off-mode option when not in use.
- Use of blade servers that consume less power compared to the conventional ones.
- Informing and raising employees' awareness regarding energy conservation in the workplace.



At the IKEA stores' facilities, which were designed by taking into consideration environmental criteria, the Group has applied specific measures to improve energy efficiency, such as:

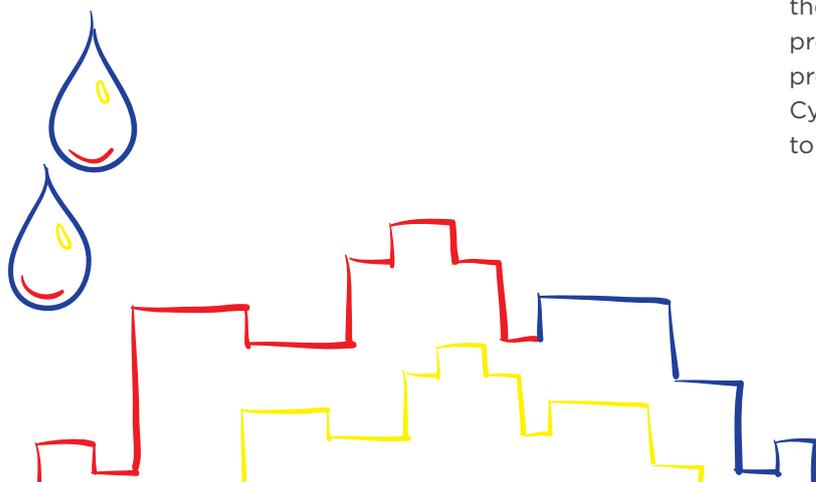
- Installation of digital heat sensors at various stores' locations, which by contacting the management system, automatically adjust the heating needs and thus, natural gas and electricity consumption.
- Better management of all facilities' openings, like, for example, via the adjustment of automatic doors opening time and distance, as well as via air curtains installation.
- Temperature adjustment for the water used at the restaurant to conserve gas.
- Gradual addition of solar energy use systems for the production of hot water for both general use and for the restaurants. In 2019, the implementation of the project reached 80%.
- Gradual installation of inventor systems at boilers to conserve natural gas. In 2019, the implementation of the project reached 60%.
- Gradual supply and use of peak power consumption management systems, optimizing/deferring the operation of power-operated installations and appliances. (This project is at an initial stage of implementation).
- Planning for the supply and use of power upgrading devices to optimize the air-conditioning.
- Planning for the supply and use of automations for minimizing the amount of automatic expulsion of conditioned air, beyond actual usage requirements, to minimize the energy consumption for the air conditioning of the premises.

In addition, the company proceeded and is currently at an advanced stage (85% during 2019) of restructuring the way it handles the issue of regular/preventive and repairing maintenance of its building facilities and systems, aiming at two key areas:

- The management and assurance of the proper operational quality of all buildings' systems and facilities, in order to avoid operational failures, to maximize their performance and longevity and to ensure the economy of operations and to minimize any kind of environmental impacts. In 2019, the implementation of the project reached 80%.
- The management and assurance of the maintenance and/or the upgrade of the quality of the building envelope to ensure the maximum economy of operations and the minimization of any kind of environmental impacts.

It is worth mentioning that the full integration and implementation of all provisions of the European legislation e.g. full implementation of procedures to ensure the provisions of the European Regulation EU 517/2014, which replaced the previous corresponding EC 842/2006, on the control of the use and emission in the environment of fluorinated greenhouse gases, has already been completed (100%).

At the same time, to avoid the risk of increased energy consumption due to the aging of the basic E/M buildings' installations, our company proceeded and is now in the process of progressively implementing the installation of electric power generation systems on its buildings' roofs, aiming to maximize the facilities' use that do not produce any form of burden to the environment. In this context, in 2019 the process of installing a photovoltaic electricity production system with net-metering at the IKEA Cyprus store was completed and it is scheduled to be operational during 2020.



## TRADE LOGISTICS

Some of the measures taken by TRADE LOGISTICS, aiming at the reduction of energy consumption at its facilities, are:

- Conversion of hardware devices in all company's power distribution boards by qualified electrician installers so that all the boards operate in accordance with the modern ELOT HD384 standard. The result is the optimal partitioning of energy consumption.
- Electrical autonomy of the loading and unloading areas on the warehouse ramps, in order to illuminate only the ramps that are selected for operation.
- Operation of new 80W LED street lighting fixtures and 400W LED spotlights in the surrounding area, where 60% of the lighting was powered by 250W sodium street lighting fixtures and 1000W sodium vapor field projectors respectively.
- Replacement of 250W sodium vapor bell type luminaires with High Bay LED 100W ones, in the high parts of the warehouse.
- Electrical autonomy of the warehouse spaces, in which the packing stations of the e-shop and the INTERSPORT stores operate, so that their lighting needs are optimally reduced.
- Coverage of translucent panels with a special fabric, to limit the radiation entering the building. Measurements showed that 50% of the heat entering the building comes from translucent panels that cover 8% of the roof of the building. A special fabric was placed on all translucent panels which reduces by 80% the heat that enters from them. This fabric can be removed during the winter months and is repositioned during the summer.

### PHOTOVOLTAIC SYSTEM OPERATION

Since March 2013, TRADE LOGISTICS has proceeded with the installation and operation of a photovoltaic system for the production of electricity on the roof of its warehouse, with an average annual capacity of 1,400 MWh. In 2019, the total energy production reached 1,436 MWh, while the Greenhouse Gas (GHG) emissions that were not released to the atmosphere during the same period reached 1,289 CO<sub>2</sub>e tons, due to the fact that the electricity from the photovoltaic park is produced by renewable energy sources.

### GREENHOUSE GAS EMISSIONS

Since 2012, TRADE LOGISTICS calculates its carbon emissions for all its operations, in order to find the most compatible solutions for their reduction. The results of the measurements are presented in the following table.



	2019	2018	2017
<b>Direct Emissions (tons CO<sub>2</sub>e)</b>	71	63	59
<b>Indirect Emissions (tons CO<sub>2</sub>e)</b>	863	810	719
<b>Optional or other emissions (tons CO<sub>2</sub>e)</b>	4,159	4,076	4,578
<b>Total Emissions (tons CO<sub>2</sub>e)</b>	<b>5,093</b>	<b>4,949</b>	<b>5,356</b>



In all new INTERSPORT & The Athlete's Foot stores we install LED technology lamps, a practice that has been applied since 2014. In this context, in 2019 INTERSPORT continued the program of replacing high consumption lamps with LED lamps in INTERSPORT and The Athlete's Foot stores. This program will continue in 2020. At the same time, energy saving technology air conditioners are installed in the stores that are being renovated.

### ENERGY CONSUMPTION\* (FOURLIS GROUP TOTAL)

	2019	2018	2017
<b>Electricity (kWh)</b>	52,629,093	53,436,372	54,550,508
<b>Heating oil (lt)</b>	57,916	110,714	160,005
<b>Natural gas (m<sup>3</sup>)</b>	630,514	691,884	807,787

\* The data presented in the table above differ compared to the published Report of non-financial information for the year 2019 but also with the published Sustainable Development and Social Responsibility Reports for the years 2018 and 2017 as they concern the entire FOURLIS Group.



# Proper waste management and responsible material selection



## UNGC PRINCIPLES 7, 8, 9

At FOURLIS Group we implement material recycling programs aiming at the overall reduction of the waste generated and its more efficient management.

### RECYCLING AND WASTE MANAGEMENT

FOURLIS Group implements recycling programs in collaboration with competent bodies for sorting and appropriately managing each waste category. In addition, recycling programs are carried out in the premises of FOURLIS Group companies with the participation of employees and the use of special recycling bins that have been placed in the workplace for this purpose. At the same time, the Social Responsibility Division regularly organizes awareness campaigns, aiming to raise employees' awareness on recycling and environmental protection issues. Recycling bins for plastic, paper, glass, light bulbs, batteries and small electrical and electronic devices are also available to the public at the IKEA stores.

Moreover the Group's companies, through their financial contribution to the Hellenic Recovery Recycling Corporation (HERRCO), have actively supported the effort to create recycling infrastructure in our country. According to HERRCO, the total amount of their monetary contributions from 1/1/2019 to 31/12/2019 can be matched and thus assumed to have financed the purchase of:

- **25 blue recycle bins** from the company HOUSEMARKET S.A. (IKEA stores)
- **205 blue recycle bins** from the company INTERSPORT S.A. (INTERSPORT & The Athlete's Foot stores)

It is also worth mentioning that IKEA Airport store properly manages organic waste, which is given for composting.

### COMPOSTING OF ORGANIC WASTE (kg)

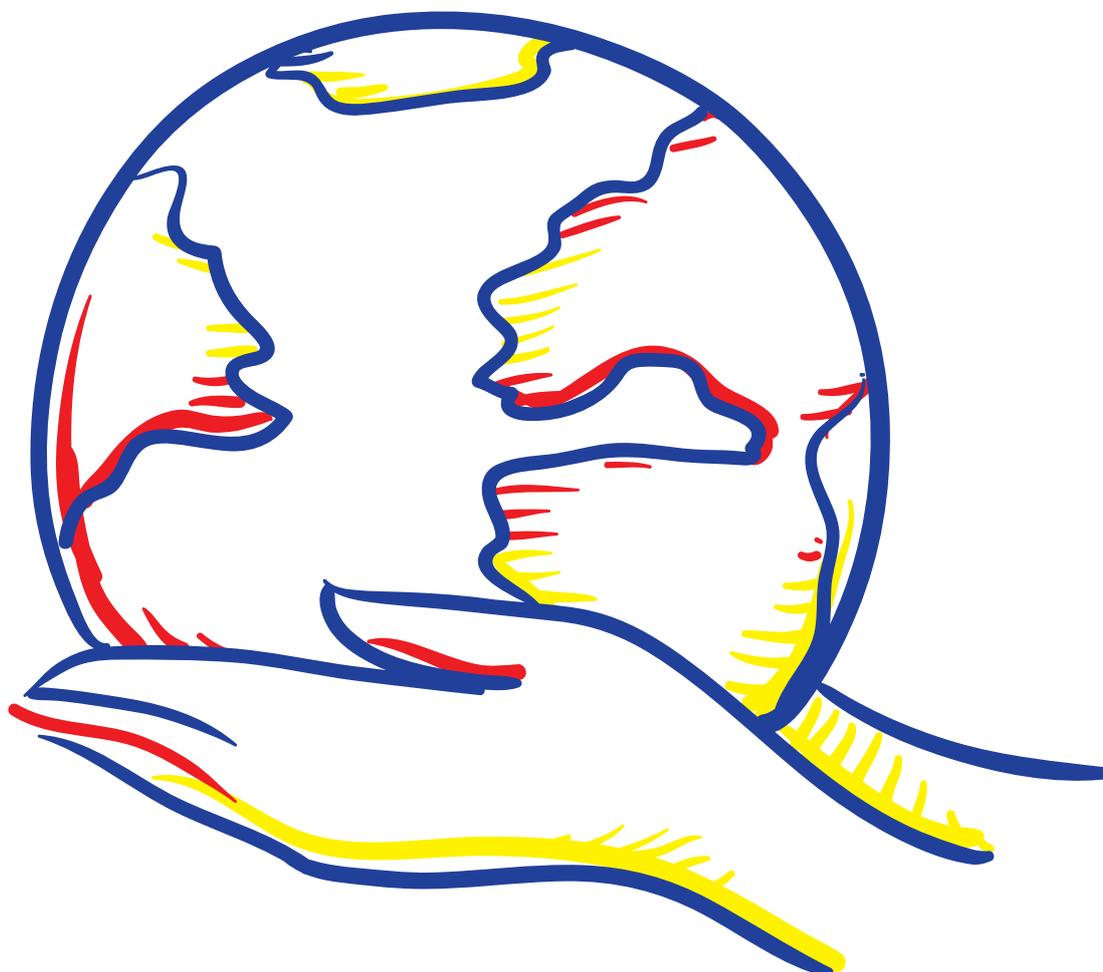
2019	2018	2017
12,880	15,007	14,941



**RECYCLING OF MATERIALS\* (FOURLIS GROUP TOTAL)**

	2019	2018	2017
<b>Paper (kg)</b>	2,161,563	2,189,511	1,879,041
<b>Batteries (kg)</b>	4,533	9,387	3,952
<b>Cooking fat (lt)</b>	20,237	24,709	21,115
<b>Light bulbs (kg)</b>	1,485	2,916	2,777
<b>Aluminium (kg)</b>	470	2,600	3
<b>Plastic (kg)</b>	108,963	133,614	95,182
<b>Metals (kg)</b>	20,750	39,274	32,961
<b>Timber (kg)</b>	114,898	131,403	75,419

\* The data presented in the table above differ compared to the published non-financial report for the year 2019 but also with the published Sustainable Development and Social Responsibility Reports for the years 2018 and 2017 as they concern the entire FOURLIS Group.



## USING AND SAVING PAPER

Aiming at the reduction of paper consumption across FOURLIS Group companies, we implement practices such as:

- Use of fax servers
- Use of duplex printing printers
- Use of Human Resources software applications
- Document scanning and electronic archiving
- Electronic archiving and monitoring of contracts (e-docs system)
- Electronic system for submission and approval/rejection of purchasing requests
- Implementation of Managed Print Services

It is also worth mentioning that since September 2016, HOUSEMARKET S.A has proceeded with a system implementation for the invoices and credit notes electronic archiving, with significant paper-saving benefits. Specifically, through this practice it is calculated that in 2019, a total of 752,140 A4 pages were not printed at stores, the e-shop, as well as at the IKEA Pick Up and Order Points.

A similar practice is followed by INTERSPORT ATHLETICS S.A., which since November 2017 has proceeded with the electronic archiving of payment copies at INTERSPORT and The Athlete's Foot stores in Greece, an intervention which, in 2019, resulted in the avoidance of printing 2,741,700 copies of documents.

Also, in 2018 INTERSPORT ATHLETICS A.E. replaced paper boxes with reusable plastic ones, to transport its goods from its central warehouse (TRADE LOGISTICS) to its stores in Attica and Thessaloniki. Thanks to this practice, which was also implemented in 2019, it is estimated that the paper boxes that were not used in 2019 reached about 140,000 items.

## QUANTITY OF PAPER PURCHASED FOR OFFICE USE (kg)\*\*

2019	2018	2017
34,020	29,511	31,990

\* The data refer to FOURLIS Group companies in Greece. The increase in paper consumption is mainly due to the opening of new stores, the increase in the functions of e-commerce and in services related to customer service.

## USING AND SAVING INK

Every year we aim at reducing ink consumption and printing. To achieve this goal we implement new technology practices, such as the use of laser printers, which significantly contribute to the protection of the environment, as they require less ink to operate. Furthermore, in all Group companies' stores and in all countries of operation, all the printers that issue customer receipts are thermal.

In Greece, Cyprus and Romania all the pieces of ink used, are given for recycling. In Bulgaria and Turkey, used pieces of ink are refilled and reused, or when this is not possible, they are given for recycling.

## NUMBER OF USED INK CARTRIDGES\*

	2019	2018	2017
<b>Greece</b>	3,083	3,004	2,975
<b>Cyprus</b>	435	441	310
<b>Bulgaria</b>	610	662	565
<b>Romania</b>	908	911	845
<b>Total</b>	<b>5,036</b>	<b>5,018</b>	<b>4,695</b>

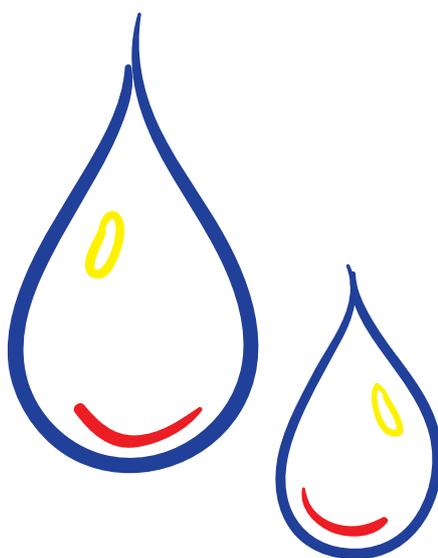
\* Data concern all Group companies with the exception of INTERSPORT Turkey. The increase in ink consumption between 2017 and 2019 can be mainly attributed to new stores' opening, as well in the increase of e-commerce operation.

# Responsible water consumption



UNGC PRINCIPLES 7, 8, 9

At FOURLIS Group we know that a significant quantity of water is consumed at our facilities, due to the sanitation needs and to the large number of visitors and employees. For this reason, we monitor consumption per subsidiary and we examine the implementation of additional measures where necessary, in order to reduce water consumption at our facilities.



## WATER CONSUMPTION (lt)

	2019	2018	2017
<b>Greece</b>	62,652,707	57,967,256	61,520,730
<b>Cyprus</b>	7,302,000	8,425,500	9,291,000
<b>Bulgaria</b>	55,636,318	53,132,150	25,328,200
<b>Romania</b>	1,554,833	1,381,655	1,318,872
<b>Total</b>	<b>127,145,858</b>	<b>120,906,561</b>	<b>97,458,802</b>

All companies of the Group are included, with the exception of FOURLIS Group headquarters, INTERSPORT Bulgaria, INTERSPORT & The Athlete's Foot Turkey and IKEA Pick Up and Order Point in Heraklion, Crete.

# Offering products that contribute to a more sustainable lifestyle



## UNGC PRINCIPLES 7, 8, 9

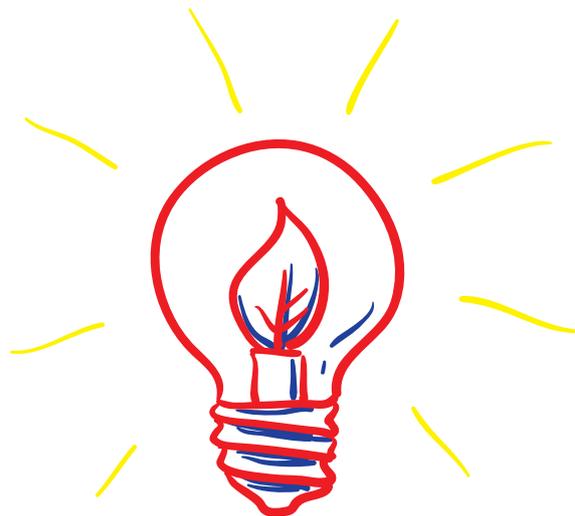
IKEA offers products that contribute to a more sustainable lifestyle.

We indicatively mention:

- MÄSTERBY staircase made of 100% recycled plastic.
- MARIUS staircase made of 40% recycled steel.
- BJÖRNÅN bathroom curtain made of 100% recycled polyester which originates from plastic PET bottles.
- IKEA mirrors which are 100% lead-free.
- JOFRID curtains, throws and covers that get their deep color from natural coloring substances existing in the leaves of plants from crops, which would otherwise be untapped. The dyeing process with natural dyes requires less water, energy and chemicals than conventional methods.
- The rechargeable LADDA battery which is already charged and can be recharged up to 1,500 times.
- LED bulbs and lamps with embedded LED lamps.
- All mixers that have a mechanism that helps save water and energy, while maintaining water pressure.
- The salmon served at the IKEA Restaurant and sold by the IKEA Swedish food market that originates from Aquaculture Stewardship Council (ASC) certified farms.
- Seafood served at the IKEA Restaurant and sold by the Swedish food market that originates from fisheries that are independently certified according to the Marine Stewardship Council (MSC) standards.
- Chocolates and coffee beans that are UTZ certified. This means that cocoa and coffee are sourced from sustainable crops that create better opportunities for their producers and their families.
- Flat packaging that not only reduces emissions from the transportation from factory to store and from store to home, but also reduces transportation costs.

### METRIC A-S5

Information regarding revenues from the sale of sustainable products is characterized as confidential by the company and for this reason it cannot be made public.



# About this Report

GRI 102-50, GRI 102-51, GRI 102-52, GRI 102-53, GRI 102-54, GRI 102-56

## REPORTING PERIOD

This is the 11th, consecutive, annual Sustainable Development and Social Responsibility Report issued by FOURLIS Group. It presents information on the Group's management approach and sustainable development performance and it covers the period from January 1st to December 31st, 2019. The Group's previous Report was published in June 2019 and covered the 2018 financial year. The Report is addressed to all FOURLIS Group's stakeholders and to all those who are interested in the Group's approach and management in relation to topics that pertain to its contribution to sustainable development.

## STANDARDS AND CONTENT DEFINITION

The current Sustainable Development and Social Responsibility Report has been prepared in accordance with the GRI Standards (Core option). We believe that this choice reflects the Group's commitment to connect its broader strategy with its economic, social and environmental impacts and its contribution to the overall sustainable development within the UN Sustainable Development Goals framework (p. 28-32).

For the preparation of the Report, specific metrics of the ESG Guide of the Athens Stock Exchange (2019) were taken into account (<https://www.athexgroup.gr/el/web/guest/esg-reporting-guide>).

Moreover, this Report also constitutes the FOURLIS Group's "Communication on Progress" Report, in compliance with the United Nations Global Compact Ten Principles (p. 96).

FOURLIS Group is responsible for the preparation, submission and distribution of this Report. Ernst & Young Hellas provided consulting services for the preparation of this Report, in relation to the compliance with the GRI standards and the Communication on Progress of the UNGC.

## EXTERNAL ASSURANCE

This Report does not contain an independent assurance statement. At FOURLIS Group we recognize the importance of the assurance process regarding both the reliability of the Report's content as well as the internal value of improving our processes. We will examine the possibility to proceed with external assurance in future Reports.

## COMMUNICATION

For any issue regarding this Report as well as for any issues on Sustainable Development and Social Responsibility in relation to FOURLIS Group, please contact: Mrs. Lyda Fournalis, Social Responsibility Director, **FOURLIS HOLDINGS S.A.**, 18-20, Sorou Street, (Building A), P.O. 15125, Maroussi, E-mail: [csr@fourlis.gr](mailto:csr@fourlis.gr), Tel.: +30 210 6293000, Fax: +30 210 6293205.

# Appendices

## Communication On Progress Report – United Nations Global Compact

UNGC PRINCIPLES		SECTION
		<b>HUMAN RIGHTS</b>
<b>Principle 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
<b>Principle 2</b>	Businesses should make sure that they are not complicit in human rights abuses	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
		<b>LABOUR</b>
<b>Principle 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
<b>Principle 4</b>	Businesses should uphold the elimination of all forms of forced and compulsory labour	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
<b>Principle 5</b>	Businesses should uphold the effective abolition of child labour	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
<b>Principle 6</b>	Businesses should uphold the elimination of discrimination in respect of employment and occupation	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP "UN Global Compact" FOR OUR PEOPLE "Protection of human rights in the workplace" FOR THE MARKET "Regulatory compliance and business ethics"
		<b>ENVIRONMENT</b>
<b>Principle 7</b>	Businesses should support a precautionary approach to environmental challenges	FOR THE ENVIRONMENT "Responsible energy management and reduction of GHG emissions" "Proper waste management and responsible materials selection" "Responsible water consumption" "Offering products that contribute to a more sustainable lifestyle"
<b>Principle 8</b>	Businesses should undertake initiatives to promote greater environmental responsibility	FOR THE ENVIRONMENT "Responsible energy management and reduction of GHG emissions" "Proper waste management and responsible materials selection" "Responsible water consumption" "Offering products that contribute to a more sustainable lifestyle"
<b>Principle 9</b>	Businesses should encourage the development and diffusion of environmentally friendly technologies	FOR THE ENVIRONMENT "Responsible energy management and reduction of GHG emissions" "Proper waste management and responsible materials selection" "Responsible water consumption" "Offering products that contribute to a more sustainable lifestyle"
		<b>ANTI-CORRUPTION</b>
<b>Principle 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery	FOR THE MARKET "Regulatory compliance and business ethics"

## GRI Content Index

## GRI 102-55

GRI Standard	Disclosure	Report Section or Reference	Page	Reason for omission
		<b>GENERAL DISCLOSURES (CORE OPTION)</b>		
	102-1 Name of the organization	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-2 Activities, brands, products and services	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-3 Location of headquarters	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-4 Location of operations	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-5 Ownership and legal form	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-6 Markets served	THE GROUP AT A GLANCE: "Our business model"	12-14	-
	102-7 Scale of the organization	THE GROUP AT A GLANCE: "Our business model" FOR OUR PEOPLE: "Employment creation" FOR THE MARKET: "Creation and distribution of direct economic value to stakeholders"	12-14 36-43 70-71	-
	102-8 Information on employees and other workers	FOR OUR PEOPLE: "Employment creation"	36-43	-
	102-9 Supply chain	THE GROUP AT A GLANCE: "Our supply chain"	15	-
	102-10 Significant changes to the organization and its supply chain	There were no significant changes within 2019.		-
	102-11 Precautionary Principle or approach	FOR THE ENVIRONMENT	85-86	-
	102-12 External initiatives	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "UN Global Compact"	22	-
	102-13 Membership of associations	THE GROUP AT A GLANCE: "Our Group's memberships"	16-17	-
	102-14 Statement from senior decision-maker	CEO MESSAGE SOCIAL RESPONSIBILITY DIVISION MESSAGE	4-5 20-21	-
	102-16 Values, principles, standards and norms of behavior	THE GROUP AT A GLANCE: "Our Values" "UN Global Compact" FOR THE MARKET: "Code of Conduct"	9, 22, 74	-
	102-18 Governance structure	FOR THE MARKET: "Regulatory compliance and business ethics"	72-77	-
	102-40 List of stakeholder groups	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our stakeholders"	23	-
	102-41 Collective bargaining agreements	FOURLIS Group implements the applicable legislation for bargaining agreements for the 100% of its employees.	-	-
	102-42 Identifying and selecting stakeholders	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our stakeholders"	23	-
	102-43 Approach to stakeholder engagement	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our stakeholders"	24	-
	102-44 Key topics and concerns raised	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Materiality analysis"	26-27	-
	102-45 Entities included in the consolidated financial statements	<a href="https://www.fourlis.gr/Files/IR/Financial%20Reports/Fourlis_Holdings/en/2019/Fourlis_Notes_FY19_en.pdf">https://www.fourlis.gr/Files/IR/Financial%20Reports/Fourlis_Holdings/en/2019/Fourlis_Notes_FY19_en.pdf</a>	-	-
	102-46 Defining report content and topic Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Materiality analysis" "Our material topics for 2019"	28-32	-
	102-47 List of material topics	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	28-32	-
	102-48 Restatements of information	Aiming to improve and fully depict the information provided, there are restatements within the Report which are highlighted in the relevant sections.	-	-
	102-49 Changes in reporting	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	28-32	-
	102-50 Reporting period	ABOUT THIS REPORT	95	-
	102-51 Date of most recent report	ABOUT THIS REPORT	95	-
	102-52 Reporting cycle	ABOUT THIS REPORT	95	-
	102-53 Contact point for questions regarding the report	ABOUT THIS REPORT	95	-
	102-54 Claims of reporting in accordance with the GRI Standards	ABOUT THIS REPORT	95	-
	102-55 GRI content index	GRI CONTENT INDEX	97	-
	102-56 External assurance	ABOUT THIS REPORT	95	-
		<b>Creation &amp; distribution of direct economic value to stakeholders</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	29	-
	103-2 The management approach and its components	FOR THE MARKET: "Creation and distribution of direct economic value to stakeholders"	70	-
	103-3 Evaluation of the management approach	FOR THE MARKET: "Creation and distribution of direct economic value to stakeholders"	71	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	FOR THE MARKET: "Creation and distribution of direct economic value to stakeholders"	71	-
		<b>Regulatory compliance and business ethics</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	28	-
	103-2 The management approach and its components	FOR THE MARKET: "Regulatory compliance and business ethics"	72-77	-
	103-3 Evaluation of the management approach	FOR THE MARKET: "Regulatory compliance and business ethics"	77	-
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	FOR THE MARKET: "Regulatory compliance and business ethics"	77	-
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	FOR THE MARKET: "Regulatory compliance and business ethics"	77	-

GRI Standard	Disclosure	Report Section or Reference	Page	Reason for omission
<b>Employment creation</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	30	-
	103-2 The management approach and its components	FOR OUR PEOPLE: "Employment creation"	36-41	-
	103-3 Evaluation of the management approach	FOR OUR PEOPLE: "Employment creation"	42-43	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	FOR OUR PEOPLE: "Employment creation"	42-43	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	FOR OUR PEOPLE: "Employment creation"	43	-
<b>Protection of Human Rights in the workplace</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	32	-
	103-2 The management approach and its components	FOR OUR PEOPLE: "Protection of Human Rights in the workplace"	44	-
	103-3 Evaluation of the management approach	FOR OUR PEOPLE: "Protection of Human Rights in the workplace"	45	-
GRI 406-1: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	FOR OUR PEOPLE: "Protection of Human Rights in the workplace"	45	-
FOURLIS INDICATOR	Percentage of women in managerial or not positions in the Group	FOR OUR PEOPLE: "Protection of Human Rights in the workplace"	45	-
<b>Investing in employee training and education</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	32	-
	103-2 The management approach and its components	FOR OUR PEOPLE: "Investing in employee training and education"	46-47	-
	103-3 Evaluation of the management approach	FOR OUR PEOPLE: "Investing in employee training and education"	48-49	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per	FOR OUR PEOPLE: "Investing in employee training and education"	48	-
	404-2 Programs for upgrading employee skills and transition assistance programs	FOR OUR PEOPLE: "Investing in employee training and education"	49	-
	404-3 Percentage of employees receiving regular performance and career development reviews	FOR OUR PEOPLE: "Investing in employee training and education"	48	-
<b>Active and responsible social contribution</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	31	-
	103-2 The management approach and its components	FOR THE SOCIETY: "Active and responsible social contribution"	56	-
	103-3 Evaluation of the management approach	FOR THE SOCIETY: "Active and responsible social contribution"	57-67	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	FOR THE SOCIETY: "Active and responsible social contribution"	57-67	-
<b>Product compliance, labeling and responsible communication</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	30	-
	103-2 The management approach and its components	FOR THE MARKET: "Product compliance, labeling and responsible communication"	80-83	-
	103-3 Evaluation of the management approach	FOR THE MARKET: "Product compliance, labeling and responsible communication"	83	-
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	FOR THE MARKET: "Product compliance, labeling and responsible communication"	83	-
	417-3 Incidents of non-compliance concerning marketing communication	FOR THE MARKET: "Product compliance, labeling and responsible communication"	83	-
<b>Protection of customer and visitor health and safety</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	29	-
	103-2 The management approach and its components	FOR THE MARKET: "Protection of customer and visitor health and safety"	78-79	-
	103-3 Evaluation of the management approach	FOR THE MARKET: "Protection of customer and visitor health and safety"	79	-
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	FOR THE MARKET: "Protection of customer and visitor health and safety"	79	-
<b>Protection of employee health, safety and well-being</b>				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundaries	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our material topics for 2019"	31	-
	103-2 The management approach and its components	FOR OUR PEOPLE: "Protection of employee health, safety and well-being"	50-51	-
	103-3 Evaluation of the management approach	FOR OUR PEOPLE: "Protection of employee health, safety and well-being"	52-53	-
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	FOR OUR PEOPLE: "Protection of employee health, safety and well-being"	52-53	The results for the rest of the Group companies are not disclosed because data was unavailable for the reporting period.
	403-3 Workers with high incidence or high risk of diseases related to their occupation	FOR OUR PEOPLE: "Protection of employee health, safety and well-being"	53	-

## ESG GUIDE CONTENT INDEX

According to the ESG Guide of Athens Stock Exchange

([https://www.athexgroup.gr/documents/10180/5665122/ENG ESG+REPORTING+GUIDE/28a9a0e5-f72c-4084-9047-503717f2f3ff](https://www.athexgroup.gr/documents/10180/5665122/ENG_ESG+REPORTING+GUIDE/28a9a0e5-f72c-4084-9047-503717f2f3ff))

ESG Categorization	ID	Metric Title	Report section/Reference	Page
<b>Core metrics</b>				
Society	C-S3	Turnover rates	FOR OUR PEOPLE: "Employment creation-Our results"	43
	C-S5	Human rights policy	FOR OUR PEOPLE: "Employment creation-Our results"	44-45
Corporate Governance	C-G1	Sustainability supervision	FOR THE MARKET: "Sustainable development supervision"	76
			SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "ESG strategic goals"	33
	C-G2	Business Ethics policy	FOR THE MARKET: "Regulatory compliance and business ethics/Corporate Governance Code/Code of Conduct "	73-74
	C-G3	Data security policy	FOR THE MARKET: «Personal data protection»	76-77
<b>Advanced metrics</b>				
Society	A-S1	Stakeholder engagement	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Our stakeholders", "Materiality Analysis" "Our material topics for 2019" GRI CONTENT INDEX: "Collective bargaining agreements"	23-32 97
	A-S5	Sustainable product revenue	The information regarding revenues from the sale of sustainable products is characterized as confidential by the company and for this reason it cannot be made public. However, the company publishes an indicative list of products due to the large number of sustainable products it offers.	94
Corporate Governance	A-G2	Material issues	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "Materiality Analysis/Our material topics for 2019"	26-32
	A-G3	ESG targets	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT OUR GROUP: "ESG strategic goals"	33
	A-G4	Variable remuneration	FOR THE MARKET: "Regulatory compliance and business ethics/ Nomination and Remuneration Committee"	76

